

# FINANCIAL STATEMENTS

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# STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the European Union. The Directors have elected to prepare the Company financial statements in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of Companies Act 2014.

Under company law the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year.

In preparing the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position of the Group and Company and the profit and loss of the Group and which enable them to ensure that the financial statements are prepared in accordance with the applicable accounting framework and comply with the provision of the Companies Act 2014. The Directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have a general responsibility for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's and Company's website (www.dcc.ie). Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Directors' report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face. We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's position and performance, business model and strategy.

On behalf of the Board

**Mark Breuer**  
Non-executive Chair

**Donal Murphy**  
Chief Executive

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DCC PLC

## Report on the audit of the financial statements

### OPINION

We have audited the financial statements of DCC Plc ('the Company') and its consolidated undertakings ('the Group') for the year ended 31 March 2025 set out on pages 156 to 236, which comprise the Group and Company Balance Sheet, the Group Income Statement, the Group Statement of Comprehensive Income, the Group and Company Cash Flow Statement, the Group and Company Statement of Changes in Equity and related notes, including the material accounting policies set out in note 5.9.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ('IFRS') as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 March 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority ('IAASA'), as applied to listed entities.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining, inspecting and challenging management's assessment of going concern and underlying budgets and forecasts.
- Obtaining debt covenant calculations as at 31 March 2025 and inspecting the headroom available under those covenants.
- Inquiring about any legal claims with those charged with governance, Head of Legal, management, as well as local finance teams.
- Inquiring as to any subsequent events from those charged with governance, management, and local finance teams.
- Assessing the adequacy of the disclosures included within the Annual Report relating to going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

In relation to the Group and the Company's reporting on how they have applied the UK Corporate Governance Code we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

### DETECTING IRREGULARITIES INCLUDING FRAUD

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the Directors. In addition, our risk assessment procedures included:

- Inquiring with the Directors and other management as to the Group's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of Directors, the Audit Committee, internal audit as to the Group's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Inquiring of Directors, the Audit Committee and internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- Inspecting selected regulatory and legal correspondence.
- Reading Board and sub-committee meeting minutes.
- Considering remuneration incentive schemes and performance targets for management and Directors including the earnings per share target for management remuneration.
- Performing planning analytical procedures to identify any usual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team. This included communication from the Group audit team to component audit teams of relevant laws and regulations and any fraud risks identified at the Group level and request to component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at Group.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation, taxation legislation and distributable profits legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, environmental law, competition law, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Group's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We did not identify any additional fraud risks.

In response to the fraud risks, we also performed procedures including:

- identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- assessing the disclosures in the financial statements.

As the Group is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Group operates in and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In 2025, acquisition accounting on business combinations is not considered to be a key audit matter as the quantum of acquisitions and the relative complexity associated with the identification of acquired intangible assets has decreased when compared with 2024. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

### GROUP KEY AUDIT MATTERS

#### Valuation of goodwill and intangible assets £2,414 million (2024: £3,137 million)

Refer to note 5.9 (Summary of Material Accounting Policies) and note 3.3 (Intangible Assets and Goodwill)

The key Group audit matter	How the matter was addressed in our audit
<p>The Group has goodwill and intangible assets arising from acquisitions.</p> <p>There is a risk that the carrying amounts of goodwill and intangible assets will be more than the estimated recoverable amount.</p> <p>The recoverable amount of goodwill and intangible assets is arrived at by forecasting and discounting future cash flows to determine value in use calculations for each Cash Generating Unit ('CGU').</p> <p>These cash flows are inherently judgemental and rely on certain key assumptions including future trading performance, future long-term growth rates and CGU specific discount rates.</p> <p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<p>To assess the Group's cash flow forecasts used in the determinations of the values in use we:</p> <ul style="list-style-type: none"> <li>performed inquiries of the Group to develop an understanding of the process for goodwill impairment assessment and gained an understanding of the Group's process to assess the goodwill and intangible assets for indicators of impairment;</li> <li>considered how the Group calculated the value in use at a CGU level, gaining an understanding of the key assumptions made, changes in the model from prior periods, and why the Group concluded that the key assumptions are reasonable;</li> <li>recalculated the Group's projections to evaluate the mathematical accuracy of the cash flow forecasts and the accuracy of the Group's cash flow estimates in previous years by comparing historical forecasts to actual outturns;</li> <li>used data and analytics procedures to perform scenario analysis over each of the CGUs, flexing key assumptions in the model through a series of iterations identifying CGUs that were most sensitive to movements in assumptions;</li> <li>compared the value in use for the Group as a whole to the Group's market capitalisation;</li> <li>for CGUs which contain a risk of material misstatement, we: <ul style="list-style-type: none"> <li>assessed the appropriateness of the CGU-specific discount rates applied in determining the value in use of each CGU with the assistance of our in-house valuation specialist;</li> <li>evaluated and challenged the key assumptions used to develop the projected financial information regarding future profitability and long-term economic growth rates applied;</li> <li>performed an evaluation of the key assumptions made in the discounted cash flow models of certain CGUs based on our knowledge of the Group and our reading of the Group's forecasts combined with external data where considered relevant;</li> </ul> </li> <li>where an impairment is identified, we recalculated the impairment charge; and</li> <li>evaluated whether the disclosures as set out in the financial statements are appropriate and in compliance with IAS 36 including the disclosures related to estimation uncertainty, significant judgements and assumptions made.</li> </ul> <p>Based on evidence obtained, we found that the key assumptions applied in the Group's cash flow forecast models used in the determination of value in use were appropriate. We read the disclosures of significant judgements made and found them to be appropriate.</p>

## COMPANY KEY AUDIT MATTER

### Investment in subsidiary undertakings £1,141 million (2024: £1,142 million)

Refer to note 5.9 (Summary of Material Accounting Policies) and note 6.4 (Investment in Subsidiary Undertakings)

The key Company audit matter	How the matter was addressed in our audit
<p>The investment in subsidiary undertakings is carried in the Balance Sheet of the Company at cost less impairment. At 31 March 2025, the investment carrying value was £1,141 million.</p> <p>There is a risk in respect of the carrying value of these investments if the future cash flows and trading performance of these subsidiaries are not sufficient to support the Balance Sheet value.</p> <p>We focus on this area due to the significance of the balance to the Company Balance Sheet and the inherent uncertainty involved in forecasting and discounting future cash flows for the subsidiary businesses.</p> <p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• We made inquiries of the Company to understand their process for assessing the recoverability of the investment carrying value in the Company and we tested the design and implementation of the key control in this process;</li> <li>• we considered the Company's assessment of impairment indicators across the Group;</li> <li>• we compared the carrying value of investments in the Company's Balance Sheet to the net assets of the subsidiary financial statements;</li> <li>• we considered the audit work performed in respect of current year results of subsidiaries and the valuation of goodwill and intangible assets; and</li> <li>• we compared the carrying value of subsidiaries to the market capitalisation of the Company at 31 March 2025.</li> </ul> <p>Based on evidence obtained, we found the Company's assessment of the carrying value of the investment in subsidiary undertakings to be appropriate.</p>

## Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £20.0 million. This has been calculated based on 5% of the Group profit before tax from continuing operations pre exceptionals of £409 million which we consider to be one of the principal considerations for members of the Company in assessing the financial performance of the Group. The materiality for the prior year Group financial statements as a whole was set at £22.0 million. This was calculated based on 5% of the forecasted Group profit before tax. The change in materiality benchmark to Group profit before tax from continuing operations pre exceptionals is as a result of the impact of one off exceptional items in the current year arising from the agreement to dispose of certain elements of the business and an exceptional impairment charge on one particular cash generating unit. In applying our judgement in determining the percentage to be applied to the benchmark, the following qualitative factors had the most significant impact:

- the Group has a high public profile and operates in a regulated environment.
- the stability of the business environment in which it operates.

Performance materiality for the Group financial statements was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to £15.0m (2024: £16.5m). We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. In applying our judgement in determining performance materiality, we considered a number of factors including; the low number and value of misstatements detected and the low number and severity of deficiencies in control activities identified in the prior year financial statement audit.

We report to the Audit Committee all corrected and uncorrected misstatements we identified through our audit with a value in excess of £1 million (2024: £1 million), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Materiality for the Company financial statements as a whole was set at £12 million (2024: £12 million), determined with reference to a benchmark of Company total assets of which it represents 0.8% (2024: 0.8%). Our approach to audit scoping is consistent with that applied in previous years. In determining the percentage applied to the benchmark, our judgement was significantly influenced by the following qualitative factors:

- the Company has a high public profile and operates in a regulated environment.
- the stability of the business environment in which its underlying investments operate.

Performance materiality for the Company financial statements was set at 75% (2024: 75%) of materiality for the financial statements, which equates to £9 million (2024: £9 million).

This year, we applied the revised group auditing standard in our audit of the consolidated financial statements. The revised standard changes how an auditor approaches the identification of components, and how the audit procedures are planned and executed across components.

In particular, the definition of a component has changed, shifting the focus from how the entity prepares financial information to how we, as the group auditor, plan to perform audit procedures to address group risks of material misstatement ('RMMs'). Similarly, the group auditor has an increased role in designing the audit procedures as well as making decisions on where these procedures are performed (centrally and/or at component level) and how these procedures are executed and supervised. As a result, we assess scoping and coverage in a different way and comparisons to prior period coverage figures are not meaningful. In this report we provide an indication of scope coverage on the new basis.

The components in scope covered 91% of total revenues and 85% of total assets.

We applied materiality to assist us in determining what risks were significant risks and the Group audit team instructed component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back. The Group audit team approved the performance materiality for components, which ranged from £2.6 million to £6.0 million, having regard to the mix of size and risk profile of the Group across the components. The work on thirty three in-scope components was performed by the Group team and component auditors. Fifteen component audits were performed by KPMG Dublin, fifteen performed by KPMG overseas offices and three performed by non-KPMG member firms.

As part of establishing the overall Group audit team strategy and plan, we conducted the risk assessment and planning discussion meetings with component auditors to discuss Group audit risks relevant to the components.

Video and telephone conference meetings were held with these component auditors, throughout the audit process where the results of the planning and further audit procedures communicated to us were discussed in more detail, and any further work required by us was then performed by the component auditors.

We inspected the work performed by the component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed.

## OTHER INFORMATION

The Directors are responsible for the preparation of the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' report, the non-financial statement included on the Company's website at [www.dcc.ie](http://www.dcc.ie), and the Strategic Report and Governance sections of the Annual Report and Supplemental Information.

The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit we report that, in those parts of the Directors' report specified for our consideration, which does not include the information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017:

- we have not identified material misstatements in the Directors' report;
- in our opinion, the information given in the Directors' report is consistent with the financial statements; and
- in our opinion, the Directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

### **CORPORATE GOVERNANCE STATEMENT**

We have reviewed the Directors' statement in relation to going concern, longer-term viability, that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules of the UK Listing Authority.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities;
- Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the annual report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated;
- section of the annual report that describes the review of effectiveness of risk management and internal control systems; and
- section describing the work of the Audit Committee.

### **OUR OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2014 ARE UNMODIFIED**

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception.

The Companies Act 2014 requires us to report to you if, in our opinion:

- the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.
- the Company has not provided the information required by section 5(2) to (7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 for the year ended 31 March 2024 as required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) (amendment) Regulations 2018.

We have nothing to report in this regard.

## Respective responsibilities and restrictions on use

### RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the Directors' responsibilities statement set out on page 148, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A fuller description of our responsibilities is provided on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

### THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

#### Patricia Carroll

for and on behalf of  
KPMG

Chartered Accountants, Statutory Audit Firm  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03

12 May 2025

# GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025			Restated* 2024		
		Pre- exceptionals £'000	Exceptionals (note 2.6) £'000	Total £'000	Pre- exceptionals £'000	Exceptionals (note 2.6) £'000	Total £'000
<b>Revenue</b>	2.1	18,011,111	–	18,011,111	18,854,051	–	18,854,051
Cost of sales		(15,612,712)	–	(15,612,712)	(16,513,269)	–	(16,513,269)
<b>Gross profit</b>		2,398,399	–	2,398,399	2,340,782	–	2,340,782
Administration expenses		(668,475)	–	(668,475)	(584,106)	–	(584,106)
Selling and distribution expenses		(1,160,554)	–	(1,160,554)	(1,184,875)	–	(1,184,875)
Other operating income/(expenses)	2.2	48,152	(39,824)	8,328	28,391	(34,222)	(5,831)
Adjusted operating profit	2.1	617,522	(39,824)	577,698	600,192	(34,222)	565,970
Intangible asset amortisation and impairment	2.1	(107,527)	(73,835)	(181,362)	(103,525)	–	(103,525)
<b>Operating profit</b>		509,995	(113,659)	396,336	496,667	(34,222)	462,445
Finance costs	2.7	(118,791)	(340)	(119,131)	(119,342)	(873)	(120,215)
Finance income	2.7	14,270	–	14,270	16,379	–	16,379
Share of equity accounted investments' profit after tax	2.8	3,392	–	3,392	604	–	604
<b>Profit before tax</b>		408,866	(113,999)	294,867	394,308	(35,095)	359,213
Income tax expense	2.9	(80,189)	8,240	(71,949)	(76,225)	4,558	(71,667)
Profit for the year from continuing operations		328,677	(105,759)	222,918	318,083	(30,537)	287,546
Profit for the year from discontinued operations	2.10	59,264	(60,961)	(1,697)	56,219	(3,227)	52,992
<b>Profit after tax for the financial year</b>		387,941	(166,720)	221,221	374,302	(33,764)	340,538
<b>Profit attributable to:</b>							
Owners of the Parent Company		373,210	(166,720)	206,490	359,570	(33,315)	326,255
Non-controlling interests		14,731	–	14,731	14,732	(449)	14,283
		387,941	(166,720)	221,221	374,302	(33,764)	340,538
<b>Earnings per ordinary share</b>							
Basic earnings per share	2.12			208.78p			330.24p
Diluted earnings per share	2.12			208.44p			329.85p
<b>Earnings per ordinary share – continuing operations</b>							
Basic earnings per share	2.12			210.82p			276.94p
Diluted earnings per share	2.12			210.48p			276.61p

\* See note 2.10

# GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £'000	Restated 2024 £'000
Group profit for the financial year		221,221	340,538
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Currency translation:			
– arising in the year		(43,689)	(66,207)
– recycled to the Income Statement on disposal		(13,041)	–
Movements relating to cash flow hedges		25,323	37,117
Movement in deferred tax on cash flow hedges	2.9	(5,140)	(6,937)
		<b>(36,547)</b>	<b>(36,027)</b>
<b>Items that will not be reclassified to profit or loss</b>			
Group defined benefit pension obligations:			
– remeasurements	3.15	(332)	24
– movement in deferred tax	2.9	28	(117)
		<b>(304)</b>	<b>(93)</b>
<b>Other comprehensive expense for the financial year, net of tax</b>		<b>(36,851)</b>	<b>(36,120)</b>
<b>Total comprehensive income for the financial year</b>		<b>184,370</b>	<b>304,418</b>
<b>Attributable to:</b>			
Owners of the Parent Company		171,820	292,686
Non-controlling interests		12,550	11,732
		<b>184,370</b>	<b>304,418</b>
<b>Attributable to:</b>			
Continuing operations		198,202	266,410
Discontinued operations		(13,832)	38,008
		<b>184,370</b>	<b>304,418</b>

# GROUP BALANCE SHEET

AS AT 31 MARCH 2025

	Note	2025 £'000	2024 £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	1,262,386	1,430,513
Right-of-use leased assets	3.2	298,032	349,925
Goodwill	3.3	1,716,684	2,190,147
Intangible assets	3.3	696,819	946,798
Equity accounted investments	3.4	71,428	32,825
Deferred income tax assets	3.14	87,446	81,258
Derivative financial instruments	3.10	24,871	42,760
		4,157,666	5,074,226
<b>Current assets</b>			
Inventories	3.5	940,159	1,072,061
Trade and other receivables	3.6	1,975,444	2,172,422
Derivative financial instruments	3.10	25,321	55,064
Cash and cash equivalents	3.9	1,088,175	1,109,446
		4,029,099	4,408,993
Assets classified as held for sale	2.10	1,070,864	–
		5,099,963	4,408,993
<b>Total assets</b>		<b>9,257,629</b>	<b>9,483,219</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Parent Company</b>			
Share capital	4.1	17,422	17,422
Share premium	4.1	883,909	883,890
Share based payment reserve	4.2	71,350	63,806
Cash flow hedge reserve	4.2	2,083	(18,100)
Foreign currency translation reserve	4.2	10,324	64,873
Other reserves	4.2	932	932
Retained earnings	4.3	2,087,407	2,078,568
<b>Equity attributable to owners of the Parent Company</b>		<b>3,073,427</b>	<b>3,091,391</b>
Non-controlling interests	4.4	94,869	91,641
<b>Total equity</b>		<b>3,168,296</b>	<b>3,183,032</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	3.11	1,849,217	1,574,775
Lease creditors	3.12	249,726	284,856
Derivative financial instruments	3.10	19,224	27,536
Deferred income tax liabilities	3.14	223,949	286,217
Post-employment benefit obligations	3.15	5,884	6,557
Provisions for liabilities	3.17	283,397	306,367
Acquisition related liabilities	3.16	83,547	72,009
Government grants	3.18	2,513	2,704
		2,717,457	2,561,021
<b>Current liabilities</b>			
Trade and other payables	3.7	2,763,181	3,054,108
Current income tax liabilities		73,781	81,095
Borrowings	3.11	116,825	368,743
Lease creditors	3.12	64,245	77,527
Derivative financial instruments	3.10	11,348	20,914
Provisions for liabilities	3.17	68,660	67,011
Acquisition related liabilities	3.16	10,911	69,768
		3,108,951	3,739,166
Liabilities associated with assets classified as held for sale	2.10	262,925	–
		3,371,876	3,739,166
<b>Total liabilities</b>		<b>6,089,333</b>	<b>6,300,187</b>
<b>Total equity and liabilities</b>		<b>9,257,629</b>	<b>9,483,219</b>

**Mark Breuer, Donal Murphy**  
Directors

# GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Attributable to owners of the Parent Company					Non-controlling interests (note 4.4) £'000	Total equity £'000
	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 4.3) £'000	Other reserves (note 4.2) £'000	Total £'000		
<b>At 1 April 2024</b>	17,422	883,890	2,078,568	111,511	3,091,391	91,641	3,183,032
Profit for the financial year	-	-	206,490	-	206,490	14,731	221,221
<b>Other comprehensive income:</b>							
Currency translation:							
- arising in the year	-	-	-	(41,508)	(41,508)	(2,181)	(43,689)
- recycled to the Income Statement on disposal	-	-	-	(13,041)	(13,041)		(13,041)
Group defined benefit pension obligations:							
- remeasurements	-	-	(332)	-	(332)	-	(332)
- movement in deferred tax	-	-	28	-	28	-	28
Movements relating to cash flow hedges	-	-	-	25,323	25,323	-	25,323
Movement in deferred tax on cash flow hedges	-	-	-	(5,140)	(5,140)	-	(5,140)
<b>Total comprehensive income</b>	-	-	206,186	(34,366)	171,820	12,550	184,370
Re-issue of treasury shares	-	19	-	-	19	-	19
Share based payment	-	-	-	7,544	7,544	-	7,544
Dividends	-	-	(197,347)	-	(197,347)	(9,322)	(206,669)
<b>At 31 March 2025</b>	17,422	883,909	2,087,407	84,689	3,073,427	94,869	3,168,296

FOR THE YEAR ENDED 31 MARCH 2024

	Attributable to owners of the Parent Company					Non-controlling interests (note 4.4) £'000	Total equity £'000
	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 4.3) £'000	Other reserves (note 4.2) £'000	Total £'000		
At 1 April 2023	17,422	883,669	1,941,223	135,777	2,978,091	80,219	3,058,310
Profit for the financial year	-	-	326,255	-	326,255	14,283	340,538
<b>Other comprehensive income:</b>							
Currency translation	-	-	-	(63,656)	(63,656)	(2,551)	(66,207)
Group defined benefit pension obligations:							
- remeasurements	-	-	24	-	24	-	24
- movement in deferred tax	-	-	(117)	-	(117)	-	(117)
Movements relating to cash flow hedges	-	-	-	37,117	37,117	-	37,117
Movement in deferred tax on cash flow hedges	-	-	-	(6,937)	(6,937)	-	(6,937)
<b>Total comprehensive income</b>	-	-	326,162	(33,476)	292,686	11,732	304,418
Re-issue of treasury shares	-	221	-	-	221	-	221
Share based payment	-	-	-	9,210	9,210	-	9,210
Dividends	-	-	(188,817)	-	(188,817)	(310)	(189,127)
<b>At 31 March 2024</b>	17,422	883,890	2,078,568	111,511	3,091,391	91,641	3,183,032

# GROUP CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £'000	2024 £'000
<b>Operating activities</b>			
Cash generated from operations before exceptionals	5.3	856,761	995,793
Exceptionals		(55,858)	(30,934)
Cash generated from operations		800,903	964,859
Interest paid (including lease interest)		(102,998)	(118,780)
Income tax paid		(115,876)	(124,057)
<b>Net cash flow from operating activities</b>		<b>582,029</b>	<b>722,022</b>
<b>Investing activities</b>			
Inflows:			
Proceeds from disposal of property, plant and equipment		44,839	6,666
Dividends received from equity accounted investments	3.4	857	1,261
Government grants received in relation to property, plant and equipment	3.18	340	2,669
Proceeds on disposal of subsidiaries and equity accounted investments		61,406	17,668
Interest received		11,178	15,285
		<b>118,620</b>	<b>43,549</b>
Outflows:			
Purchase of property, plant and equipment		(214,295)	(230,354)
Acquisition of subsidiaries	5.2	(167,294)	(288,155)
Payment of accrued acquisition related liabilities	3.16	(75,170)	(50,334)
		<b>(456,759)</b>	<b>(568,843)</b>
<b>Net cash flow from investing activities</b>		<b>(338,139)</b>	<b>(525,294)</b>
<b>Financing activities</b>			
Inflows:			
Proceeds from issue of shares	4.1	19	221
Net cash inflow on derivative financial instruments		51,552	69,182
Increase in interest-bearing loans and borrowings		809,050	–
		<b>860,621</b>	<b>69,403</b>
Outflows:			
Repayment of interest-bearing loans and borrowings		(748,840)	(270,836)
Repayment of lease creditors (principal)		(86,005)	(82,187)
Dividends paid to owners of the Parent Company	2.11	(197,347)	(188,817)
Dividends paid to non-controlling interests	4.4	(9,322)	(310)
		<b>(1,041,514)</b>	<b>(542,150)</b>
<b>Net cash flow from financing activities</b>		<b>(180,893)</b>	<b>(472,747)</b>
Change in cash and cash equivalents		62,997	(276,019)
Translation adjustment		(16,414)	(22,341)
Cash and cash equivalents at beginning of year		1,072,846	1,371,206
<b>Cash and cash equivalents at end of year</b>	3.9	<b>1,119,429</b>	<b>1,072,846</b>
Cash and short-term bank deposits	3.9	1,088,175	1,109,446
Overdrafts	3.9	(31,084)	(36,600)
Cash and short-term bank deposits attributable to assets held for sale	3.9	62,338	–
		<b>1,119,429</b>	<b>1,072,846</b>

# NOTES TO THE FINANCIAL STATEMENTS

Notes to the financial statements provide additional information required by statute, accounting standards or Listing Rules. For clarity, each note begins with a simple introduction outlining the purpose of the note.

## Section 1 Basis of Preparation

### 1.1 Statement of Compliance

International Financial Reporting Standards ('IFRS') require an entity whose financial statements comply with IFRS to make an explicit and unreserved statement of such compliance in the notes to the financial statements.

The consolidated financial statements of DCC plc have been prepared in accordance with International Financial Reporting Standards ('IFRS') and their interpretations approved by the International Accounting Standards Board ('IASB') as adopted by the European Union ('EU') and those parts of the Companies Act, 2014 applicable to companies reporting under IFRS. IFRS as adopted by the EU differ in certain respects from IFRS as issued by the IASB. Both the Parent Company and the Group financial statements have been prepared in accordance with IFRS as adopted by the EU and references to IFRS hereafter should be construed as references to IFRS as adopted by the EU. In presenting the Parent Company financial statements together with the Group financial statements, the Parent Company has availed of the exemption in Section 304(2) of the Companies Act, 2014 not to present its individual Income Statement and related notes that form part of the approved Parent Company financial statements. The Parent Company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by Section 304(2) of the Companies Act, 2014.

The Going Concern Statement on page 85 forms part of the Group financial statements. The Directors acknowledge that based on their review of the Group's activities, cash flows, liquidity position and borrowing facilities for the financial year ended 31 March 2025, and having assessed the principal risks facing the Group, the Board of Directors has a reasonable expectation that DCC plc, and the Group as a whole, has adequate financial and other resources to continue in operational existence and will be able to meet its liabilities as they fall due over the 12-month going concern period.

DCC plc, the ultimate Parent Company, is a publicly traded limited company incorporated and domiciled in the Republic of Ireland. DCC plc's shares have a Premium Listing on the Official List of the United Kingdom Listing Authority and are traded solely on the London Stock Exchange.

### 1.2 Basis of Preparation

This section includes information on new accounting standards, amendments and interpretations, whether they are effective for the current year or in later years, and how they are expected to impact the financial position and performance of the Group.

The consolidated financial statements, which are presented in sterling, rounded to the nearest thousand, have been prepared on a going concern basis under the historical cost convention, as modified by the measurement at fair value of share-based payments at the date of grant, post-employment benefit obligations and certain financial assets and liabilities including derivative financial instruments. The carrying values of recognised assets and liabilities that are hedged via fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged.

The material accounting policies applied in the preparation of the financial statements for the year ended 31 March 2025 are set out in note 5.9. These policies have been applied consistently by the Group's subsidiaries and equity accounted investments for all periods presented in these consolidated financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are detailed in note 1.4.

### 1.2 Basis Of Preparation continued

#### **Adoption of IFRS and International Financial Reporting Interpretations Committee ('IFRIC') Interpretations**

The following changes to IFRS became effective for the Group during the year but did not result in a material change to the Group's financial statements:

- Classification of Liabilities as Current or Non-current – Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7
- Lack of Exchangeability – Amendments to IAS 21

#### **Standards, interpretations and amendments to published standards that are not yet effective**

The Group has not applied certain new standards, amendments and interpretations to existing standards that have been issued but are not yet effective. These include:

- Classification and Measurement of Financial Instruments – Amendments to IFRS 9/IFRS 7
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9/IFRS 7
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Annual Improvements to IFRS Accounting Standards – Volume 11

The Group is currently assessing how the application of IFRS 18 Presentation and Disclosure in Financial Statements, effective for accounting periods on or after 1 January 2027, will affect the future presentation of the Group's financial statements. While the adoption of IFRS 18 will not affect the totals of the Group's assets, liabilities, equity, income and expenses, there will likely be changes as to how the make-up of these principal categories are presented both in the primary statements and the notes together with additional disclosures around management performance measures. Otherwise, the standards outlined above are not expected to result in a net material change to the Group's financial statements.

### 1.3 Basis of Consolidation

This section details how the Group accounts for the different types of interests it has in subsidiaries and equity accounted investments.

#### **SUBSIDIARIES**

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over its relevant activities, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The results of subsidiary undertakings acquired or disposed of during the year are included in the Group Income Statement from the date of their acquisition or up to the date of their disposal. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

#### **EQUITY ACCOUNTED INVESTMENTS**

The Group's interests in equity accounted investments comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity accounted investments, until the date on which significant influence ceases.

#### **TRANSACTIONS ELIMINATED ON CONSOLIDATION**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## 1.4 Critical Accounting Estimates and Judgements

This section sets out the key areas of judgement and estimation that management has identified as having a potentially material impact on the Group's consolidated financial statements.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Group's material accounting policies affecting its results of operations and financial condition are set out in note 5.9. The Group has considered the impact of climate change on the financial statements including impairment of non-financial and financial assets, the useful lives of assets, and provisions. Further details are included in note 3.1 Property, Plant and Equipment and note 3.3 Intangible Assets and Goodwill. The Group also considers the impact of climate change as part of the annual budget and strategic plans to ensure consistency with achieving the Group's carbon reduction targets.

We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and management has discussed its critical accounting estimates and associated disclosures with the Audit Committee. Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates ('E') and judgements ('J'):

### GOODWILL (E,J)

The Group has capitalised goodwill of £1,716.7 million at 31 March 2025. Goodwill is required to be tested for impairment at least annually or more frequently if changes in circumstances or the occurrence of events indicating potential impairment exist. The Group uses the present value of future cash flows to determine recoverable amount. In calculating the value in use, management judgement and estimation is required in forecasting cash flows of cash-generating units, in determining terminal growth values and in selecting an appropriate discount rate. Sensitivities to changes in assumptions are detailed in note 3.3.

### BUSINESS COMBINATIONS (E)

Business combinations are accounted for using the acquisition method which requires that the assets and liabilities assumed are recorded at their respective fair values at the date of acquisition. The application of this method requires certain estimates and assumptions particularly concerning the determination of the fair values of the acquired assets and liabilities assumed at the date of acquisition.

For intangible assets acquired, the Group bases valuations on expected future cash flows. This method employs a discounted cash flow analysis using the present value of the estimated after-tax cash flows expected to be generated from the purchased intangible asset using risk adjusted discount rates and revenue forecasts as appropriate. The period of expected cash flows is based on the expected useful life of the intangible asset acquired. The Group engages a specialist valuation expert to assist with this process where appropriate.

### TAXATION (E,J)

The Group is subject to income taxes in a number of jurisdictions. Provisions for tax liabilities require management to make judgements and estimates in relation to tax issues and exposures. Amounts provided are based on management's interpretation of country-specific tax laws and the likelihood or probability of settlement. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current tax and/or deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The Group estimates the most probable amount of future taxable profits, using assumptions consistent with those employed in impairment calculations, and taking into account applicable tax legislation in the relevant jurisdiction. These calculations require the use of estimates.

### USEFUL LIVES FOR PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (E,J)

Long-lived assets comprising primarily of property, plant and equipment and intangible assets represent a significant portion of the Group's total assets. The annual depreciation and amortisation charge depend primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. Management regularly review these useful lives and residual values and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, the impact of climate change, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the period.

## Section 2 Results for the Year

### 2.1 Segment Information

The Group is organised into two operating segments. This section provides information on the financial performance for the year on both a segmental and geographic basis.

#### SEGMENTAL ANALYSIS

DCC is a leading international sales, marketing and support services group headquartered in Dublin, Ireland. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The CODM has been identified as Mr. Donal Murphy, Chief Executive and his Group Executive Committee.

As announced on 22 April 2025, the Group entered into an agreement to dispose of its Healthcare division. Following this change in the composition of operating segments, segmental reporting has been revised and the prior year segmental disclosures have been restated as required under IFRS 8.

The Group is organised into two operating segments (as identified under IFRS 8 Operating Segments) and generates revenue through the following activities:

**DCC Energy** is a customer-focused energy business, specialising in the sales, marketing, and distribution of secure, cleaner and competitive energy solutions to commercial, industrial, domestic, and transport customers. We operate two businesses: our Solutions business brings energy products and services to customer sites, while our Mobility business serves transport and fleet customers. The adjusted operating profit of Solutions represents approximately 77% of this segment's adjusted operating profit in the current year and Mobility represents approximately 23%.

**DCC Technology** acts as an enabler between global technology brands and the people and businesses who use their products. DCC Technology comprises Pro Tech, Info Tech and Life Tech. Through Pro Tech, we bring professional technologies together to enhance audio and visual experiences. Through Info Tech, we put the latest technology in people's hands to make faster connections happen. And through Life Tech, we provide technology to improve lifestyle quality.

The chief operating decision maker monitors the operating results of segments separately to allocate resources between segments and to assess performance. Segment performance is predominantly evaluated based on operating profit before amortisation of intangible assets and net operating exceptional items ('adjusted operating profit') and return on capital employed. Net finance costs and income tax are managed on a centralised basis and therefore these items are not allocated between operating segments for the purpose of presenting information to the chief operating decision maker and accordingly are not included in the detailed segmental analysis.

Intersegment revenue is not material and thus not subject to separate disclosure.

## 2.1 Segment Information continued

The segment results for the year ended 31 March 2025 are as follows:

### INCOME STATEMENT ITEMS

	Year ended 31 March 2025		
	DCC Energy £'000	DCC Technology £'000	Total £'000
Continuing operations			
<b>Segment revenue</b>	<b>13,366,607</b>	<b>4,644,504</b>	<b>18,011,111</b>
<b>Adjusted operating profit</b>	<b>535,556</b>	<b>81,966</b>	<b>617,522</b>
Intangible asset amortisation and impairment	(85,405)	(95,957)	(181,362)
Net operating exceptionals (note 2.6)	(9,847)	(29,977)	(39,824)
<b>Operating profit</b>	<b>440,304</b>	<b>(43,968)</b>	<b>396,336</b>
Finance costs			(119,131)
Finance income			14,270
Share of equity accounted investments' profit after tax			3,392
<b>Profit before income tax</b>			<b>294,867</b>
Income tax expense			(71,949)
<b>Profit for the year (continuing operations)</b>			<b>222,918</b>

	Year ended 31 March 2024 (Restated)		
	DCC Energy £'000	DCC Technology £'000	Total £'000
Continuing operations			
Segment revenue	14,224,938	4,629,113	18,854,051
Adjusted operating profit	502,961	97,231	600,192
Intangible asset amortisation	(77,236)	(26,289)	(103,525)
Net operating exceptionals (note 2.6)	(14,858)	(19,364)	(34,222)
Operating profit	410,867	51,578	462,445
Finance costs			(120,215)
Finance income			16,379
Share of equity accounted investments' loss after tax			604
Profit before income tax			359,213
Income tax expense			(71,667)
<b>Profit for the year (continuing operations)</b>			<b>287,546</b>

2.1 Segment Information continued

**BALANCE SHEET ITEMS**

	As at 31 March 2025			Total £'000
	DCC Energy £'000	DCC Technology £'000	Discontinued operations £'000	
<b>Segment assets</b>	5,113,541	1,775,983	–	6,889,524
<b>Reconciliation to total assets as reported in the Group Balance Sheet:</b>				
Equity accounted investments				71,428
Derivative financial instruments (current and non-current)				50,192
Deferred income tax assets				87,446
Cash and cash equivalents				1,088,175
Assets classified as held for sale				1,070,864
<b>Total assets as reported in the Group Balance Sheet</b>				<b>9,257,629</b>
<b>Segment liabilities</b>	2,356,524	764,575	–	3,121,099
<b>Reconciliation to total liabilities as reported in the Group Balance Sheet:</b>				
Borrowings (current and non-current)				1,966,042
Lease creditors (current and non-current)				313,971
Derivative financial instruments (current and non-current)				30,572
Income tax liabilities (current and deferred)				297,730
Acquisition related liabilities (current and non-current)				94,458
Government grants (current and non-current)				2,536
Liabilities associated with assets classified as held for sale				262,925
<b>Total liabilities as reported in the Group Balance Sheet</b>				<b>6,089,333</b>

	As at 31 March 2024 (restated)			Total £'000
	DCC Energy £'000	DCC Technology £'000	Discontinued operations £'000	
<b>Segment assets</b>	5,181,837	1,876,675	1,103,354	8,161,866
<b>Reconciliation to total assets as reported in the Group Balance Sheet:</b>				
Equity accounted investments				32,825
Derivative financial instruments (current and non-current)				97,824
Deferred income tax assets				81,258
Cash and cash equivalents				1,109,446
<b>Total assets as reported in the Group Balance Sheet</b>				<b>9,483,219</b>
<b>Segment liabilities</b>	2,461,542	768,733	203,732	3,434,007
<b>Reconciliation to total liabilities as reported in the Group Balance Sheet:</b>				
Borrowings (current and non-current)				1,943,518
Lease creditors (current and non-current)				362,383
Derivative financial instruments (current and non-current)				48,450
Income tax liabilities (current and deferred)				367,312
Acquisition related liabilities (current and non-current)				141,777
Government grants (current and non-current)				2,740
<b>Total liabilities as reported in the Group Balance Sheet</b>				<b>6,300,187</b>

## 2.1 Segment Information continued

### OTHER SEGMENT INFORMATION

	Year ended 31 March 2025			
	DCC Energy £'000	DCC Technology £'000	Discontinued operations £'000	Total £'000
Capital expenditure – additions (note 3.1)	182,946	7,806	20,918	211,670
Capital expenditure – business combinations (note 3.1)	3,690	396	221	4,307
Depreciation (excluding right-of-use assets) (note 3.1)	133,819	15,725	16,976	166,520
Total consideration on business combinations (note 5.2)	206,237	13,697	15,556	235,490
Goodwill and intangible assets acquired (note 3.3)	206,473	5,478	15,752	227,703

  

	Year ended 31 March 2024 (restated)			
	DCC Energy £'000	DCC Technology £'000	Discontinued operations £'000	Total £'000
Capital expenditure – additions (note 3.1)	182,385	8,931	32,581	223,897
Capital expenditure – business combinations (note 3.1)	48,591	12	–	48,603
Depreciation (excluding right-of-use assets) (note 3.1)	124,921	16,187	16,248	157,356
Total consideration on business combinations (note 5.2)	367,182	3,782	–	370,964
Goodwill and intangible assets acquired (note 3.3)	373,868	2,499	2,768	379,135

### GEOGRAPHICAL ANALYSIS

On a continuing basis, the Group has a presence in 19 countries worldwide. The following represents a geographical analysis of continuing revenue and non-current assets in accordance with IFRS 8, which requires disclosure of information about the country of domicile (Republic of Ireland) and countries with material revenue and non-current assets. Revenue from operations is derived almost entirely from the sale of goods and is disclosed based on the location of the entity selling the goods. The analysis of non-current assets is based on the location of the assets. There are no material dependencies or concentrations on individual customers which would warrant disclosure under IFRS 8.

	Revenue		Non-current assets*	
	2025 £'000	Restated 2024 £'000	2025 £'000	2024 £'000
Republic of Ireland (country of domicile)	1,838,531	1,963,090	205,327	230,348
United Kingdom	5,842,624	6,153,678	1,259,210	1,487,302
France	3,186,335	3,250,325	949,261	961,631
United States	1,902,926	1,806,187	622,673	860,514
Rest of World	5,240,695	5,680,771	1,008,878	1,410,413
	18,011,111	18,854,051	4,045,349	4,950,208

**2.1 Segment Information** continued

\* Non-current assets comprise property, plant and equipment, right-of-use leased assets, intangible assets, goodwill and equity accounted investments.

**DISAGGREGATION OF REVENUE**

The following table disaggregates revenue by primary geographical market, major revenue lines and timing of revenue recognition. The use of revenue as a metric of performance in the Group's Energy segment is of limited relevance due to the influence of changes in underlying energy product costs on absolute revenues. Whilst changes in underlying energy product costs will change percentage operating margins, this has little relevance in the downstream energy distribution market in which this segment operates where elements of profitability are driven by absolute contribution per tonne/litre of product sold, and not a percentage margin. Accordingly, management primarily review geographic volume performance rather than geographic revenue performance for this segment as country-specific GDP and weather patterns can influence volumes. The disaggregated revenue information presented below for DCC Technology, which can also be influenced by country-specific GDP movements, is consistent with how revenue is reported and reviewed internally.

	Year ended 31 March 2025		
	DCC Energy £'000	DCC Technology £'000	Total £'000
<b>Continuing operations</b>			
Republic of Ireland (country of domicile)	1,528,020	310,511	1,838,531
United Kingdom	4,257,283	1,585,341	5,842,624
France	3,056,871	129,464	3,186,335
North America	244,183	1,809,391	2,053,574
Rest of World	4,280,250	809,797	5,090,047
	<b>13,366,607</b>	<b>4,644,504</b>	<b>18,011,111</b>
<b>Products transferred at point in time</b>	<b>13,366,607</b>	<b>4,644,504</b>	<b>18,011,111</b>
Energy solutions products and services	8,574,805	–	8,574,805
Energy mobility products and services	4,791,802	–	4,791,802
Technology products and services	–	4,644,504	4,644,504
	<b>13,366,607</b>	<b>4,644,504</b>	<b>18,011,111</b>
	Year ended 31 March 2024 (restated)		
	DCC Energy £'000	DCC Technology £'000	Total £'000
<b>Continuing operations</b>			
Republic of Ireland (country of domicile)	1,591,561	371,529	1,963,090
United Kingdom	4,501,053	1,652,625	6,153,678
France	3,115,534	134,791	3,250,325
North America	254,370	1,721,283	1,975,653
Rest of World	4,762,420	748,885	5,511,305
	<b>14,224,938</b>	<b>4,629,113</b>	<b>18,854,051</b>
<b>Products transferred at point in time</b>	<b>14,224,938</b>	<b>4,629,113</b>	<b>18,854,051</b>
Energy solutions products and services	8,871,109	–	8,871,109
Energy mobility products and services	5,353,829	–	5,353,829
Technology products and services	–	4,629,113	4,629,113
	<b>14,224,938</b>	<b>4,629,113</b>	<b>18,854,051</b>

## 2.2 Other Operating Income/(Expenses)

This note provides an analysis of the amounts included in other operating income and expenses presented in the Group Income Statement.

Other operating income/(expenses) comprise the following credits/(charges):

	2025 £'000	2024 £'000
<b>Other operating income/(expenses)</b>		
Fair value gains on non-hedge accounted derivative financial instruments – commodities	207	8,741
Fair value losses on non-hedge accounted derivative financial instruments – commodities	(207)	(8,741)
Fair value gains on non-hedge accounted derivative financial instruments – forward exchange contracts	2,765	1,408
Fair value losses on non-hedge accounted derivative financial instruments – forward exchange contracts	(1,933)	(815)
Property and tank rental income	24,315	21,686
Net profit on disposal of property, plant and equipment	17,337	657
Expensing of employee share options and awards (note 2.5)	(7,544)	(9,210)
Other net operating income	13,212	14,665
Net other operating income before exceptional items	48,152	28,391
Other operating income included in net exceptional items	6,956	89
Other operating expenses included in net exceptional items	(46,780)	(34,311)
Total net other operating income/(expenses)	8,328	(5,831)

## 2.3 Group Profit for the Year

The Group profit for the year includes some key amounts which are presented separately below.

Group profit for the year has been arrived at after charging/(crediting) the following amounts:

	2025			2024		
	Continuing operations £'000	Discontinued operations £'000	Total £'000	Continuing operations £'000	Discontinued operations £'000	Total £'000
Depreciation on property, plant and equipment (note 3.1)	149,544	16,976	166,520	141,108	16,248	157,356
Depreciation on right-of-use assets (note 3.2)	77,045	10,354	87,399	72,695	10,143	82,838
Amortisation of intangible assets (note 3.3)	107,527	10,629	118,156	103,525	10,550	114,075
Amortisation of government grants (note 3.18)	(314)	(9)	(323)	(367)	(9)	(376)
Foreign exchange gain	(339)	(185)	(524)	(699)	(253)	(952)

## 2.3 Group Profit for the Year continued

During the year the Group obtained the following services from the Group's auditors (KPMG) which include amounts relating to discontinued operations:

	2025 £'000	2024 £'000
KPMG Ireland (statutory auditor):		
Audit fees	2,063	2,096
Other including non-audit, audit related and assurance services	100	22
	<b>2,163</b>	<b>2,118</b>
Other KPMG network firms:		
Audit fees	2,458	2,462
Other including non-audit, audit related and assurance services	71	231
	<b>2,529</b>	<b>2,693</b>

## 2.4 Employment

This section provides an analysis of the average number of employees in the Group by segment together with their related payroll expense for the year. Further information on the compensation of key management personnel is included in note 5.6, Related Party Transactions.

The average number of persons (including executive Directors) employed by the Group in continuing and discontinued operations during the year, analysed by class of business, was:

	2025 Number	2024 Number
DCC Energy	9,027	8,229
DCC Technology	4,308	4,550
Continuing operations	13,335	12,779
Discontinued operations	3,444	3,507
	<b>16,779</b>	<b>16,286</b>

The employee benefit expense for the above were:

	2025 £'000	2024 £'000
Wages and salaries	889,460	827,338
Social welfare costs	100,873	93,818
Share based payment expense (note 2.5)	7,544	9,210
Pension costs – defined contribution plans	25,895	27,146
Pension costs – defined benefit plans (note 3.15)	410	689
	<b>1,024,182</b>	<b>958,201</b>

The employee benefit expense is analysed as:

	2025 £'000	2024 £'000
Continuing operations	847,059	788,473
Discontinued operations	177,123	169,728
	<b>1,024,182</b>	<b>958,201</b>

Directors' emoluments (which are included in operating costs) and interests are presented in the Remuneration Report on pages 118 to 142. Details of the compensation of key management personnel for the purposes of the disclosure requirements under IAS 24 are provided in note 5.6.

## 2.5 Employee Share Options and Awards

Share options and awards are used to incentivise Directors and employees of the Group. A charge is recognised over the vesting period in the Income Statement to record the cost of these share options and awards, based on the fair value of the share option/award at the grant date.

The Group's employee share options and awards are equity-settled share-based payments as defined in IFRS 2 Share-based Payment. The IFRS requires that a recognised valuation methodology be employed to determine the fair value of share options granted. The expense reported in the Income Statement of £7.544 million (2024: £9.210 million) has been arrived at by applying a Monte Carlo simulation technique for share awards issued under the DCC plc Long-term Incentive Plans.

### IMPACT ON INCOME STATEMENT

The total share option expense is analysed as follows:

Date of grant	Share price at date of grant	Minimum duration of vesting period	Number of share awards/ options granted	Weighted average fair value	Expense in Income Statement	
					2025 £'000	2024 £'000
15 November 2018	£60.65	5 years	167,567	£46.13	–	766
14 November 2019	£68.80	5 years	147,939	£53.32	590	1,103
12 November 2020	£57.08	5 years	170,152	£44.63	1,076	853
11 November 2021	£61.42	3 years	171,974	£46.39	(654)	2,586
10 November 2022	£45.53	3 years	271,759	£31.82	2,470	2,792
16 November 2023	£52.36	3 years	243,181	£41.10	3,137	1,110
14 November 2024	£54.55	3 years	211,720	£39.33	925	–
Total expense					7,544	9,210

### DCC PLC LONG-TERM INCENTIVE PLANS

At 31 March 2025, Group employees hold awards to subscribe for 913,287 ordinary shares under the DCC plc Long-term Incentive Plans.

The general terms of the DCC plc Long-term Incentive Plans are set out in the Remuneration Report on page 133.

The DCC plc Long-term Incentive Plans contain both market and non-market based vesting conditions. Accordingly, the fair value assigned to the related equity instrument on initial application of IFRS 2 Share-based Payment is adjusted to reflect the anticipated likelihood at the grant date of achieving the market based vesting conditions. The cumulative non-market based charge to the Income Statement is reversed where entitlements do not vest because non-market performance conditions have not been met or where an employee in receipt of share entitlements relinquishes service before the end of the vesting period.

A summary of activity under the DCC plc Long-term Incentive Plans during the year is as follows:

	2025 Number of share awards	2024 Number of share awards
At 1 April	919,259	842,638
Granted	211,720	243,181
Exercised	(109,429)	(101,251)
Expired and forfeited	(108,263)	(65,309)
At 31 March	913,287	919,259

The weighted average share price at the dates of exercise for share awards exercised during the year under the DCC plc Long-term Incentive Plans was £55.99 (2024: £52.02). The share awards outstanding at the year-end have a weighted average remaining contractual life of 4.9 years (2024: 5.0 years).

The weighted average fair values assigned to share awards granted under the DCC plc Long-term Incentive Plan, which were computed in accordance with the Monte Carlo valuation methodology, were as follows:

Granted during the year ended 31 March 2025	£39.33
Granted during the year ended 31 March 2024	£41.10

**2.5 Employee Share Options and Awards** continued

The fair values of share awards granted under the DCC plc Long-term Incentive Plan were determined taking account of peer group total share return volatilities and correlations together with the following assumptions:

	2025	2024
Risk-free interest rate (%)	4.24	3.96
Dividend yield (%)	3.7	3.7
Expected volatility (%)	23.0	24.0
Expected life in years	5.0	5.0
Share price at date of grant	£54.55	£52.36

The risk free rate of return is the yield on government bonds of a term consistent with the assumed option life. The dividend yield is based on historic dividend rates. The expected volatility is based on historic volatility over the past three years. The expected life is the average expected period to exercise.

Analysis of closing balance:

Date of grant	Date of expiry	2025 Number of share awards	2024 Number of share awards
15 November 2018	15 November 2025	22,750	5,163
14 November 2019	14 November 2026	36,282	44,640
12 November 2020	12 November 2027	110,581	77,379
11 November 2021	11 November 2028	40,894	115,318
10 November 2022	10 November 2029	253,620	168,810
16 November 2023	16 November 2030	237,440	264,768
14 November 2024	14 November 2031	211,720	243,181
Total outstanding at 31 March		913,287	919,259
Total exercisable at 31 March		99,926	49,803

## 2.6 Exceptionals

Exceptional items are those items which, in the judgement of the Directors, need to be disclosed separately by virtue of their scale and nature. These exceptional items, detailed below, could distort the understanding of our underlying performance for the year and comparability between periods and are therefore presented separately.

	Note	2025 £'000	2024 £'000
Restructuring and integration costs and other	(a)	(37,042)	(20,647)
Acquisition and related costs	(b)	(9,060)	(13,664)
Profit on disposal of subsidiary undertaking	(c)	3,255	–
Adjustments to contingent acquisition consideration	(d)	3,023	89
Net operating exceptional items		(39,824)	(34,222)
Impairment of goodwill	(e)	(73,835)	–
Net operating exceptional items		(113,659)	(34,222)
Mark-to-market of swaps and related debt (note 2.7)	(f)	(340)	(873)
Net exceptional items before tax from continuing operations		(113,999)	(35,095)
Income tax and deferred tax attaching to exceptional items	(g)	8,240	4,558
Net exceptional items after tax from continuing operations		(105,759)	(30,537)
Net exceptional items after tax relating to discontinued operations	(h)	(60,961)	(3,227)
Non-controlling interest share of net exceptional items after tax		–	449
Net exceptional items attributable to owners of the Parent Company		(166,720)	(33,315)

- (a) Restructuring and integration costs and other of £37.042 million (2024: £20.647 million) relates to the restructuring of operations across a number of businesses and recent acquisitions. The majority of the cost relates to the optimisation and integration of operations in the Technology division in respect of large projects in both the UK and the North American businesses.
- (b) Acquisition and related costs include the professional fees and tax costs relating to the evaluation and completion of acquisition opportunities and amounted to £9.060 million (2024: £13.664 million).
- (c) During the year, DCC Energy completed the sale of a majority stake in its liquid gas business in Hong Kong & Macau to an industrial group already operating in Hong Kong. The transaction valued DCC's business at an initial enterprise value of c.US\$150 million (c.£117 million), on a debt-free, cash-free basis. With the two businesses being merged post completion, DCC has retained a minority stake in the combined business. The transaction resulted in a modest profit on disposal of £3.255 million.
- (d) Adjustments to contingent acquisition consideration of £3.023 million (2024: £0.890 million) reflects movements in provisions associated with the expected earn-out or other deferred arrangements that arise through the Group's corporate development activity.
- (e) In accordance with IAS 36 Impairment of Assets, the Group is required to assess goodwill and other intangible assets for impairment. Accordingly, impairment reviews are performed annually, or more frequently if there is an indication that the carrying amount may not be recoverable. A non-cash goodwill impairment charge has been recognised in respect of the UK component of DCC Technology's Info Tech business. While trading in the business has improved in recent years, the recovery to historic levels has taken longer than anticipated. Given the longer recovery trajectory and market conditions showing little signs of improving in the UK, a non-cash impairment of £73.835 million has been recognised.
- (f) The level of ineffectiveness calculated under IAS 39 on the hedging instruments related to the Group's US private placement debt is charged or credited as an exceptional item. In the year ended 31 March 2025, this amounted to an exceptional non-cash charge of £0.340 million (2024: charge of £0.873 million). The cumulative net exceptional credit taken in respect of IAS 39 ineffectiveness is £0.199 million. This, or any subsequent similar non-cash charges or gains, will net to zero over the remaining term of this debt and the related hedging instruments.
- (g) There was a related income tax credit of £8.240 million (2024: credit of £4.558 million) in relation to certain exceptional charges.
- (h) The charge for net exceptional items on discontinued operations primarily relates to the Exertis France consumer product business and Exertis Iberia within the Info Tech segment of DCC Technology. In April 2025 the Group agreed to sell this business and the proceeds on disposal are expected to give rise to an impairment loss of approximately £52.227 million which has been recognised in the current year. The balance of £8.734 million mainly relates to restructuring and costs of disposal for discontinued operations.

The net cash flow impact in the current year for exceptional items was an inflow of £5.548 million (2024: an outflow of £13.266 million).

## 2.7 Finance Costs and Finance Income

This note details the interest income generated by our financial assets and the interest expense incurred on our financial liabilities. Finance income principally comprises interest on cash and term deposits and net income on interest rate and currency swaps whilst finance costs mainly comprise interest on Unsecured Notes, bank borrowings and lease creditors.

	2025 £'000	2024 £'000
<b>Finance costs</b>		
On bank loans, overdrafts and Unsecured Notes	(91,344)	(90,204)
Net cost on interest rate and currency swaps	(9,741)	(10,316)
Lease interest <sup>1</sup>	(11,456)	(10,001)
Unwinding of discount applicable to acquisition related liabilities <sup>2</sup>	(1,803)	(5,383)
Unwinding of discount applicable to provisions for liabilities (note 3.17)	(783)	(962)
Facility fees	(1,744)	(1,580)
Net interest expense on defined benefit pension schemes (note 3.15)	(168)	–
Other interest	(1,752)	(896)
	<b>(118,791)</b>	<b>(119,342)</b>
Mark-to-market of swaps and related debt <sup>3</sup>	(340)	(873)
	<b>(119,131)</b>	<b>(120,215)</b>
<b>Finance income</b>		
Interest on cash and term deposits	14,270	16,007
Net interest income on defined benefit pension schemes (note 3.15)	–	372
	<b>14,270</b>	<b>16,379</b>
Net finance cost	<b>(104,861)</b>	<b>(103,836)</b>
<sup>1</sup> The Group's lease interest is analysed as follows:		
Continuing operations	(11,456)	(10,001)
Discontinued operations	(1,425)	(1,485)
Total (note 3.12)	<b>(12,881)</b>	<b>(11,486)</b>
<sup>2</sup> The Group's finance cost in relation to the unwinding of discount applicable to acquisition related liabilities is analysed as follows:		
Continuing operations	(1,803)	(5,383)
Discontinued operations	(342)	–
Total (note 3.16)	<b>(2,145)</b>	<b>(5,383)</b>
<sup>3</sup> Mark-to-market of swaps and related debt is analysed as follows:		
Interest rate swaps designated as fair value hedges	9,166	9,416
Cross currency interest rate swaps designated as fair value hedges	1,407	2,610
Adjusted hedged fixed rate debt	(10,913)	(12,899)
Mark-to-market of swaps designated as fair value hedges and related debt	(340)	(873)
Movement on cross currency interest rate swaps designated as cash flow hedges	(6,392)	(3,375)
Transferred to cash flow hedge reserve	6,392	3,375
	–	–
Total mark-to-market of swaps and related debt	<b>(340)</b>	<b>(873)</b>

## 2.8 Share of Equity Accounted Investments' Profit after Tax

Share of equity accounted investments' profit after tax represents the results of businesses we do not control, but instead exercise significant influence and generally have an equity holding of up to 50%.

The Group's share of equity accounted investments' (i.e. associates) profit after tax is equity accounted and presented as a single line item in the Group Income Statement. The profit after tax generated by the Group's equity accounted investments is analysed as follows under the principal Group Income Statement captions:

Group share of:	2025 £'000	2024 £'000
Revenue	267,828	53,404
Operating profit before tax	3,687	623
Income tax	(295)	(19)
Profit after tax	3,392	604

## 2.9 Income Tax Expense

Tax is payable in the jurisdictions in which we operate. This note details the current tax charge which is the tax payable on this year's taxable profits and the deferred tax charge which represents the tax expected to arise in the future due to differences in the accounting and tax bases of assets and liabilities.

### (I) INCOME TAX EXPENSE RECOGNISED IN THE INCOME STATEMENT

	2025 £'000	2024 £'000
<b>Current tax</b>		
Irish corporation tax at 12.5%	11,807	10,866
United Kingdom corporation tax at 25% (2024: 25%)	19,716	18,605
Other overseas tax	85,944	78,515
Income tax credit attaching to exceptional items	(8,169)	(4,393)
Under/(over) provision in respect of prior years	1,064	(4,278)
Total current tax	110,362	99,315
<b>Deferred tax</b>		
Irish at 12.5%	(873)	(1,008)
United Kingdom at 25%	(8,203)	(5,194)
Other overseas deferred tax	(26,501)	(26,640)
Deferred tax credit attaching to exceptional items	(71)	(165)
(Over)/under provision in respect of prior years	(2,765)	5,359
Total deferred tax	(38,413)	(27,648)
Total income tax expense	71,949	71,667

### (II) DEFERRED TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

	2025 £'000	2024 £'000
Deferred tax relating to defined benefit pension obligations	(28)	117
Deferred tax relating to cash flow hedges	5,140	6,937
Total deferred tax charge recognised in Other Comprehensive Income	5,112	7,054

**2.9 Income Tax Expense** continued

**(III) RECONCILIATION OF EFFECTIVE TAX RATE**

Continuing operations	2025 €'000	2024 €'000
Profit before tax	294,867	359,213
Add back: share of equity accounted investments' profit after tax	(3,392)	(604)
Add back: amortisation of intangible assets	107,527	103,525
Profit before share of equity accounted investments' profit after tax and amortisation of intangible assets	399,002	462,134
Add back: net exceptional items before tax	113,999	35,095
Profit before share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	513,001	497,229
Profit before tax	294,867	359,213
At the standard rate of corporation tax in Ireland of 12.5%	36,858	44,902
Amortisation and share of equity accounted investments at the standard rate of corporation tax in Ireland of 12.5%	13,017	12,865
Adjustments in respect of prior years	(1,701)	1,081
Effect of earnings taxed at higher rates	33,590	37,957
Differences arising from impairment	14,989	–
Other differences	7,386	1,149
Income tax expense	104,139	97,954
Income tax and deferred tax attaching to exceptional items	(8,240)	(4,558)
Deferred tax attaching to amortisation of intangible assets	(23,950)	(21,729)
Total income tax expense	71,949	71,667
	2025 %	2024 %
Income tax expense as a percentage of profit before share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	20.3%	19.7%
Impact of share of equity accounted investments' profit after tax, amortisation of intangible assets and net exceptionals	4.1%	0.3%
Total income tax expense as a percentage of profit before tax	24.4%	20.0%

**(IV) FACTORS THAT MAY AFFECT FUTURE TAX RATES AND OTHER DISCLOSURES**

No change has been enacted to the standard rate of corporation tax in the Republic of Ireland which is currently 12.5%.

On 18 December 2023, the Republic of Ireland enacted legislation, under which the Group is subject to the Global Anti-Base Erosion Model Rules ('Pillar 2') from 1 April 2024. In respect of the year ended 31 March 2025, the Group is expected to qualify for the transitional safe harbour exemptions in the majority of the jurisdictions in which it operates. The Group's Pillar 2 tax charge is immaterial for the year ended 31 March 2025 and is included in the total income tax expense.

The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes, as provided in the amendments to IAS 12 issued in May 2023.

**2.10 Discontinued operations**

Following agreements to dispose of the Healthcare division and a Technology business unit, these units are treated as discontinued operations, the results of which are detailed separately below.

As announced on 22 April 2025, the Group entered into an agreement to dispose of the Healthcare division. The disposal is expected to complete in the third quarter of this calendar year at which time control of the Healthcare businesses will pass to the acquirer. The transaction is expected to give rise to an exceptional profit in the year ending 31 March 2026. In addition, DCC Technology signed an exclusivity agreement for the sale of the Exertis France consumer product business and Exertis Iberia ('Exertis France & Iberia') in April 2025. The transaction is expected to close within three months, subject to regulatory approvals.

## 2.10 Discontinued operations continued

The conditions for the Healthcare division and Exertis France & Iberia to be classified as discontinued operations have been satisfied, and, accordingly, the results of these businesses are presented separately as discontinued operations in the Group Income Statement and the associated assets and liabilities are classified as assets held for sale at the balance sheet date. The following table details the results of discontinued operations included in the Group Income Statement:

	2025 £'000	2024 £'000
Revenue	1,009,232	1,004,712
Cost of sales	(752,921)	(748,218)
Gross profit	256,311	256,494
Operating expenses	(170,233)	(173,906)
Operating profit before amortisation of intangible assets and exceptional items	86,078	82,588
Amortisation of intangible assets	(10,629)	(10,550)
Net operating exceptionals	(60,116)	(5,087)
Operating profit	15,333	66,951
Net finance costs	(1,349)	(2,413)
Profit before tax	13,984	64,538
Income tax expense	(15,681)	(11,546)
Profit from discontinued operations after tax	(1,697)	52,992
Non-controlling interests	(322)	(330)
Profit attributable to the owners of the Parent company	(2,019)	52,662

The following table details the cash flow from discontinued operations included in the Group Cash Flow Statement:

	2025 £'000	2024 £'000
Net cash flow from operating activities	62,381	78,064
Net cash flow from investing activities	(38,282)	(28,628)
Net cash flow from discontinued operations	24,099	49,436

The fair value less costs to sell of the major classes of assets and liabilities held for sale as at 31 March 2025 are as follows:

Assets	2025 £'000
Property, plant and equipment	155,314
Right-of-use leased assets	39,455
Intangible assets	567,847
Deferred income tax assets	1,394
Inventories	111,718
Trade and other receivables	132,786
Interest receivable	12
Cash and cash equivalents	62,338
Assets classified as held for sale	1,070,864

Liabilities	2025 £'000
Trade and other payables	(127,704)
Amounts due in respect of property, plant and equipment	(3)
Current income tax liabilities	(16,727)
Deferred income tax liabilities	(43,466)
Lease creditors	(42,173)
Provisions for liabilities and charges	(22,805)
Acquisition related liabilities	(9,864)
Government grants	(183)
Liabilities associated with assets classified as held for sale	(262,925)
Net assets of the disposal groups	807,939

## 2.10 Discontinued operations continued

The proceeds on disposal of the Healthcare division are expected to exceed the carrying value of the related net assets and accordingly no impairment losses have been recognised on the classification of these operations as held for sale. The proceeds on disposal of Exertis France & Iberia are expected to give rise to an impairment loss of approximately £52.227 million which has been recognised in the year under review.

## 2.11 Dividends

Dividends represent one type of shareholder return and are paid as an amount per ordinary share held. The Group retains part of the profits generated in the year to meet future growth plans.

Dividends paid per ordinary share	2025 £'000	2024 £'000
Final: paid 133.53 pence per share on 18 July 2024 (2024: paid 127.17 pence per share on 20 July 2023)	131,181	126,444
Interim: paid 66.19 pence per share on 13 December 2024 (2023: paid 63.04 pence per share on 15 December 2023)	66,166	62,373
	197,347	188,817

The Directors are proposing a final dividend in respect of the year ended 31 March 2025 of 140.21p pence per ordinary share (£138.760 million). This proposed dividend is subject to approval by the shareholders at the Annual General Meeting.

## 2.12 Earnings per Ordinary Share

Earnings per ordinary share ('EPS') is the amount of post-tax profit attributable to each ordinary share. Basic EPS is the amount of profit for the year divided by the weighted average number of shares in issue during the year. Diluted EPS shows what the impact would be if all outstanding and exercisable options were exercised and treated as ordinary shares at year end.

	Continuing operations 2025 £'000	Discontinued operations (note 2.10) 2025 £'000	Total 2025 £'000	Continuing operations 2024 £'000	Discontinued operations (note 2.10) 2024 £'000	Total 2024 £'000
Profit attributable to owners of the Parent	208,509	(2,019)	206,490	273,593	52,662	326,255
Amortisation of intangible assets after tax	83,577	8,265	91,842	81,796	8,161	89,957
Exceptionals after tax (note 2.6)	105,759	60,961	166,720	30,088	3,227	33,315
Adjusted profit after tax and non-controlling interests	397,845	67,207	465,052	385,477	64,050	449,527

	Continuing operations 2025 pence	Discontinued operations 2025 pence	Total 2025 pence	Continuing operations 2024 pence	Discontinued operations 2024 pence	Total 2024 pence
Basic earnings per ordinary share	210.82p	(2.04p)	208.78p	276.94p	53.30p	330.24p
Amortisation of intangible assets after tax	84.50p	8.36p	92.86p	82.79p	8.27p	91.06p
Exceptionals after tax	106.93p	61.63p	168.56p	30.45p	3.26p	33.71p
Adjusted basic earnings per ordinary share	402.25p	67.95p	470.20p	390.18p	64.83p	455.01p
Weighted average number of ordinary shares in issue (thousands)			98,905			98,794

Basic earnings per ordinary share is calculated by dividing the profit attributable to owners of the Parent Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares. The adjusted figures for basic earnings per ordinary share (a non-GAAP financial measure) are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

## 2.12 Earnings per Ordinary Share continued

	Continuing operations 2025 pence	Discontinued operations 2025 pence	Total 2025 pence	Continuing operations 2024 pence	Discontinued operations 2024 pence	Total 2024 pence
<b>Diluted earnings per ordinary share</b>						
Diluted earnings per ordinary share	210.48p	(2.04p)	208.44p	276.61p	53.24p	329.85p
Amortisation of intangible assets after tax	84.37p	8.34p	92.71p	82.70p	8.25p	90.95p
Exceptionals after tax	106.75p	61.54p	168.29p	30.42p	3.27p	33.69p
<b>Adjusted basic earnings per ordinary share</b>	<b>401.60p</b>	<b>67.84p</b>	<b>469.44p</b>	<b>389.73p</b>	<b>64.76p</b>	<b>454.49p</b>
Weighted average number of ordinary shares in issue (thousands)			99,065			98,909

Diluted earnings per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Share options and awards are the Company's only category of dilutive potential ordinary shares. The adjusted figures for diluted earnings per ordinary share (a non-GAAP financial measure) are intended to demonstrate the results of the Group after eliminating the impact of amortisation of intangible assets and net exceptionals.

The earnings used for the purposes of the continuing diluted earnings per ordinary share calculations were £208.509 million (2024: £273.593 million) and £397.845 million (2024: £385.477 million) for the purposes of the continuing adjusted diluted earnings per ordinary share calculations.

The earnings used for the purposes of the discontinued diluted earnings per ordinary share calculations were £2.019 million (loss) (2024: profit of £52.662 million) and £67.207 million (2024: £64.050 million) for the purposes of the discontinued adjusted diluted earnings per ordinary share calculations.

The weighted average number of ordinary shares used in calculating the diluted earnings per ordinary share for the year ended 31 March 2025 was 99.065 million (2024: 98.909 million). A reconciliation of the weighted average number of ordinary shares used for the purposes of calculating the diluted earnings per ordinary share amounts is as follows:

	2025 '000	2024 '000
Weighted average number of ordinary shares in issue	98,905	98,794
Dilutive effect of options and awards	160	115
<b>Weighted average number of ordinary shares for diluted earnings per share</b>	<b>99,065</b>	<b>98,909</b>

Employee share options and awards, which are performance-based, are treated as contingently issuable shares because their issue is contingent upon satisfaction of specified performance conditions in addition to the passage of time. These contingently issuable shares are excluded from the computation of diluted earnings per ordinary share where the conditions governing exercisability would not have been satisfied as at the end of the reporting period if that were the end of the vesting period.

## Section 3 Assets and Liabilities

### 3.1 Property, Plant and Equipment

This note details the tangible assets utilised by the Group to generate revenues and profits. The cost of these assets primarily represents the amounts originally paid for them. All assets are depreciated over their useful economic lives.

	Land & buildings £'000	Plant & machinery & cylinders £'000	Fixtures, fittings & office equipment £'000	Motor vehicles £'000	Capital work in progress £'000	Total £'000
<b>Year ended 31 March 2025</b>						
Opening net book amount	409,408	693,262	172,185	65,335	90,323	1,430,513
Exchange differences and other	(4,408)	(6,710)	(1,032)	(1,152)	(1,421)	(14,723)
Arising on acquisition (note 5.2)	1,291	698	974	1,200	144	4,307
Disposal of subsidiary	–	(15,439)	(306)	–	(1,099)	(16,844)
Additions	16,684	110,502	26,773	20,017	37,694	211,670
Disposals	(17,682)	(4,144)	(1,400)	(4,371)	(17)	(27,614)
Depreciation charge	(21,041)	(96,533)	(34,249)	(14,697)	–	(166,520)
Impairment charge	–	(620)	(2,469)	–	–	(3,089)
Assets classified as held for sale (note 2.10)	(70,151)	(53,504)	(15,760)	(371)	(15,528)	(155,314)
Reclassification	18,156	11,979	4,495	1,991	(36,621)	–
Closing net book amount	332,257	639,491	149,211	67,952	73,475	1,262,386
<b>At 31 March 2025</b>						
Cost	448,573	1,499,621	353,648	187,476	73,475	2,562,793
Accumulated depreciation and impairment losses	(116,316)	(860,130)	(204,437)	(119,524)	–	(1,300,407)
Net book amount	332,257	639,491	149,211	67,952	73,475	1,262,386
<b>Year ended 31 March 2024</b>						
Opening net book amount	405,689	601,406	165,345	65,640	116,726	1,354,806
Exchange differences and other	(8,584)	(11,011)	(2,272)	(6,257)	(1,655)	(29,779)
Arising on acquisition (note 5.2)	8,002	32,483	1,436	3,478	3,204	48,603
Additions	21,422	109,090	29,512	13,572	50,301	223,897
Disposals	(706)	(2,965)	(780)	(728)	(339)	(5,518)
Depreciation charge	(19,472)	(89,960)	(33,550)	(14,374)	–	(157,356)
Impairment charge	(919)	(1,770)	(534)	(1)	(916)	(4,140)
Reclassification	3,976	55,989	13,028	4,005	(76,998)	–
Closing net book amount	409,408	693,262	172,185	65,335	90,323	1,430,513
<b>At 31 March 2024</b>						
Cost	529,376	1,569,819	374,482	186,668	90,323	2,750,668
Accumulated depreciation and impairment losses	(119,968)	(876,557)	(202,297)	(121,333)	–	(1,320,155)
Net book amount	409,408	693,262	172,185	65,335	90,323	1,430,513

### 3.1 Property, Plant and Equipment continued

#### USEFUL ECONOMIC LIVES OF ASSETS

The Group's assessment of the risks and opportunities created by climate change to its existing and future operations is outlined in the Risk Report on pages 76 to 86 and the Sustainability Review on pages 39 to 75. The Group's energy strategy has allowed the Group to commit to reducing its carbon emissions from its own activities (Scope 1 and 2) and from the energy it sells (Scope 3) to net zero by 2050 or sooner. Due consideration is given to these factors when determining the useful lives of the Group's assets. Importantly, many of the Group's existing assets, such as depots, storage equipment and trucks will continue to be used for the distribution of lower carbon forms of fuel, such as biofuels. Capital expenditure will continue to be required in relation to these assets in the short and medium-term. The Group therefore considers that these assets will continue to be an integral part of the total asset portfolio of the Group in the short and medium-term. Further information is included in note 3.3 Intangible Assets and Goodwill on page 182.

There remains a risk that the useful lives of the assets created by future capital expenditure may differ from current assumptions. For instance, governments in some of the Group's operating locations could take measures to restrict the use of certain fossil-based assets which could affect the estimated useful lives of those assets. However, for the reasons stated, there were no significant changes in the estimates of useful lives during the current financial year.

### 3.2 Right-Of-Use Leased Assets

This note details the right-of-use leased assets utilised by the Group to generate revenues and profits. All assets are depreciated over their lease term.

	Land & buildings £'000	Plant & machinery & cylinders £'000	Fixtures, fittings & office equipment £'000	Motor vehicles £'000	Total £'000
<b>Year ended 31 March 2025</b>					
Opening net book amount	293,271	3,576	525	52,553	349,925
Exchange differences and other	(3,838)	(72)	(69)	(279)	(4,258)
Arising on acquisition (note 5.2)	2,945	–	12	386	3,343
Disposal of subsidiary	(7,552)	–	–	–	(7,552)
Additions	53,086	3,183	7,917	22,202	86,388
Terminations	(1,399)	(92)	(383)	(702)	(2,576)
Depreciation charge	(58,914)	(1,352)	(1,652)	(25,481)	(87,399)
Impairment charge	(384)	–	–	–	(384)
Assets classified as held for sale (note 2.10)	(32,745)	(2,066)	(278)	(4,366)	(39,455)
Closing net book amount	244,470	3,177	6,072	44,313	298,032
<b>Year ended 31 March 2024</b>					
Opening net book amount	285,119	4,299	958	45,845	336,221
Exchange differences and other	(5,448)	(339)	(421)	4,383	(1,825)
Arising on acquisition (note 5.2)	7,618	140	93	2,712	10,563
Additions	68,840	1,138	334	24,375	94,687
Terminations	(3,183)	(16)	(17)	(635)	(3,851)
Depreciation charge	(56,643)	(1,646)	(422)	(24,127)	(82,838)
Impairment charge	(3,032)	–	–	–	(3,032)
Closing net book amount	293,271	3,576	525	52,553	349,925

### 3.3 Intangible Assets and Goodwill

The Group Balance Sheet contains significant intangible assets and goodwill. Goodwill, customer and supplier relationships and brands can arise on the acquisition of a business. Goodwill arises when we pay an amount which is higher than the fair value of the net assets acquired (primarily due to expected synergies). This goodwill is not amortised but is subject to annual impairment reviews whereas customer and supplier relationships and brands are amortised over their useful economic lives.

	Goodwill £'000	Customer & supplier related intangibles £'000	Brand related intangibles £'000	Total £'000
<b>Year ended 31 March 2025</b>				
Opening net book amount	2,190,147	708,551	238,247	3,136,945
Exchange differences	(30,638)	(13,513)	(5,007)	(49,158)
Arising on acquisition (note 5.2)	137,893	85,410	4,400	227,703
Disposal of subsidiary	(54,407)	(56,066)	–	(110,473)
Adjustments to contingent consideration (note 3.16)	(25,892)	–	–	(25,892)
Amortisation charge	–	(105,308)	(12,848)	(118,156)
Impairment charge	(79,619)	–	–	(79,619)
Assets classified as held for sale (note 2.10)	(420,800)	(130,822)	(16,225)	(567,847)
Closing net book amount	1,716,684	488,252	208,567	2,413,503

<b>At 31 March 2025</b>				
Cost	1,803,884	1,100,952	277,444	3,182,280
Accumulated amortisation and impairment losses	(87,200)	(612,700)	(68,877)	(768,777)
Net book amount	1,716,684	488,252	208,567	2,413,503

	Goodwill £'000	Customer & supplier related intangibles £'000	Brand related intangibles £'000	Total £'000
<b>Year ended 31 March 2024</b>				
Opening net book amount	2,029,620	727,365	200,644	2,957,629
Exchange differences	(43,902)	(18,190)	(5,910)	(68,002)
Arising on acquisition (note 5.2)	222,171	102,859	54,105	379,135
Adjustments to contingent consideration (note 3.16)	(17,742)	–	–	(17,742)
Amortisation charge	–	(103,483)	(10,592)	(114,075)
Closing net book amount	2,190,147	708,551	238,247	3,136,945

<b>At 31 March 2024</b>				
Cost	2,228,686	1,324,746	297,740	3,851,172
Accumulated amortisation and impairment losses	(38,539)	(616,195)	(59,493)	(714,227)
Net book amount	2,190,147	708,551	238,247	3,136,945

Customer and supplier related intangible assets principally comprise contractual and non-contractual customer and supplier relationships arising from business combinations and are amortised over their estimated useful lives. The weighted average remaining amortisation period for customer related intangibles is 9.0 years (continuing operations: 7.2 years) (2024: 10.5 years). Brand related intangible assets comprise registered trade names and logos which are well established and recognised within the industries in which the Group operates. The weighted average remaining amortisation period for brand related intangibles is 21.2 years (continuing operations: 21.5 years) (2024: 22.2 years). There are no internally generated brand related intangibles recognised on the Group Balance Sheet.

### 3.3 Intangible Assets and Goodwill continued

In accordance with IAS 38 Intangible Assets, details of individually significant intangible assets and their remaining amortisation periods are as follows:

#### At 31 March 2025

CGU	Segment	Customer & supplier related intangibles £'000	Remaining amortisation period in years	Brand related intangibles £'000	Remaining amortisation period in years
Butagaz	DCC Energy	75,581	4.8 years	106,526	29.6 years
Exertis North America	DCC Technology	118,233	6.4 years	1,297	13.4 years
DCC Propane	DCC Energy	66,835	7.6 years	27,354	13.2 years
Energy Solutions Germany	DCC Energy	53,844	11.3 years	37,399	13.6 years
Others		173,759		35,991	
		488,252		208,567	
Discontinued operations		130,822		16,225	
Closing net book amount		619,074		224,792	

#### At 31 March 2024

CGU	Segment	Customer & supplier related intangibles £'000	Remaining amortisation period in years	Brand related intangibles £'000	Remaining amortisation period in years
Butagaz	DCC Energy	84,793	5.9 years	112,814	30.6 years
Almo	DCC Technology	128,301	7.6 years	–	–
DCC Vital	DCC Healthcare	103,651	17.7 years	17,556	18.5 years
DCC Propane	DCC Energy	80,379	8.2 years	30,187	14.1 years
Energy Solutions Germany	DCC Energy	60,206	12.2 years	41,091	14.6 years
DSG Hong Kong & Macau	DCC Energy	57,162	18.8 years	–	–
Others		194,059		36,599	
Closing net book amount		708,551		238,247	

#### CASH-GENERATING UNITS

Goodwill acquired in business combinations is allocated, at acquisition, to the cash-generating units ('CGUs') that are expected to benefit from that business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. The CGUs represent the lowest level within the Group at which the associated goodwill is assessed for internal management purposes and are not larger than the operating segments determined in accordance with IFRS 8 Operating Segments.

A total of 30 CGUs (2024: 32 CGUs) have been identified and these are analysed between the Group's operating segments below together with a summary of the allocation of the carrying value of goodwill by segment.

	Cash-generating units		Goodwill	
	2025 number	2024 number	2025 £'000	2024 £'000
DCC Energy	16	17	1,453,844	1,422,918
DCC Technology	7	8	262,840	336,789
	23	25	1,716,684	1,759,707
Discontinued operations	7	7	420,800	430,440
	30	32	2,137,484	2,190,147

As announced on 12 November 2024, the Group is integrating the operations of DCC Technology's North American operations in order to drive financial and operational improvements. This process will involve the integration of the Group's Almo and Jam businesses in North America. Management considered the new management structures, independence of cash flows, how performance will be monitored, shared IT platforms and ongoing synergies. Arising from this review, Management have identified a new CGU "Exertis North America" which consolidates the Group's former Almo and Jam CGUs. The comparative data in the table overleaf has been adjusted accordingly.

## 3.3 Intangible Assets and Goodwill continued

In accordance with IAS 36 Impairment of Assets, the CGUs to which significant amounts of goodwill have been allocated are as follows:

CGU	Segment	2025 £'000	2024 £'000
Certas Energy UK Group	DCC Energy	413,822	377,474
Butagaz	DCC Energy	257,355	236,953
Mobility Continental Europe	DCC Energy	151,120	156,242
Exertis North America	DCC Technology	184,866	183,765
DCC Propane	DCC Energy	126,765	129,396
Others		582,756	675,877
		<b>1,716,684</b>	<b>1,759,707</b>
Discontinued operations		420,800	430,440
Closing net book amount		<b>2,137,484</b>	<b>2,190,147</b>

For the purpose of impairment testing, the before-tax discount rates applied to these CGUs to which significant amounts of goodwill have been allocated were 10.8% (2024: 10.4%) for the Certas Energy UK Group, Butagaz, Mobility Continental Europe and DCC Propane, and 12.2% (2024: 11.8%) for Exertis North America. The long-term growth rates assumed for the Certas Energy UK Group was 1.3%, a long-term growth rate of 2.1% was assumed for Exertis North America and DCC Propane and a long-term growth rate of 1.3% was assumed for Mobility Continental Europe. No growth was assumed for Butagaz. The remaining goodwill balance of £582.756 million is allocated across 18 CGUs (2024: £675.877 million across 19 CGUs), none of which are individually significant, and the before-tax discount rates applied to these CGUs were in the range 10.8% to 12.2% (2024: 10.4% to 11.8%).

### IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations has been allocated to CGUs for the purpose of impairment testing. Impairment of goodwill occurs when the carrying value of a CGU is greater than the present value of the cash that it is expected to generate (i.e. the recoverable amount). The Group reviews the carrying value of each CGU at least annually or more frequently if there is an indication that the CGU may be impaired.

The recoverable amount of each CGU is based on a value in use computation. The cash flow forecasts employed for this computation are based on divisional forecasts that have been formally approved by the Board of Directors and specifically excludes future acquisition activity. These cash flow forecasts are consistent with those used for the Group's going concern and viability assessments. Cash flows are forecasted up to 5 years using the assumptions underlying the divisional forecasts. Cash flow forecasts include consideration of past performance along with reflecting management's best estimates of future developments in each of the Group's markets. Net cash flows include consideration of the estimated capital expenditure required to achieve the Group's 2030 and 2050 emissions commitments. A long-term growth rate reflecting the lower of the extrapolated cash flow projections and the long-term GDP rate for the country of operation is applied to the year five cash flows. The weighted average long-term growth rate used in the impairment testing was 1.4% (2024: 1.4%).

The assumptions behind the cash flow projections also take account of the the Group's assessment of the transitional and physical impacts of climate change on its operations that are described in the Sustainability Review on pages 54 and 55.

In relation to transitional risks, the assessment considered the impact of changing societal responses to climate change on our energy activities in a number of scenarios, including one consistent with 1.5°C warming by 2050. The assessment considered that while there will be evolution in the legal environment, the pace of technological change and the introduction of new forms of energy, which may see a reduction in demand for fossil fuels over the medium to long-term, there is also a significant opportunity available to our energy businesses to support existing and new customers as they reduce their use of fossil fuels over the coming decades. In particular, our energy businesses can add to the range of products and services that we offer while continuing to use the assets that we currently own.

In relation to physical risks, such as increased frequency of extreme weather events, the Group's risk assessment considered the impacts of climate change on certain of the Group's assets in an adverse scenario consistent with 4.0°C warming by 2050. This risk assessment considered both the risk of physical damage to assets and the potential disruption to our wider operations that would be caused if sites were inoperable for a certain period because of more frequent adverse weather conditions. The Group concluded that whilst there is a risk in the medium-term to these assets, these risks can be fully mitigated through increased physical mitigation measures and business continuity planning. In addition, the Group maintains insurance cover against physical damage and/or business interruption. The geographical diversity of the Group and potential alternative sources of supply also means that the risk to the Group as a whole is unlikely to be material.

### 3.3 Intangible Assets and Goodwill continued

Having assessed these scenarios the Group continues to conclude that, while climate change is an existing and evolving risk, it does not warrant any amendments to the assumptions used in the Group's impairment testing.

A present value of the future cash flows is calculated using a before-tax discount rate representing the Group's estimated before-tax weighted average cost of capital, adjusted to reflect risks associated with each CGU. The range of discount rates applied ranged from 10.8% to 12.2% (2024: 10.4% to 11.8%).

Key assumptions include management's estimates of future profitability, working capital movements and capital expenditure and disposal proceeds on property, plant and equipment. Cash flow forecasts and key assumptions are generally determined based on historical performance together with management's expectation of future trends affecting the industry and other developments and initiatives in the business.

Applying these techniques, an impairment charge arose in 2025 of £79,619 million (2024: nil). This impairment charge arose primarily in relation to the Exertis UK business which is part of the Group's Technology division. While trading in the business has improved in recent years, the recovery to historic levels has taken longer than anticipated. Given the longer recovery trajectory and market conditions showing little signs of improving in the UK, the goodwill in this CGU was reduced by £73,835 million as determined by a value in use computation using a pre-tax discount rate of 12.2%. In addition, as detailed in note 2.10 the Group signed an exclusivity agreement in April 2025 for the sale of the Exertis France consumer product business and Exertis Iberia. This disposal is subject to regulatory approvals and is expected to give rise to a non-cash goodwill impairment loss of £5,784 million which has been provided for in the current year.

#### SENSITIVITY ANALYSIS

Sensitivity analysis was performed by increasing the discount rate by 1%, reducing the long-term growth rate by 0.3% and decreasing cash flows by 10% which resulted in an excess in the recoverable amount of all CGUs over their carrying amount under each approach. Management believes that any reasonable change in any of the key assumptions would not cause the carrying value of goodwill to exceed the recoverable amount.

### 3.4 Equity Accounted Investments

Equity accounted investments represent the Group's interests in certain entities where we exercise significant influence and generally have an equity holding of up to 50%.

	2025 £'000	2024 £'000
At 1 April	32,825	47,789
Share of profit after tax	3,392	604
Acquisition of equity accounted investments	35,346	5,530
Disposals	–	(18,224)
Dividends received	(857)	(1,261)
Exchange and other	722	(1,613)
At 31 March	71,428	32,825

The acquisition of equity accounted investments in the current year of £35,346 million comprises the non-controlling interest retained on the disposal of the group's liquid gas business in Hong Kong & Macau (note 2.6).

Investments in associates at 31 March 2025 include goodwill and intangible assets of £56,919 million (2024: £18,553 million).

Summarised financial information for the Group's share of its investment in associates which are accounted for using the equity method is as follows:

	2025 £'000	2024 £'000
Non-current assets	124,288	49,650
Current assets	36,929	21,050
Non-current liabilities	(57,689)	(17,101)
Current liabilities	(32,100)	(20,774)
	71,428	32,825

Details of the Group's principal associates are included in the Group Directory on page 241.

### 3.5 Inventories

Inventories represent assets that we intend to convert or sell in order to generate revenue in the short-term. The Group's inventory consists primarily of finished goods, net of an allowance for obsolescence.

	2025 £'000	2024 £'000
Raw materials	22,712	67,962
Work in progress	14,299	8,683
Finished goods	903,148	995,416
	<b>940,159</b>	<b>1,072,061</b>

Write-downs of inventories recognised as an expense within cost of sales amounted to £4.803 million (2024: £14.670 million) and arose in the normal course of activities.

### 3.6 Trade and Other Receivables

Trade and other receivables mainly consist of amounts owed to the Group by customers, net of an allowance for bad and doubtful debts, together with prepayments and accrued income.

	2025 £'000	2024 £'000
Trade receivables	1,590,328	1,782,513
Allowance for impairment of trade receivables	(107,216)	(86,025)
Prepayments and accrued income	331,837	346,327
Value-added tax recoverable	28,939	28,510
Other debtors	131,556	101,097
	<b>1,975,444</b>	<b>2,172,422</b>

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables is included in note 5.7. The aged analysis of these balances is as follows:

	Gross trade receivables		Trade receivables net of allowance for impairment	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Not overdue	1,245,696	1,440,447	1,226,678	1,422,526
Less than 1 month overdue	194,623	197,862	190,914	190,931
1 – 3 months overdue	81,149	83,696	50,587	69,836
3 – 6 months overdue	20,425	26,004	13,257	11,801
Over 6 months overdue	48,435	34,504	1,676	1,394
	<b>1,590,328</b>	<b>1,782,513</b>	<b>1,483,112</b>	<b>1,696,488</b>

The movement in the allowance for impairment of trade receivables during the year is as follows:

	2025 £'000	2024 £'000
At 1 April	86,025	73,110
Allowance for impairment recognised in the year	35,956	25,242
Subsequent recovery of amounts previously provided for	(2,045)	(791)
Amounts written off during the year	(10,617)	(17,363)
Arising on acquisition	2,243	7,311
Disposal of subsidiary	(1,598)	–
Exchange	(1,281)	(1,484)
Provision for impairment of trade receivables attributable to assets held for sale	(1,467)	–
At 31 March	<b>107,216</b>	<b>86,025</b>

### 3.7 Trade and Other Payables

The Group's trade and other payables mainly consist of amounts we owe to our suppliers that have been either invoiced or accrued and are due to be settled within 12 months.

	2025 £'000	2024 £'000
Trade payables	1,715,189	1,953,551
Other creditors and accruals	863,565	935,151
PAYE and National Insurance or equivalent	24,988	24,896
Value-added tax	110,404	101,531
Government grants (note 3.18)	23	36
Interest payable	35,154	21,369
Amounts due in respect of property, plant and equipment	13,858	17,574
	<b>2,763,181</b>	<b>3,054,108</b>

### 3.8 Movement in Working Capital

Working capital represents the net of inventories, trade and other receivables and trade and other payables. This note details the overall movement in the year under each of these headings.

	Inventories £'000	Trade and other receivables £'000	Trade and other payables £'000	Total £'000
<b>Year ended 31 March 2025</b>				
At 1 April 2024	1,072,061	2,172,422	(3,054,108)	190,375
Translation adjustment	(15,325)	(26,884)	32,996	(9,213)
Arising on acquisition (note 5.2)	29,548	42,973	(42,751)	29,770
Disposal of subsidiary	(2,180)	(12,956)	10,098	(5,038)
Exceptional items, interest accruals, capital accruals and other	(17,172)	(49,828)	36,565	(30,435)
(Decrease)/increase in working capital (note 5.3)	(15,055)	(17,485)	126,303	93,763
Assets and liabilities classified as held for sale (note 2.10)	(111,718)	(132,798)	127,716	(116,800)
At 31 March 2025	<b>940,159</b>	<b>1,975,444</b>	<b>(2,763,181)</b>	<b>152,422</b>
<b>Year ended 31 March 2024</b>				
At 1 April 2023	1,192,803	2,312,269	(3,279,898)	225,174
Translation adjustment	(21,684)	(43,565)	57,932	(7,317)
Arising on acquisition (note 5.2)	23,708	59,945	(61,022)	22,631
Exceptional items, interest accruals, capital accruals and other	–	855	5,603	6,458
(Decrease)/increase in working capital (note 5.3)	(122,766)	(157,082)	223,277	(56,571)
At 31 March 2024	<b>1,072,061</b>	<b>2,172,422</b>	<b>(3,054,108)</b>	<b>190,375</b>

### 3.9 Cash and Cash Equivalents

The majority of the Group's cash and cash equivalents are held in current accounts and deposit accounts with maturities of up to three months.

	2025 £'000	2024 £'000
Cash at bank and in hand	632,087	684,991
Short-term deposits	456,088	424,455
	<b>1,088,175</b>	<b>1,109,446</b>

Cash at bank earns interest at floating rates based on daily bank deposit rates. The short-term deposits, which include bank and money market deposits, are for periods up to three months and earn interest at the respective short-term deposit rates. Cash and cash equivalents include the following for the purposes of the Group Cash Flow Statement:

	2025 £'000	2024 £'000
Cash and short-term deposits	1,088,175	1,109,446
Bank overdrafts	(31,084)	(36,600)
Cash and short-term deposits attributable to assets held for sale (note 2.10)	62,338	–
	<b>1,119,429</b>	<b>1,072,846</b>

Bank overdrafts are included within current borrowings (note 3.11) in the Group Balance Sheet.

### 3.10 Derivative Financial Instruments

Derivatives are financial instruments that derive their value from the price of underlying items such as interest rates, foreign exchange rates, commodities or other indices. This note details the derivative financial instruments used by the Group to hedge certain risk exposures arising from operational, financing and investment activities. These derivatives are held at fair value.

At 31 March 2025	Contractual notional amount	Carrying amount	
		Asset	Liability
<b>Derivatives designated as cash flow or fair value hedges:</b>			
<b>Cash flow hedges</b>			
Cross currency interest rate swaps	256,380	38,337	–
Forward foreign exchange contracts	124,100	620	(439)
Commodity price forward contracts	340,576	10,071	(9,705)
<b>Fair value hedges</b>			
Interest rate swaps	307,111	–	(16,869)
		<b>49,028</b>	<b>(27,013)</b>
<b>Derivatives not designated as cash flow or fair value hedges:</b>			
Currency Swaps	461,541	433	(2,825)
Forward foreign exchange contracts	13,730	276	(22)
Commodity price forward contracts	58,166	455	(712)
		<b>1,164</b>	<b>(3,559)</b>
		<b>50,192</b>	<b>(30,572)</b>
Analysed as:			
Non-current asset/(liability)		24,871	(19,224)
Current asset/(liability)		25,321	(11,348)
		<b>50,192</b>	<b>(30,572)</b>

## 3.10 Derivative Financial Instruments continued

At 31 March 2024	Contractual notional amount	Carrying amount	
		Asset	Liability
Derivatives designated as cash flow or fair value hedges:			
Cash Flow Hedges			
Cross currency interest rate swaps	188,190	45,377	–
Forward foreign exchange contracts	143,709	980	(372)
Commodity price forward contracts	258,151	9,303	(20,283)
Fair Value Hedges			
Interest rate swaps	414,826	–	(26,035)
Cross currency interest rate swaps	146,951	40,683	–
		96,343	(46,690)
Derivatives not designated as cash flow or fair value hedges:			
Currency Swaps	21,859	143	(382)
Forward foreign exchange contracts	11,490	25	(1)
Commodity price forward contracts	43,667	1,313	(1,377)
		1,481	(1,760)
		97,824	(48,450)
Analysed as:			
Non-current asset/(liability)		42,760	(27,536)
Current asset/(liability)		55,064	(20,914)
		97,824	(48,450)

The tables below shows the effects of hedge accounting on the statement of comprehensive income:

Derivatives designated as cash flow or fair value hedges at March 2025:	Net carrying amount included in derivative financial instruments	Change in value used for calculating hedge ineffectiveness		Hedge ineffectiveness recognised in Income Statement
		Hedging instrument	Hedged item	Net finance costs
<b>Cash Flow Hedges</b>				
Cross currency interest rate swaps	38,337	(6,392)	6,392	–
Forward foreign exchange contracts	181	794	(794)	–
Commodity price forward contracts	366	23,162	(23,162)	–
	38,884	17,564	(17,564)	–
<b>Fair Value Hedges</b>				
Interest rate swaps	(16,869)	8,877	(9,109)	(232)
Cross currency interest rate swaps	–	(40,679)	40,571	(108)
	(16,869)	(31,802)	31,462	(340)
Derivatives designated as cash flow or fair value hedges at March 2024:				
<b>Cash Flow Hedges</b>				
Cross currency interest rate swaps	45,377	(3,375)	3,375	–
Forward foreign exchange contracts	608	1,854	(1,854)	–
Commodity price forward contracts	(10,980)	(106,554)	106,554	–
	35,005	(108,075)	108,075	–
<b>Fair Value Hedges</b>				
Interest rate swaps	(26,035)	8,898	(9,378)	(480)
Cross currency interest rate swaps	40,683	(41,561)	41,168	(393)
	14,648	(32,663)	31,790	(873)

**3.10 Derivative Financial Instruments** continued

The effects of fair value hedges on hedged items are as follows:

	Financial Statement line item that includes hedged item	Carrying amount	Hedge ineffectiveness recognised in Income Statement
<b>Year ended 31 March 2025</b>			
<b>Fair Value Hedges</b>			
Interest rate swaps	Borrowings	(290,043)	(232)
Cross currency interest rate swaps	Borrowings	–	(108)
		<b>(290,043)</b>	<b>(340)</b>
<b>Year ended 31 March 2024</b>			
<b>Fair Value Hedges</b>			
Interest rate swaps	Borrowings	(388,354)	(480)
Cross currency interest rate swaps	Borrowings	(187,526)	(393)
		<b>575,880</b>	<b>(873)</b>

The full fair value of a hedging derivative is classified as a non-current asset or non-current liability if the remaining maturity of the hedged item is more than 12 months and as a current asset or current liability if the maturity of the hedged item is less than 12 months.

**INTEREST RATE SWAPS**

At 31 March 2025, the fixed interest rates vary from 1.96% to 2.86% and the floating rates are based on sterling SONIA and EURIBOR.

**CROSS CURRENCY INTEREST RATE SWAPS**

The Group utilises cross currency interest rate swaps to swap fixed rate US dollar denominated debt into fixed rate sterling debt and fixed rate euro debt. At 31 March 2025 the fixed US dollar interest rates vary from 4.19% to 4.78% and the average swapped fixed rates for sterling and euro were 4.47% and 3.74% respectively. These swaps are designated as cash flow hedges under IAS 39.

The Group utilises a cross currency interest rate swap to swap fixed rate sterling denominated debt into fixed rate euro debt. At 31 March 2025 the fixed sterling interest rate is 5.60% and the swapped fixed rate for euro is 4.38%. This swap is designated as a cash flow hedge under IAS 39.

**CURRENCY SWAPS**

During the year ended 31 March 2025, the Group entered into currency swaps to manage currency risk related to the funding of certain acquisitions.

**FORWARD FOREIGN EXCHANGE CONTRACTS**

Gains and losses recognised in the cash flow hedge reserve in equity (note 4.2) at 31 March 2025 on forward foreign exchange contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to 12 months after the reporting date.

**COMMODITY PRICE FORWARD CONTRACTS**

Gains and losses recognised in the cash flow hedge reserve in equity (note 4.2) at 31 March 2025 on forward commodity contracts designated as cash flow hedges under IAS 39 will be released to the Income Statement at various dates up to 5 years after the reporting date.

### 3.11 Borrowings and Lease Creditors

The Group utilises long-term debt funding together with committed credit lines with our relationship banks. We use derivatives to manage risks associated with interest rates and foreign exchange.

	2025 £'000	2024 £'000
<b>Non-current</b>		
Unsecured Notes	1,849,217	1,540,570
Bank borrowings	–	34,205
Total borrowings	1,849,217	1,574,775
Lease creditors (note 3.12)	249,726	284,856
Total non-current borrowings and lease creditors	2,098,943	1,859,631
<b>Current</b>		
Unsecured Notes	85,741	332,143
Bank borrowings	31,084	36,600
Total borrowings	116,825	368,743
Lease creditors (note 3.12)	64,245	77,527
Total current borrowings and lease creditors	181,070	446,270
Total borrowings and lease creditors	2,280,013	2,305,901

The maturity of non-current borrowings is as follows:

	2025 £'000	2024 £'000
Between 1 and 2 years	263,767	147,901
Between 2 and 5 years	780,810	867,730
Over 5 years	1,054,366	844,000
	2,098,943	1,859,631

#### BANK BORROWINGS

Interest on bank borrowings is at floating rates set in advance for periods ranging from overnight to six months by reference to inter-bank interest rates (EURIBOR, sterling SONIA and US\$ SOFR) and consequently fair value approximates carrying amounts.

The Group has a £800 million committed revolving credit facility with ten relationship banks: Barclays, BNP Paribas, Danske Bank, HSBC, ING, J.P. Morgan, National Westminster Bank, Bank of Ireland, Citibank and Toronto Dominion. The facility matures in March 2029 and £800 million remained undrawn at 31 March 2025. The Group had various other uncommitted bank facilities available at 31 March 2025.

#### UNSECURED NOTES

The Group's Unsecured Notes which fall due between 2025 and 2034 are comprised of fixed rate debt of US\$111.0 million issued in 2013 and maturing in 2025 (the '2025 Notes'), fixed rate debt of US\$167.0 million issued in 2014 and maturing in 2026 and 2029 (the '2026/29 Notes'), fixed rate debt of £127.5 million and €215.0 million issued in September 2017 and maturing in 2027 and 2029 (the '2027/29 Notes'), floating rate debt of €115.0 million issued in September 2017 and maturing in 2027 and 2029 (the '2027/29 Notes'), fixed rate debt of US\$350.0 million and €100.0 million issued in April 2019 and maturing in 2026, 2029, 2031 and 2034 (the '2026/29/31/34 Notes'), fixed rate debt of US\$563.5 million and £50.0 million issued in December 2022 and maturing in 2028, 2030, and 2032 (the '2028/30/32 Notes'), and floating rate debt of US\$100.0 million issued in December 2022 and maturing in 2028 and 2032 (the '2028/32 Notes').

In June 2024 the Group established a Euro Medium Term Note (EMTN) programme and issued its inaugural public market debt instrument, a fixed rate €500 million seven-year senior unsecured bond maturing in 2031 (the '2031 Notes').

Of the 2025 Notes denominated in US dollars, \$66.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US\$ to fixed euro rates and \$45.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US\$ to fixed sterling rates.

### 3.11 Borrowings and Lease Creditors continued

Of the 2026/29 Notes denominated in US dollars, \$87.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US\$ to fixed euro rates, \$52.0 million has been swapped (using cross currency interest rate swaps designated as cash flow hedges under IAS 39) from fixed US\$ to fixed sterling rates.

The 2027/29 Notes denominated in sterling have been swapped (using interest rate swaps designated as fair value hedges under IAS 39) to floating sterling rates, repricing half yearly based on sterling SONIA. Of the 2027/29 Notes denominated in euro, €215.0 million has been swapped (using interest rate swaps designated as fair value hedges under IAS 39) to floating euro rates, repricing half yearly based on EURIBOR. The remaining 2027/29 Notes are at floating euro rates, repricing half yearly based on EURIBOR.

The 2026/29/31/34 Notes and 2028/30/32 Notes have not been swapped.

The 2028/32 Notes are at floating US rates, repricing quarterly based on SOFR.

The maturity and interest profile of the Unsecured Notes is as follows:

	2025	2024
Average maturity	<b>4.8 years</b>	4.5 years
Average fixed interest rates*:		
– US\$ denominated	<b>5.29%</b>	5.16%
– sterling denominated	<b>3.87%</b>	4.04%
– euro denominated	<b>3.49%</b>	2.26%
Average floating rate including swaps:		
– US\$ denominated	<b>6.66%</b>	7.66%
– sterling denominated	<b>6.64%</b>	7.16%
– euro denominated	<b>3.60%</b>	5.27%

\* Issued and repayable at par.

### 3.12 Lease Creditors

Lease creditors represent the present value of the Group's lease commitments. Lease creditors are initially measured at the present value of the future minimum lease payments, discounted using the incremental borrowing rate over the remaining lease term.

The movement in the Group's lease creditors during the year ended 31 March 2025 is as follows:

	2025 £'000	2024 £'000
At 1 April	<b>362,383</b>	346,546
Exchange differences	<b>(4,423)</b>	(6,788)
Additions	<b>88,474</b>	98,892
Terminations	<b>(3,645)</b>	(4,029)
Arising on acquisition (note 5.2)	<b>3,343</b>	9,949
Disposal of subsidiary	<b>(3,983)</b>	–
Lease repayments	<b>(98,886)</b>	(93,673)
Lease interest (note 2.7)	<b>12,881</b>	11,486
Lease creditors attributable to assets held for sale (note 2.10)	<b>(42,173)</b>	–
At 31 March	<b>313,971</b>	362,383

### 3.12 Lease Creditors continued

An analysis of the maturity profile of the discounted lease creditor arising from the Group's leasing activities as at 31 March 2024 is as follows:

	2025 £'000	2024 £'000
Within one year	64,245	77,527
Between one and two years	50,473	60,105
Between two and five years	97,736	111,929
Over five years	101,517	112,822
At 31 March	313,971	362,383

Analysed as:

Non-current liabilities	249,726	284,856
Current liabilities	64,245	77,527
	313,971	362,383

The Group has availed of the exemption from capitalising lease costs for short-term leases and low-value assets where the relevant criteria are met. Wholly variable lease payments directly linked to sales or usage are also expensed as incurred. The following lease costs have been charged to the Income Statement as incurred:

	2025			2024		
	Continued operations £'000	Discontinued operations £'000	Total £'000	Continued operations £'000	Discontinued operations £'000	Total £'000
Short-term leases	6,205	659	6,864	4,297	910	5,207
Leases of low-value assets	458	24	482	443	41	484
Wholly variable lease payments	56,471	–	56,471	66,682	–	66,682
Total	63,134	683	63,817	71,422	951	72,373

The total cash outflow for lease payments during the period was as follows:

	2025			2024		
	Continued operations £'000	Discontinued operations £'000	Total £'000	Continued operations £'000	Discontinued operations £'000	Total £'000
Cash outflow for short-term leases, leases of low value assets and wholly variable lease payments	63,134	683	63,817	71,422	951	72,373
Lease payments relating to capitalised right-of-use leased assets	86,832	12,054	98,886	82,133	11,540	93,673
Total cash outflow for lease payments	149,966	12,737	162,703	153,555	12,491	166,046

Lease commitments for short-term leases at the Balance Sheet date are not materially different to the short-term lease costs expensed during the year.

The Group's business model is that of a distributor and, therefore, maintaining flexibility in the Group's cost base is of significant importance. Substantially all of the Group's variable lease payments arise from two types of contracts which give rise to the following costs:

- (i) transport costs (primarily for the transport of liquid gas) which vary depending on kilometers and hours of truck travel (i.e. deliveries outside of normal working hours can incur a premium). Given that the variable costs arising on liquid gas transport contracts are linked to hours and distance travelled by the trucks, these costs will vary in line with demand patterns.
- (ii) third party petrol forecourts costs which vary based primarily on volume of fuel sold and margin achieved. These costs will vary in line with demand patterns.

### 3.12 Lease Creditors continued

There are no other significant factors that can influence the variability of the Group's variable lease payments other than those mentioned above.

The effect of excluding future cash outflows arising from termination options and leases not yet commenced from lease creditors was not material for the Group. Income from subleasing and gains/losses on sales and leaseback transactions were not material for the Group.

### 3.13 Analysis of Net Debt

Net debt is a key metric of the Group and represents cash and cash equivalents less borrowings, derivative financial instruments and lease creditors.

#### RECONCILIATION OF OPENING TO CLOSING NET DEBT

The reconciliation of opening to closing net debt for the year ended 31 March 2025 is as follows:

	At 1 April 2024 £'000	Cash/debt movements £'000	Fair value adjustment		Translation adjustment £'000	At 31 March 2025 £'000
			Income Statement £'000	Cash Flow Hedge Reserve £'000		
Cash and short-term deposits	1,109,446	57,745	–	–	(16,678)	1,150,513
Overdrafts	(36,600)	5,252	–	–	264	(31,084)
	1,072,846	62,997	–	–	(16,414)	1,119,429
Bank loans and loan notes	(34,205)	33,181	–	–	1,024	–
Unsecured Notes	(1,872,713)	(93,391)	(10,913)	–	42,059	(1,934,958)
Derivative financial instruments	49,374	(52,045)	10,573	14,932	(3,214)	19,620
Group net debt (excl. lease creditors)	(784,698)	(49,258)	(340)	14,932	23,455	(795,909)
Lease creditors	(362,383)	1,816	–	–	4,423	(356,144)
Group net debt (incl. cash attributable to assets classified as held for sale)	(1,147,081)	(47,442)	(340)	14,932	27,878	(1,152,053)
Group net debt (excl. cash attributable to assets classified as held for sale)	(1,156,908)	(57,454)	(340)	14,932	27,552	(1,172,218)

The reconciliation of opening to closing net debt for the year ended 31 March 2024 is as follows:

	At 1 April 2023 £'000	Cash/debt movements £'000	Fair value adjustment		Translation adjustment £'000	At 31 March 2024 £'000
			Income Statement £'000	Cash Flow Hedge Reserve £'000		
Cash and short-term deposits	1,421,749	(289,684)	–	–	(22,619)	1,109,446
Overdrafts	(50,543)	13,665	–	–	278	(36,600)
	1,371,206	(276,019)	–	–	(22,341)	1,072,846
Bank loans and loan notes	(35,168)	–	–	–	963	(34,205)
Unsecured Notes	(2,168,904)	270,836	(12,899)	–	38,254	(1,872,713)
Derivative financial instruments (net)	65,531	(67,474)	12,026	39,594	(303)	49,374
Group net debt (excl. lease creditors)	(767,335)	(72,657)	(873)	39,594	16,573	(784,698)
Lease creditors	(346,546)	(22,625)	–	–	6,788	(362,383)
Group net debt (incl. lease creditors)	(1,113,881)	(95,282)	(873)	39,594	23,361	(1,147,081)

### 3.13 Analysis of Net Debt continued

#### CURRENCY PROFILE

The currency profile of net debt (excluding cash/debt attributable to assets held for sale) is as follows:

	Cash and cash equivalents £'000	Borrowings and lease creditors* £'000	Derivatives £'000	Total £'000
<b>At 31 March 2025</b>				
Euro	485,288	(904,327)	11,646	(407,393)
Sterling	177,921	(301,217)	7,420	(115,876)
US dollar	196,847	(1,030,962)	403	(833,712)
Danish krone	85,951	(14,848)	121	71,224
Swedish krona	83,576	(8,633)	–	74,943
Norwegian krone	47,630	(16,417)	3	31,216
Other	10,962	(3,609)	27	7,380
At 31 March 2025	1,088,175	(2,280,013)	19,620	(1,172,218)
<b>At 31 March 2024</b>				
Euro	363,766	(894,903)	35,293	(495,844)
Sterling	315,144	(514,518)	14,544	(184,830)
US dollar	214,513	(841,177)	698	(625,966)
Danish krone	64,979	(15,217)	(1,164)	48,598
Swedish krona	78,724	(11,558)	–	67,166
Norwegian krone	43,878	(16,860)	(8)	27,010
Hong Kong dollar	12,734	(4,925)	–	7,809
Other	15,708	(6,743)	11	8,976
At 31 March 2024	1,109,446	(2,305,901)	49,374	(1,147,081)

\* Euro, sterling and US dollar borrowings reflect the cross currency interest rate swaps referred to in note 3.10.

#### INTEREST RATE PROFILE

Cash and cash equivalents at 31 March 2025 and 31 March 2024 have maturity periods up to three months (note 3.9).

Bank borrowings are at floating interest rates for periods up to six months while the Group's Unsecured Notes due 2025 to 2034 comprises debt swapped to a combination of fixed rates and floating rates which reset on a quarterly and semi-annual basis, and debt at fixed rates which has not been swapped.

### 3.14 Deferred Income Tax

Deferred tax is an accounting adjustment to provide for tax that is expected to arise in the future as a result of differences in the accounting and tax bases of assets and liabilities.

The following is an analysis of the movement in the major categories of deferred tax liabilities/(assets) recognised by the Group for the year ended 31 March 2025:

	Property, plant and equipment £'000	Intangible assets £'000	Tax losses and credits £'000	Retirement benefit obligations £'000	Derivative financial instruments £'000	Short-term temporary differences and other £'000	Total £'000
At 1 April 2024	47,900	217,306	(12,318)	(233)	(4,497)	(43,199)	204,959
Consolidated Income Statement	3,056	(27,368)	(1,557)	248	(71)	(14,523)	(40,215)
Recognised in Other Comprehensive Income	–	–	–	(28)	5,140	–	5,112
Arising on acquisition (note 5.2)	107	22,796	(366)	–	–	361	22,898
Disposal of subsidiary	(1,683)	(9,251)	–	–	–	–	(10,934)
Exchange differences and other	33	(4,306)	278	20	–	730	(3,245)
Deferred tax attributable to assets held for sale (note 2.10)	(4,503)	(37,792)	11	(364)	–	576	(42,072)
At 31 March 2025	44,910	161,385	(13,952)	(357)	572	(56,055)	136,503
Analysed as:							
Deferred tax asset	(4,301)	(132)	(14,091)	(2,935)	–	(65,987)	(87,446)
Deferred tax liability	49,211	161,517	139	2,578	572	9,932	223,949
	44,910	161,385	(13,952)	(357)	572	(56,055)	136,503

The following is an analysis of the movement in the major categories of deferred tax liabilities/(assets) recognised by the Group for the year ended 31 March 2024:

	Property, plant and equipment £'000	Intangible assets £'000	Tax losses and credits £'000	Retirement benefit obligations £'000	Derivative financial instruments £'000	Short-term temporary differences and other £'000	Total £'000
At 1 April 2023	36,980	205,972	(11,760)	1,651	(11,269)	(27,004)	194,570
Consolidated Income Statement	11,188	(23,808)	(1,012)	(388)	(165)	(15,958)	(30,143)
Recognised in Other Comprehensive Income	–	–	–	117	6,937	–	7,054
Arising on acquisition (note 5.2)	9	40,724	149	(1,621)	–	(702)	38,559
Exchange differences and other	(277)	(5,582)	305	8	–	465	(5,081)
At 31 March 2024	47,900	217,306	(12,318)	(233)	(4,497)	(43,199)	204,959
Analysed as:							
Deferred tax asset	(5,415)	(206)	(12,523)	(3,360)	(4,497)	(55,257)	(81,258)
Deferred tax liability	53,315	217,512	205	3,127	–	12,058	286,217
	47,900	217,306	(12,318)	(233)	(4,497)	(43,199)	204,959

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, significant judgement is used when assessing the extent to which deferred tax assets should be recognised, with consideration given to the timing and level of future taxable income in the relevant jurisdiction. The majority of the deferred tax asset at 31 March 2025 of £87.446 million is expected to be settled/recovered more than 12 months after the reporting date. The Group has not recognised a deferred tax asset in respect of unutilised interest deductions of £443.0 million as at 31 March 2025.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. Deferred income tax has not been recognised for withholding and other taxes that may be payable on the unremitted earnings of certain subsidiaries and equity accounted investments as the timing of the reversal of these temporary differences is controlled by the Group and it is probable that these temporary differences will not reverse in the foreseeable future.

The deferred tax assets and liabilities related to leases are offset on an individual entity basis and presented net in the statement of financial position. The Group has a deferred tax asset of £85.8 million and a deferred tax liability of £81.3 million in respect of lease liabilities and right-of-use assets at 31 March 2025.

### 3.15 Post-Employment Benefit Obligations

The Group operates a number of defined benefit and defined contribution pension schemes for our employees. All of the Group's defined benefit pension schemes are closed to new members.

The Group operates defined benefit and defined contribution schemes. The pension scheme assets are held in separate trustee administered funds.

The Group operates five defined benefit pension schemes in the Republic of Ireland ('ROI'), three in the UK and six in Germany. The projected unit credit method has been employed in determining the present value of the defined benefit obligation arising, the related current service cost and, where applicable, past service cost.

Full actuarial valuations were carried out between 31 August 2021 and 1 April 2024. In general, actuarial valuations are not available for public inspection, although the results of valuations are advised to the members of the various pension schemes. Actuarial valuations have been updated to 31 March 2025 for IAS 19 by a qualified actuary.

The schemes expose the Group to a number of risks, the most significant of which are as follows:

#### DISCOUNT RATES

The calculation of the present value of the defined benefit obligation is sensitive to changes in the discount rate. The discount rate is based on the interest yield at the reporting date on high-quality corporate bonds of a currency and term consistent with the currency and term of the post-employment benefit obligation. Changes in the discount rate can lead to volatility in the Group's Balance Sheet, Income Statement and Statement of Comprehensive Income.

#### ASSET VOLATILITY

The scheme assets are reported at fair value using bid prices where relevant. The majority of the Group's scheme assets comprise of bonds. A decrease in corporate bond yields will increase the value of the Group's bond holdings although this will be partially offset by an increase in the value of the scheme's liabilities. The Group also holds a significant proportion of equities which are expected to outperform corporate bonds in the long-term while providing some volatility and risk in the short-term. External consultants periodically conduct investment reviews to determine the most appropriate asset allocation, taking account of asset valuations, funding requirements, liability duration and the achievement of appropriate returns.

#### INFLATION RISK

The majority of the Group's defined benefit obligations are linked to inflation and higher inflation will lead to higher scheme liabilities although caps are in place to protect the schemes against extreme inflation.

**3.15 Post-Employment Benefit Obligations** continued

**MORTALITY RISK**

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the defined benefit obligation.

The principal actuarial assumptions used were as follows:

	2025	2024
<b>Republic of Ireland schemes</b>		
Rate of increase in salaries	n/a*	n/a*
Rate of increase in pensions in payment	1.25% – 2.50%	1.25% – 2.50%
Discount rate	3.90%	3.60%
Inflation assumption	2.10%	2.30%
<b>UK schemes</b>		
Rate of increase in salaries	0.00% – 3.15%	0.00% – 3.25%
Rate of increase in pensions in payment	2.95% – 4.00%	3.25% – 4.00%
Discount rate	5.85%	4.90%
Inflation assumption	3.15%	3.25%
<b>German schemes</b>		
Rate of increase in salaries	3.10%	3.30%
Rate of increase in pensions in payment	2.10%	2.30%
Discount rate	3.80%	3.60%
Inflation assumption	2.10%	2.30%

\* There is no future service accrual for the Irish schemes.

The post-retirement mortality assumptions employed in determining the present value of scheme liabilities under IAS 19 are set based on advice from published statistics and experience in the relevant geographic regions and are in accordance with the underlying funding valuations.

The mortality assumptions disclosed for 'current retirees' relate to assumptions based on longevity, in years, following retirement at the balance sheet date, with 'future retirees' being that relating to an employee retiring in 25 years' time. The mortality assumptions are as follows:

	2025 Years	2024 Years
<b>Current retirees</b>		
Male	22.0	22.0
Female	24.9	24.9
<b>Future retirees</b>		
Male	24.6	24.6
Female	27.3	27.3

The Group does not operate any post-employment medical benefit schemes.

**3.15 Post-Employment Benefit Obligations** continued

The net pension liability recognised in the Balance Sheet is analysed as follows:

	2025			
	ROI £'000	UK £'000	Germany £'000	Total £'000
Equities	6,570	1,002	–	7,572
Bonds	32,721	12,119	–	44,840
Property	19	–	–	19
Cash	1,994	1,897	1,030	4,921
Total fair value at 31 March 2025	41,304	15,018	1,030	57,352
Present value of scheme liabilities	(27,976)	(9,467)	(25,793)	(63,236)
Net pension asset/(liability) at 31 March 2025	13,328	5,551	(24,763)	(5,884)

  

	2024			
	ROI £'000	UK £'000	Germany £'000	Total £'000
Equities	9,481	1,034	–	10,515
Bonds	34,080	11,971	–	46,051
Property	22	–	–	22
Cash	1,571	3,288	981	5,840
Total fair value at 31 March 2024	45,154	16,293	981	62,428
Present value of scheme liabilities	(30,929)	(10,743)	(27,313)	(68,985)
Net pension asset/(liability) at 31 March 2024	14,225	5,550	(26,332)	(6,557)

The amounts recognised in the Group Income Statement in respect of defined benefit pension schemes are as follows:

	2025 £'000	2024 £'000
Current service cost	(229)	(492)
Administration expenses	(181)	(197)
Total, included in employee benefit expense (note 2.4)	(410)	(689)
Interest cost on scheme liabilities	(2,555)	(2,362)
Interest income on scheme assets	2,387	2,734
Net interest (expense)/income, included in net finance (costs)/income	(168)	372

Based on the assumptions employed for the valuation of assets and liabilities at 31 March 2025, the net charge in the Group Income Statement in the year ending 31 March 2026 is expected to be broadly in line with the current year figures.

**3.15 Post-Employment Benefit Obligations** continued

Remeasurements recognised in Other Comprehensive Income are as follows:

	2025 £'000	2024 £'000
Return on scheme assets excluding interest income	(4,147)	(1,078)
Experience variations	(142)	2,313
Actuarial gain from changes in demographic assumptions	–	652
Actuarial gain/(loss) from changes in financial assumptions	3,957	(1,863)
<b>Total, included in Other Comprehensive Income</b>	<b>(332)</b>	<b>24</b>

Cumulatively since transition to IFRS on 1 April 2004, £46.358 million has been recognised as a charge in the Group Statement of Comprehensive Income.

The movement in the fair value of plan assets is as follows:

	2025 £'000	2024 £'000
At 1 April	62,428	65,569
Interest income on scheme assets	2,387	2,734
Remeasurements:		
– return on scheme assets excluding interest income	(4,147)	(1,078)
Contributions by employers	1,303	615
Contributions by members	33	35
Administration expenses	(181)	(197)
Benefit and settlement payments	(3,431)	(3,932)
Exchange	(1,040)	(1,318)
<b>At 31 March</b>	<b>57,352</b>	<b>62,428</b>

The actual return on plan assets was a loss of £1.760 million (2024: gain of £1.656 million).

The movement in the present value of defined benefit obligations is as follows:

	2025 £'000	2024 £'000
At 1 April	68,985	53,848
Current service cost	229	492
Interest cost	2,555	2,362
Remeasurements:		
– experience variations	142	(2,313)
– actuarial gain from changes in demographic assumptions	–	(652)
– actuarial (gain)/loss from changes in financial assumptions	(3,957)	1,863
Contributions by members	33	35
Benefit and settlement payments	(3,431)	(3,932)
Arising on acquisition (note 5.2)	–	18,647
Exchange	(1,320)	(1,365)
<b>At 31 March</b>	<b>63,236</b>	<b>68,985</b>

The weighted average duration of the defined benefit obligation at 31 March 2025 was 12.6 years (2024: 13.3 years).

Employer contributions for the forthcoming financial year are estimated at £1.9 million. The difference between the actual employer contributions paid in the current year of £1.3 million and the expectation of £2.1 million included in the 2024 Annual Report was primarily due to the timing of contributions and settlements in certain of the Group's pension schemes which could not have been anticipated at the time of preparation of the 2024 financial statements.

### 3.15 Post-Employment Benefit Obligations continued

#### SENSITIVITY ANALYSIS FOR PRINCIPAL ASSUMPTIONS USED TO MEASURE SCHEME LIABILITIES

There are inherent uncertainties surrounding the financial assumptions adopted in calculating the actuarial valuation of the Group's defined benefit pension schemes. The following table analyses, for the Group's Irish, UK and German pension schemes, the estimated impact on plan liabilities resulting from changes to key actuarial assumptions, whilst holding all other assumptions constant.

Assumption	Change in assumption	Impact on Irish plan liabilities	Impact on UK plan liabilities	Impact on German plan liabilities
Discount rate	Increase/decrease by 0.25%	Decrease/increase by 3.4%	Decrease/increase by 3.7%	Decrease/increase by 2.7%
Price inflation	Increase/decrease by 0.25%	Increase/decrease by 1.6%	Increase/decrease by 3.1%	Increase/decrease by 2.3%
Mortality	Increase/decrease by 1 year	Increase/decrease by 3.2%	Increase/decrease by 3.0%	Increase/decrease by 4.5%

#### SPLIT OF SCHEME ASSETS

	Republic of Ireland		UK		Germany		Total	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Investments quoted in active markets:</b>								
Equity instruments:								
– developed markets	6,542	9,299	1,002	1,034	–	–	7,544	10,333
– emerging markets	28	182	–	–	–	–	28	182
Debt instruments:								
– non government debt instruments	4,105	4,804	2,848	2,387	–	–	6,953	7,191
– government debt instruments	28,616	29,276	9,271	9,584	–	–	37,887	38,860
Cash and cash equivalents	1,994	1,571	1,897	3,288	1,030	981	4,921	5,840
<b>Unquoted investments:</b>								
Property	19	22	–	–	–	–	19	22
	<b>41,304</b>	<b>45,154</b>	<b>15,018</b>	<b>16,293</b>	<b>1,030</b>	<b>981</b>	<b>57,352</b>	<b>62,428</b>

### 3.16 Acquisition Related Liabilities

Acquisition related liabilities arising on business combinations comprise debt like items and contingent consideration. Contingent consideration arises when a portion of the purchase price is deferred into the future and represents the fair value of the estimate of amounts payable to acquire the remaining shareholding.

The Group's acquisition related liabilities of £94.458 million (2024: £141.777 million) as stated on the Balance Sheet are payable as follows:

	2025 £'000	2024 £'000
Within one year	10,911	69,768
Between one and two years	38,056	48,847
Between two and five years	45,491	23,162
	<b>94,458</b>	<b>141,777</b>
Analysed as:		
Non-current liabilities	83,547	72,009
Current liabilities	10,911	69,768
	<b>94,458</b>	<b>141,777</b>

The currency profile of the Group's acquisition related liabilities, which are stated at fair value, is as follows:

	2025 £'000	2024 £'000
Euro	53,848	57,222
Sterling	34,004	66,229
US dollar	6,418	11,551
Hong Kong dollar	–	6,413
Other	188	362
	<b>94,458</b>	<b>141,777</b>

The movement in the Group's acquisition related liabilities is as follows:

	2025 £'000	2024 £'000
At 1 April	141,777	127,393
Arising on acquisition (note 5.2)	68,196	82,809
Unwinding of discount applicable to acquisition related liabilities (note 2.7)	2,145	5,383
Adjustments to contingent consideration (adjustment to goodwill) (note 3.3)	(25,892)	(17,742)
Adjustments to contingent consideration (recognised in the Income Statement) (note 2.6)	(5,079)	(3,180)
Paid during the year	(75,170)	(50,334)
Exchange and other	(1,655)	(2,552)
Acquisition related liabilities attributable to assets held for sale (note 2.10)	(9,864)	–
At 31 March	<b>94,458</b>	<b>141,777</b>

### 3.17 Provisions for Liabilities

A provision is recorded when an obligation exists, resulting from a past event and it is probable that cash will be paid to settle it but there is uncertainty over either the amount or timing of the outflow. The main provisions held by the Group are in relation to reorganisation programmes, environmental obligations, cylinder and tank deposits and insurance liabilities.

The reconciliation of the movement in provisions for liabilities for the year ended 31 March 2025 is as follows:

	Rationalisation, restructuring and redundancy £'000	Environmental and remediation £'000	Cylinder and tank deposits £'000	Insurance and other £'000	Total £'000
At 1 April 2024	25,693	90,176	200,913	56,596	373,378
Provided during the year	34,396	5,401	8,095	14,414	62,306
Unwinding of discount applicable to provisions for liabilities (note 2.7)	–	428	355	–	783
Utilised during the year	(16,117)	(686)	(8,800)	(7,877)	(33,480)
Unutilised/reversed during the year	(11)	(7,007)	(1,176)	(2,492)	(10,686)
Arising on acquisition (note 5.2)	–	–	–	1,274	1,274
Disposal of subsidiary	–	(1,950)	(6,761)	(82)	(8,793)
Exchange and other	(2,123)	(2,385)	(4,489)	(923)	(9,920)
Provisions for liabilities attributable to assets held for sale (note 2.10)	(20,143)	(2,066)	–	(596)	(22,805)
<b>At 31 March 2025</b>	<b>21,695</b>	<b>81,911</b>	<b>188,137</b>	<b>60,314</b>	<b>352,057</b>
Analysed as:					
Non-current liabilities	11,988	76,746	167,225	27,438	283,397
Current liabilities	9,707	5,165	20,912	32,876	68,660
	<b>21,695</b>	<b>81,911</b>	<b>188,137</b>	<b>60,314</b>	<b>352,057</b>

The reconciliation of the movement in provisions for liabilities for the year ended 31 March 2024 is as follows:

	Rationalisation, restructuring and redundancy £'000	Environmental and remediation £'000	Cylinder and tank deposits £'000	Insurance and other £'000	Total £'000
At 1 April 2023	28,516	88,795	182,517	53,588	353,416
Provided during the year	2,571	3,826	13,214	9,333	28,944
Unwinding of discount applicable to provisions for liabilities (note 2.7)	–	235	727	–	962
Utilised during the year	(4,507)	(670)	(4,007)	(2,916)	(12,100)
Unutilised/reversed during the year	(280)	(403)	(3,459)	(4,182)	(8,324)
Arising on acquisition (note 5.2)	–	460	17,137	2,567	20,164
Exchange and other	(607)	(2,067)	(5,216)	(1,794)	(9,684)
<b>At 31 March 2024</b>	<b>25,693</b>	<b>90,176</b>	<b>200,913</b>	<b>56,596</b>	<b>373,378</b>
Analysed as:					
Non-current liabilities	12,724	82,371	181,722	29,550	306,367
Current liabilities	12,969	7,805	19,191	27,046	67,011
	<b>25,693</b>	<b>90,176</b>	<b>200,913</b>	<b>56,596</b>	<b>373,378</b>

### 3.17 Provisions for Liabilities continued

#### RATIONALISATION, RESTRUCTURING AND REDUNDANCY

This provision relates to various rationalisation and restructuring programmes across the Group. The Group expects that the majority of this provision will be utilised within two years.

#### ENVIRONMENTAL AND REMEDIATION

This provision relates to obligations governing site remediation and improvement costs to be incurred in compliance with environmental regulations together with the costs associated with removing liquid gas tanks from customer sites. The net present value of the estimated costs is capitalised as property, plant and equipment. The unwinding of the discount element on the provision is reflected in the Income Statement. Ongoing costs incurred during the operating life of the sites are written off directly to the Income Statement and are not charged to the provision. The majority of the obligations will unwind over a 30-year timeframe but the exact timing of settlement of these provisions is not certain.

#### CYLINDER AND TANK DEPOSITS

This provision relates to DCC Energy's operations where an obligation arises from the receipt of deposit fees paid by customers for liquid gas cylinders and tanks. On receipt of a deposit the Group recognises a liability equal to the deposit received. This deposit will subsequently be refunded at an amount equal to the original deposit on return of the cylinder or tank together with the original deposit receipt. Cylinder and tank deposits acquired through business combinations are measured initially at their fair value at the acquisition date (i.e. net present value) and the unwinding of the discount element is reflected in the Income Statement. The majority of this obligation will unwind over a 25-year timeframe but the exact timing of settlement of this provision is not certain.

#### INSURANCE AND OTHER

The Group operates a level of self-insurance for motor liability and public and products liability. Under these arrangements the Group retains certain insurance exposure up to pre-determined self-insurance thresholds. This provision reflects an estimation of claims that are classified as incurred but not reported and also the outstanding loss reserve. A significant element of the provision is subject to external assessments. The utilisation of the provision is dependent on the timing of settlement of the outstanding claims. Historically, the average time for settlement of outstanding claims ranges from one to three years from the date of the claim.

### 3.18 Government Grants

Government grants relate to capital grants received by the Group and are amortised to the Income Statement over the estimated useful lives of the related capital assets.

	2025 £'000	2024 £'000
At 1 April	2,740	477
Government grants received in year	340	2,669
Arising on acquisition (note 5.2)	1	–
Amortisation in year	(323)	(376)
Exchange	(39)	(30)
Government grants attributable to assets held for sale (note 2.10)	(183)	–
At 31 March	2,536	2,740
Analysed as:		
Non-current liabilities	2,513	2,704
Current liabilities (note 3.7)	23	36
	2,536	2,740

## Section 4 Equity

### 4.1 Share Capital and Share Premium

The ordinary shareholders of DCC plc own the Company. This note details how the total number of ordinary shares in issue has changed during the year and how many of these ordinary shares are held as treasury shares.

		2025 £'000	2024 £'000	
<b>Authorised</b>				
152,368,568 ordinary shares of €0.25 each		25,365	25,365	
<b>Issued</b>				
<b>Year ended 31 March 2025</b>	<b>Number of shares</b>	<b>Share capital £'000</b>	<b>Share premium £'000</b>	<b>Total £'000</b>
At 31 March 2024 (including 2,481,405 ordinary shares held as treasury shares)	101,333,904	17,422	883,890	901,312
Premium arising on re-issue of treasury shares	–	–	19	19
At 31 March 2025 (including 2,367,725 ordinary shares held as treasury shares)	101,333,904	17,422	883,909	901,331
<b>Year ended 31 March 2024</b>	<b>Number of shares</b>	<b>Share capital £'000</b>	<b>Share premium £'000</b>	<b>Total £'000</b>
At 31 March 2023 (including 2,586,698 ordinary shares held as treasury shares)	101,333,904	17,422	883,669	901,091
Premium arising on re-issue of treasury shares	–	–	221	221
At 31 March 2024 (including 2,481,405 ordinary shares held as treasury shares)	101,333,904	17,422	883,890	901,312

As at 31 March 2025, the total authorised number of ordinary shares is 152,368,568 shares (2024: 152,368,568 shares) with a par value of €0.25 per share (2024: €0.25 per share). Share premium relates to the share premium arising on the issue of shares.

During the year the Company re-issued 113,680 treasury shares for a consideration of £0.019 million.

All shares, with the exception of ordinary shares held as treasury shares, whether fully or partly paid, carry equal voting rights and rank for dividends to the extent to which the total amount payable on each share is paid up.

Details of share options and awards granted under the Company's share option and award schemes and the terms attaching thereto are provided in note 2.5 to the financial statements and in the Remuneration Report on pages 118 to 142.

#### RESTRICTION ON TRANSFER OF SHARES

The Directors may, at their absolute discretion and without giving any reason, refuse to register the transfer of a share, or any renunciation of any allotment made in respect of a share, which is not fully paid, or any transfer of a share to a minor or a person of unsound mind.

The Directors may also refuse to register any transfer (whether or not it is in respect of a fully paid share) unless (i) it is lodged at the Company's Registered Office or at such other place as the Directors may appoint and is accompanied by the certificate (if any) for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (ii) it is in respect of only one class of shares and (iii) it is in favour of not more than four transferees.

**4.1 Share Capital and Share Premium** continued

**RESTRICTION OF VOTING RIGHTS**

If at any time the Directors determine that a 'Specified Event' as defined in the Articles of Association of DCC plc has occurred in relation to any share or shares, the Directors may serve a notice to such effect on the holder or holders thereof. Upon the expiry of 14 days from the service of any such notice, for so long as such notice shall remain in force, no holder or holders of the share or shares specified in such notice shall be entitled to attend, speak or vote either personally, by representative or by proxy at any general meeting of the Company or at any separate general meeting of the holders of the class of shares concerned or to exercise any other right conferred by membership in relation to any such meeting. The Directors shall, where the specified shares represent not less than 0.25% of the class of shares concerned, be entitled to withhold payment of any dividend or other amount payable (including shares issuable in lieu of dividends) in respect of the shares specified in such notice and/or, in certain circumstances, to refuse to register any transfer of the specified shares or any renunciation of any allotment of new shares or debentures made in respect thereof unless such transfer or renunciation is shown to the satisfaction of the Directors to be an arm's length transfer or a renunciation to another beneficial owner unconnected with the holder or any person appearing to have an interest in the specified shares.

**4.2 Other Reserves**

This note details the movement in the Group's other reserves which are treated as different categories of equity as required by accounting standards.

	Share based payment reserve <sup>1</sup> £'000	Cash flow hedge reserve <sup>2</sup> £'000	Foreign currency translation reserve <sup>3</sup> £'000	Other reserves <sup>4</sup> £'000	Total £'000
At 31 March 2023	54,596	(48,280)	128,529	932	135,777
Currency translation	–	–	(63,656)	–	(63,656)
Cash flow hedges:					
– fair value gain in year – private placement debt	–	(3,375)	–	–	(3,375)
– fair value – transferred to the income statement	–	(2,532)	–	–	(2,532)
– fair value loss in year – other	–	(104,700)	–	–	(104,700)
– tax on fair value net gains	–	23,046	–	–	23,046
– transfers to sales	–	90	–	–	90
– transfers to cost of sales	–	146,872	–	–	146,872
– transfers to operating expenses	–	762	–	–	762
– tax on transfers	–	(29,983)	–	–	(29,983)
Share based payment	9,210	–	–	–	9,210
At 31 March 2024	<b>63,806</b>	<b>(18,100)</b>	<b>64,873</b>	<b>932</b>	<b>111,511</b>
Currency translation					
– arising in the year	–	–	(41,508)	–	(41,508)
– recycled to the Income Statement on disposal	–	–	(13,041)	–	(13,041)
Cash flow hedges:					
– fair value loss in year – private placement debt	–	(7,978)	–	–	(7,978)
– fair value – transferred to the income statement	–	3,474	–	–	3,474
– fair value gain in year – other	–	25,542	–	–	25,542
– tax on fair value net loss	–	(4,270)	–	–	(4,270)
– transfers to sales	–	(73)	–	–	(73)
– transfers to cost of sales	–	(3,970)	–	–	(3,970)
– transfers to operating expenses	–	8,328	–	–	8,328
– tax on transfers	–	(870)	–	–	(870)
Share based payment	7,544	–	–	–	7,544
At 31 March 2025	<b>71,350</b>	<b>2,083</b>	<b>10,324</b>	<b>932</b>	<b>84,689</b>

1. The share-based payment reserve comprises the amounts expensed in the Income Statement in connection with share based payments.
2. The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.
3. The Group's foreign currency translation reserve represents foreign exchange differences arising from the translation of the net assets of the Group's non-sterling denominated operations, including the translation of the profits and losses of such operations from the average rate for the year to the closing rate at the reporting date.
4. The Group's other reserves principally comprises a capital conversion reserve fund.

### 4.3 Retained Earnings

Retained Earnings represents the accumulated earnings of the Group not distributed to shareholders and is shown net of the cost to the Group of acquiring shares held as treasury shares.

	2025 £'000	2024 £'000
At 1 April	2,078,568	1,941,223
Net income recognised in Income Statement	206,490	326,255
Net income recognised in Other Comprehensive Income:		
– remeasurements of defined benefit pension obligations	(332)	24
– deferred tax on remeasurements	28	(117)
Dividends	(197,347)	(188,817)
At 31 March	2,087,407	2,078,568

The cost to the Group and the Company of €35.600 million (2024: €37.057 million) to acquire the 2,367,725 shares (2024: 2,481,405 shares) held in Treasury has been deducted from the Group and Company Retained Earnings. These shares were acquired at prices ranging from €12.80 to €17.90 each (average: €15.04) between 17 May 2004 and 19 June 2006 and are primarily held to satisfy exercises under the Group's share options and awards schemes.

### 4.4 Non-Controlling Interests

Non-controlling interests principally comprises the 40% equity interest in our Danish subsidiary DCC Holding Denmark A/S which is not controlled by the Group.

	2025 £'000	2024 £'000
At 1 April	91,641	80,219
Share of profit for the financial year	14,731	14,283
Dividends to non-controlling interests	(9,322)	(310)
Exchange and other	(2,181)	(2,551)
At 31 March	94,869	91,641

## Section 5 Additional Disclosures

### 5.1 Foreign Currency

This note details the exchange rates used to translate non-sterling Income Statement and Balance Sheet amounts into sterling, which is the Group's presentation currency.

The Group's financial statements are presented in sterling, denoted by the symbol '£'. Results and cash flows of operations based in non-sterling countries have been translated into sterling at average rates for the year, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date. The principal exchange rates used for translation of results and balance sheets into sterling were as follows:

	Average rate		Closing rate	
	2025 Stg£1=	2024 Stg£1=	2025 Stg£1=	2024 Stg£1=
Euro	<b>1.1893</b>	1.1563	<b>1.1970</b>	1.1695
Danish krone	<b>8.8706</b>	8.6183	<b>8.9314</b>	8.7218
Swedish krona	<b>13.6338</b>	13.2851	<b>12.9866</b>	13.4780
Norwegian krone	<b>13.9167</b>	13.3529	<b>13.6617</b>	13.6814
US dollar	<b>1.2767</b>	1.2541	<b>1.2946</b>	1.2643
Canadian dollar	<b>1.7722</b>	1.6932	<b>1.8593</b>	1.7158

### 5.2 Business Combinations

The Group acquired a number of businesses during the year. This note provides details on the consideration paid and/or payable as well as the provisional fair values of the net assets acquired.

A key strategy of the Group is to create and sustain market leadership positions through acquisitions in markets it currently operates in, together with extending the Group's footprint into new geographic markets. In line with this strategy, the principal acquisitions completed by the Group during the year, together with percentages acquired were as follows:

- The acquisition by DCC Energy of 100% of Next Energy in April 2024, for an initial enterprise value of approximately £90 million. Next Energy is an energy efficiency and renewable energy services provider focused on the UK domestic sector;
- The acquisition by DCC Technology of 100% of MDM Commercial Inc ('MDM') in April 2024. MDM is a distributor of hospitality and healthcare professional AV equipment in the US;
- The acquisition by DCC Energy of 100% of Secundo Photovoltaik ('Secundo') in June 2024. Secundo is one of Austria's largest solar PV businesses serving commercial customers;
- The acquisition by DCC Energy of 100% of WIRSOL Roof Solutions ('Wirsol') in July 2024. Wirsol is a German based provider of solar PV and battery storage solutions;
- The acquisition by DCC Energy of 100% of Cubo in July 2024. Cubo is a fleet telematics business which provides integrated telematics and communication storage solutions in the UK and Ireland;
- The acquisition by DCC Energy of 100% of Acteam ENR ('Acteam') in September 2024. Acteam is a French solar PV business providing project development, engineering, project management along with construction support and supervision services for commercial solar PV projects; and
- The acquisition by DCC Energy of 100% of MG Habitat in November 2024. MG Habitat is a French energy services business providing design, installation and maintenance services for solar PV, heat-pumps and other energy installations.

## 5.2 Business Combinations continued

The acquisition data presented below reflects the fair value of the identifiable net assets acquired (excluding net cash/debt acquired) in respect of acquisitions completed during the year.

	Total 2025 £'000	Total 2024 £'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment (note 3.1)	4,307	48,603
Right-of-use leased assets (note 3.2)	3,343	10,563
Intangible assets (note 3.3)	89,810	156,964
Equity accounted investments (note 3.4)	–	5,530
Deferred income tax assets	5	2,467
Total non-current assets	97,465	224,127
<b>Current assets</b>		
Inventories (note 3.8)	29,548	23,708
Trade and other receivables (note 3.8)	42,973	59,945
Total current assets	72,521	83,653
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Deferred income tax liabilities	(22,903)	(41,026)
Post employment benefit obligations (note 3.15)	–	(18,647)
Provisions for liabilities	(673)	(13,245)
Lease creditors	(2,427)	(6,742)
Government grants (note 3.18)	(1)	–
Total non-current liabilities	(26,004)	(79,660)
<b>Current liabilities</b>		
Trade and other payables (note 3.8)	(42,751)	(61,022)
Provisions for liabilities	(601)	(6,919)
Current income tax liabilities	(2,117)	(8,179)
Lease creditors	(916)	(3,207)
Total current liabilities	(46,385)	(79,327)
Identifiable net assets acquired	97,597	148,793
Goodwill (note 3.3)	137,893	222,171
Total consideration	235,490	370,964
<b>Satisfied by:</b>		
Cash	178,048	327,354
Net cash and cash equivalents acquired	(10,754)	(39,199)
Net cash outflow	167,294	288,155
Acquisition related liabilities (note 3.16)	68,196	82,809
Total consideration	235,490	370,964

**5.2 Business Combinations** continued

None of the business combinations completed during the period were considered sufficiently material to warrant separate disclosure of the fair values attributable to those combinations. The carrying amounts of the assets and liabilities acquired, determined in accordance with IFRS, before completion of the combination together with the adjustments made to those carrying values disclosed above were as follows:

	Book value £'000	Fair value adjustments £'000	Fair value £'000
Total			
Non-current assets (excluding goodwill)	7,655	89,810	97,465
Current assets	78,365	(5,844)	72,521
Non-current liabilities	(3,208)	(22,796)	(26,004)
Current liabilities	(43,838)	(2,547)	(46,385)
Identifiable net assets acquired	38,974	58,623	97,597
Goodwill arising on acquisition	196,516	(58,623)	137,893
Total consideration	235,490	–	235,490

The initial assignment of fair values to identifiable net assets acquired has been performed on a provisional basis in respect of a number of the business combinations above given the timing of closure of these transactions. Any amendments to fair values within the 12 month timeframe from the date of acquisition will be disclosable in the 2026 Annual Report as stipulated by IFRS 3.

The principal factors contributing to the recognition of goodwill on business combinations entered into by the Group are the expected profitability of the acquired business and the realisation of cost savings and synergies with existing Group entities.

£1.108 million of the goodwill recognised in respect of acquisitions completed during the financial year is expected to be deductible for tax purposes.

Acquisition and related costs included in other operating expenses (continuing operations) in the Group Income Statement amounted to £9.060 million (note 2.6).

No contingent liabilities were recognised on the acquisitions completed during the financial year or the prior financial years.

The gross contractual value of trade and other receivables as at the respective dates of acquisition amounted to £45.216 million. The fair value of these receivables is £42.973 million (all of which is expected to be recoverable) and is inclusive of an aggregate allowance for impairment of £2.243 million.

The fair value of contingent consideration recognised at the date of acquisition is calculated by discounting the expected future payment to present value at the acquisition date. In general, for contingent consideration to become payable, pre-defined profit thresholds must be exceeded. On an undiscounted basis, the future payments for which the Group may be liable for acquisitions in the current year range from nil to £120 million.

The post-acquisition impact of business combinations completed during the year on the Group's continuing revenue and profit for the financial year was as follows:

	2025 £'000
Revenue	204,123
Profit for the financial year attributable to owners of the Parent Company	16,465

The revenue and profit of the Group for the financial year on a continuing basis determined in accordance with IFRS as though the acquisition date for all business combinations effected during the year had been the beginning of that year would be as follows:

	2025 £'000
Revenue	18,050,560
Profit for the financial year attributable to owners of the Parent Company	210,759

### 5.3 Cash Generated from Operations

This note reconciles how the Group's profit for the year translates into cash flows generated from operating activities.

	2025 £'000	2024 £'000
Profit for the financial year	221,221	340,538
Add back non-operating expenses/(income):		
– tax	87,630	83,213
– share of equity accounted investments' profit after tax	(3,392)	(604)
– net operating exceptionals	173,775	39,309
– net finance costs	106,210	106,249
Operating profit before exceptionals	585,444	568,705
– share-based payments expense (note 2.5)	7,544	9,210
– depreciation (including right-of-use leased assets)	253,919	240,194
– amortisation of intangible assets (note 3.3)	118,156	114,075
– profit on disposal of property, plant and equipment	(17,225)	(1,148)
– amortisation of government grants (note 3.18)	(323)	(376)
– other	3,009	8,562
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):		
– inventories (note 3.8)	15,055	122,766
– trade and other receivables (note 3.8)	17,485	157,082
– trade and other payables (note 3.8)	(126,303)	(223,277)
Cash generated from operations before exceptionals	856,761	995,793

### 5.4 Commitments

A commitment represents an obligation to make a payment in the future as long as the counterparty meets its obligations, and mainly relates to agreements to buy capital assets. These amounts are not included in the Group's Balance Sheet as we have not yet received the goods or services from the supplier.

#### CAPITAL EXPENDITURE COMMITMENTS

	2025 £'000	2024 £'000
Capital expenditure on property, plant and equipment that has been contracted for but has not been provided for in the financial statements	63,704	49,974
Capital expenditure on property, plant and equipment that has been authorised by the Directors but has not yet been contracted for	86,221	112,375
	149,925	162,349

### 5.5 Contingencies

Contingent liabilities include guarantees given in respect of borrowings and other obligations arising in the ordinary course of business.

#### GUARANTEES

The Company has given guarantees of £2,100.531 million (2024: £2,133.199 million) in respect of borrowings and other obligations arising in the ordinary course of business of the Company and other Group undertakings.

#### OTHER

Pursuant to the provisions of Section 357 of the Companies Act, 2014, the Company has guaranteed the commitments of the following Irish subsidiaries and, as a result, these companies will be exempted from the filing provisions of Sections 347 and 348 of the Companies Act, 2014:

Alvabay Limited, Budget Energy Limited, Budget Energy Holdings Limited, Campus Oil Limited, CC Lubricants Limited, Certa Ireland Limited (formerly Emo Oil Limited), Certas Energy Ireland Limited, DCC Corporate Funding Unlimited Company, DCC Corporate Partners Unlimited Company, DCC Corporate 2007 dac, DCC Corporate Services dac, DCC Energy Limited, DCC Finance Limited, DCC Finance Holdings Limited, DCC Finance & Treasury dac, DCC Financial Services Unlimited Company, DCC Financial Services Holdings Unlimited Company, DCC Financial

## 5.5 Contingencies continued

Services International dac, DCC Financial Services International Holdings Limited, DCC Financial Services Investments CLG, DCC Financial Services Ireland Unlimited Company, DCC Funding 2007 dac, DCC Fund Services Unlimited Company, DCC Group Finance (Ireland) dac (formerly DCC Treasury Ireland 2013 dac), DCC Healthcare Limited, DCC Management Services Limited, DCC Nominees Unlimited Company, DCC Technology Limited, DCC Treasury 2010 dac, DCC Treasury Management Unlimited Company, DCC Treasury Services Unlimited Company, DCC Treasury Solutions Unlimited Company, Energy Procurement Limited, Energy Procurement Ireland 2013 Limited, Flogas Enterprise Solutions Limited (formerly Naturgy Limited), Flogas Ireland Limited, Flogas Natural Gas Limited, Jones Oil Limited, SerCom (Holdings) Limited, Source LS Global Limited and Starata Limited.

Seven of the Group's German subsidiaries, EnergieDirect GmbH & Co. KG, TEGA-Technische Gase und Gasetechnik GmbH, DCC Germany Holding GmbH, Progas Holding GmbH, PROGAS GmbH & Co. KG, PROGAS GmbH and Progeha Unterstützungseinrichtung e.V. availed of disclosure exemptions pursuant to Section 264 of the German Commercial Code (HGB) and are therefore exempted from the obligations to prepare and disclose audited financial statements.

## 5.6 Related Party Transactions

The Group's principal related parties are the Group's subsidiaries, associates and key management personnel of the Group.

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group under IAS 24 Related Party Disclosures relate to the existence of subsidiaries and associates and transactions with these entities entered into by the Group and the identification and compensation of key management personnel as addressed in more detail below.

### SUBSIDIARIES AND ASSOCIATES

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries and associates as documented in the accounting policies in note 5.9 and the basis of consolidation in note 1.3. A listing of the principal subsidiaries and associates is provided in the Group Directory on pages 238 to 241 of this Annual Report.

Transactions are entered into in the normal course of business on an arm's length basis. Sales to and purchases from, together with outstanding payables and receivables to and from subsidiaries are eliminated in the preparation of the consolidated financial statements.

### COMPENSATION OF KEY MANAGEMENT PERSONNEL

For the purposes of the disclosure requirements under IAS 24, the term 'key management personnel' (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Company) comprises the Board of Directors which manages the business and affairs of the Company. Key management remuneration amounted to:

	2025 £'000	2024 £'000
Short-term benefits	4,910	3,916
Post-employment benefits	193	190
Share-based payment (calculated in accordance with the principles disclosed in note 2.5)	1,416	1,692
	<b>6,519</b>	<b>5,798</b>

## 5.7 Financial Risk and Capital Management

This note details the Group's treasury management and financial risk management objectives and policies. Information is also provided regarding the Group's exposure and sensitivity to capital risk, credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk, and the policies in place to monitor and manage these risks.

### CAPITAL RISK MANAGEMENT

The Group's objectives when managing its capital structure are to safeguard the Group's ability to continue as a going concern to provide returns to shareholders and benefits for other stakeholders, while maintaining a strong balance sheet to support the continued organic and acquisitive growth of its businesses and to maintain investor, creditor and market confidence. Return on capital employed ('ROCE') is a key performance indicator for the Group.

To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or buy back existing shares, increase or reduce debt or sell assets.

The Group includes borrowings in its measure of capital. The Group's borrowings are subject to covenants. Further details on this are outlined in the 'liquidity risk management' section of this note.

The policy for net debt/cash is to ensure a structure of longer-term debt funding and cash balances with deposit maturities up to three months.

The capital structure of the Group, which comprises capital and reserves attributable to the owners of the Parent Company, net debt, lease creditors and acquisition related liabilities, may be summarised as follows:

	2025 £'000	2024 £'000
Capital and reserves attributable to the owners of the Parent Company	3,073,427	3,091,391
Net debt (excl. lease creditors) (note 3.13)	795,909	784,698
Lease creditors (note 3.13)	356,144	362,383
Acquisition related liabilities	104,322	141,777
At 31 March	4,329,802	4,380,249

### FINANCIAL RISK MANAGEMENT

Group financial risk management is governed by policies and guidelines which are reviewed and approved annually by the Board of Directors, most recently in February 2025. These policies and guidelines primarily cover credit risk, liquidity risk, foreign exchange risk, interest rate risk and commodity price risk. The principal objective of these policies and guidelines is the minimisation of financial risk at reasonable cost. To manage these risks, DCC uses various derivative financial instruments, including interest rate swaps, foreign exchange forwards and swaps, and commodity contracts. The Group does not trade in financial instruments, nor does it enter into any leveraged derivative transactions. DCC's Group Treasury function centrally manages the Group's funding and liquidity requirements. Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign exchange, and, in conjunction with Group Commodity Risk Management, manage commodity price exposures, within approved policies and guidelines. Compliance with the policies and guidelines is reviewed by the Group Internal Audit function.

The Group has a consistent focus on maintaining financial strength through a disciplined approach to balance sheet management and maintaining relatively low levels of financial risk. At 31 March 2025, the Group had cash and cash equivalents of £1,150,513 million (note 3.13) and £800 million undrawn under its committed revolving credit facility (note 3.11). At 31 March 2025, the capital structure, as summarised above had net debt excluding lease creditors of £795,909 million.

#### (i) Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It arises principally from credit exposure to trade receivables, cash and cash equivalents including deposits with banks and financial institutions and derivative financial instruments.

The Group's trade receivables are generally unsecured and non-interest bearing and arise from a wide and varied customer base spread throughout the Group's operations and, as such, there is no significant concentration of credit risk. The Group allocates each exposure to a credit risk grade, based on data that is determined to be predictive of risk of loss. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, considering their financial position, past experience and other factors. The utilisation of credit limits is regularly monitored, and a significant element of credit risk is covered by credit insurance.

The Group applies the simplified approach to providing for expected credit losses ('ECL') permitted by IFRS 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the trade receivables.

### 5.7 Financial Risk and Capital Management continued

The Group uses an allowance matrix to measure the ECL's of trade receivables, which comprises a very large number of small balances. Loss rates are based on actual credit loss experience.

As detailed in note 3.6, the Group's trade receivables at 31 March 2025 (excluding assets held for sale) amount to £1,590,328 million (2024: £1,782.513 million). Customer credit risk arising in the context of the Group's operations is not significant and the total allowance for impairment of trade receivables amounts to 6.7% of the Group's gross trade receivables (2024: 4.8%). The allowance for impairment mainly relates to trade and other receivables balances which are over six months overdue.

Where appropriate, certain of the Group's operations selectively utilise supply chain financing solutions to sell, on a non-recourse basis, a portion of their receivables relating to certain larger supply chain/sales and marketing activities. The level of supply chain financing at 31 March 2025 was £155.985 million (2024: £145.386 million) and has been derecognised from 'Trade and other receivables' in accordance with the Group's accounting policy. Revenues relating to the non-recourse sale of receivables included in overall Group revenues in the year ended 31 March 2025 amounted to £674.941 million (2024: £690.265 million).

Risk of counterparty default arising on cash and cash equivalents and derivative financial instruments is controlled within a framework of dealing with high-quality institutions and, by policy, limiting the amount of credit exposure to any one bank or institution. DCC transacts with a variety of high credit quality financial institutions for the purpose of placing deposits and entering into derivative contracts. Deposits are also placed with AAA money market funds. The Group actively monitors its credit exposure to each counterparty to ensure compliance with the counterparty risk limits of the Board approved treasury policy. Of the total cash and cash equivalents at 31 March 2025 of £1,150,513 million, 22.9% (£263.322million) was with money market funds, 97.1% (£1,117.233 million) was with money market funds or financial institutions with minimum short-term ratings of A-1 (Standard and Poor's) or P-1 (Moody's) and 97.2% (£1,118.241 million) was with money market funds or financial institutions with minimum short-term ratings of A-2 (Standard and Poor's) or P-2 (Moody's). In the normal course of business, the Group operates notional cash pooling systems, where a legal right of set-off applies. As at 31 March 2025, derivative transactions were with counterparties with ratings ranging from A+ to A- (long-term) with Standard and Poor's or Aa1 to A1 (long-term) with Moody's. The Group accordingly does not expect any loss in relation to its cash and cash equivalents or its derivative balances at 31 March 2025.

Management does not expect any significant counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each asset.

#### (ii) Liquidity risk management

The Group maintains a strong balance sheet with long-term debt funding and cash balances with deposit maturities up to three months. Wherever possible, surplus funds in the Group are transferred to the centralised treasury department through the repayment of borrowings, deposits and dividends. These are then lent to Group companies, contributed as equity to fund Group operations, used to retire external debt or invested externally. The Group does not use off-balance sheet special purpose entities as a source of liquidity or for other financing purposes. In addition, the Group maintains significant committed and uncommitted credit lines with its relationship banks. Compliance with the Group's debt covenants is monitored continually based on management accounts. Sensitivity analysis using various scenarios are applied to forecasts to assess their impact on covenants and net debt/cash. During the year to 31 March 2025, all covenants have been complied with and based on current forecasts, it is expected that all covenants will continue to be complied with for the foreseeable future. Further analysis of the Group's debt covenants is included in the Financial Review.

The following tables show the projected contractual undiscounted total cash outflows (principal and interest) arising from the Group's trade and other payables, gross debt and derivative financial instruments. The tables also include the gross cash inflows projected to arise from derivative financial instruments. These projections are based on the interest and foreign exchange rates applying at the end of the relevant financial year.

## 5.7 Financial Risk and Capital Management continued

As at 31 March 2025	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
<b>Financial liabilities – cash outflows</b>					
Trade and other payables	(2,763,181)	–	–	–	(2,763,181)
Interest bearing loans and borrowings	(116,827)	(213,294)	(700,143)	(952,850)	(1,983,114)
Interest payments on interest bearing loans and borrowings	(86,145)	(77,745)	(186,449)	(98,607)	(448,946)
Lease creditors	(64,245)	(50,473)	(97,736)	(101,517)	(313,971)
Interest payments on lease creditors	(9,033)	(8,847)	(16,462)	(39,626)	(73,968)
Acquisition related liabilities	(10,911)	(38,056)	(45,491)	–	(94,458)
Cross currency swaps – gross cash outflows	(81,079)	(90,989)	(17,043)	(108,483)	(297,594)
Other derivative financial instruments	(11,348)	(1,684)	(671)	–	(13,703)
Interest rate swaps – net cash outflows	(7,485)	(7,687)	(5,698)	–	(20,870)
	(3,150,254)	(488,775)	(1,069,693)	(1,301,083)	(6,009,805)
<b>Derivative financial instruments – cash inflows</b>					
Cross currency swaps – gross cash inflows	95,426	113,108	13,158	105,679	327,371
Other derivative financial instruments	11,450	398	7	–	11,855
	106,876	113,506	13,165	105,679	339,226
<b>As at 31 March 2024</b>					
Financial liabilities – cash outflows					
Trade and other payables	(3,054,108)	–	–	–	(3,054,108)
Interest bearing loans and borrowings	(369,797)	(87,796)	(777,079)	(736,037)	(1,970,709)
Interest payments on interest bearing loans and borrowings	(77,432)	(71,113)	(165,416)	(110,728)	(424,689)
Lease creditors	(77,527)	(60,105)	(111,929)	(112,822)	(362,383)
Interest payments on lease creditors	(11,317)	(9,049)	(17,338)	(39,680)	(77,384)
Acquisition related liabilities	(69,768)	(48,847)	(21,942)	(1,220)	(141,777)
Cross currency swaps – gross cash outflows	(174,092)	(80,745)	(92,301)	(18,180)	(365,318)
Other derivative financial instruments	(20,548)	(1,294)	(573)	–	(22,415)
Interest rate swaps – net cash outflows	(3,374)	(3,142)	(6,596)	(595)	(13,707)
	(3,857,963)	(362,091)	(1,193,174)	(1,019,262)	(6,432,490)
<b>Derivative financial instruments – cash inflows</b>					
Cross currency swaps – gross cash inflows	215,325	94,337	114,652	22,678	446,992
Other derivative financial instruments	11,000	632	132	–	11,764
	226,325	94,969	114,784	22,678	458,756

The Group has sufficient cash resources and liquid assets to enable it to meet its current borrowing obligations and trade and other payables. The Group has a well-balanced profile of debt maturities over the coming years which will be serviced through a combination of cash and cash equivalents, cash flows, committed bank facilities and the raising of additional long-term debt.

## 5.7 Financial Risk and Capital Management continued

### (III) MARKET RISK MANAGEMENT

#### Foreign exchange risk management

DCC's presentation currency is sterling. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations giving rise to exposure to other currencies.

Divisional and subsidiary management, in conjunction with Group Treasury, manage foreign currency exposures within approved policies and guidelines using forward currency contracts.

The Group does not hedge translation exposure on the translation of the profits of foreign currency subsidiaries on the basis that there is no commitment or intention to remit earnings.

The Group has investments in non-sterling, primarily euro and US dollar denominated, operations which are cash generative and a significant proportion of cash generated from these operations is reinvested in development activities rather than being repatriated into sterling. The Group seeks to manage the resultant foreign currency translation risk through borrowings denominated in (or swapped utilising cross currency interest rate swaps into) the relevant currency or through currency swaps related to intercompany funding, although these hedges are offset by the strong ongoing cash flow generated from the Group's non-sterling operations, leaving DCC with a net investment in non-sterling assets. The loss of £43.7 million arising on the translation of DCC's non-sterling denominated net asset position at 31 March 2025 as set out in the Group Statement of Comprehensive Income mainly reflects the weakening in the value of the euro and US dollar against sterling with the impact of movements against other currencies largely offsetting each other.

The Group has a moderate level of transactional currency exposure arising from sales or purchases by operating units in currencies other than their functional currencies. Where sales or purchases are invoiced in currencies other than the local currency and there is not a natural hedge with other activities within the Group, DCC generally hedges between 50% and 90% of those transactions for the subsequent two months. The Group also hedges a proportion of anticipated transactions in certain subsidiaries for periods ranging up to 18 months with such transactions qualifying as 'highly probable' forecast transactions for IAS 39 hedge accounting purposes.

#### Sensitivity to currency movements

A change in the value of other currencies by 10% against sterling would have a £24.9 million (2024: £29.9 million) impact on the Group's profit before tax and exceptional items, would change the Group's equity by £188.1 million and change the Group's net debt by £106.7 million (2024: £210.3 million and £97.2 million respectively). The Group has an insignificant amount of transactional currency exposure.

#### Interest rate risk management

On a net debt/cash basis, the Group is exposed to changes in interest rates, primarily changes in EURIBOR, USD SOFR and sterling SONIA. Having borrowed at both fixed and floating rates of interest, DCC has swapped a portion of its fixed rate borrowings to a combination of fixed and floating interest rates, using interest rate and cross currency interest rate swaps. Cash balances are held on short-term deposits and changing interest rates will impact deposit interest income earned.

#### Sensitivity of interest charges to interest rate movements

Based on the composition of net debt at 31 March 2025 a one percentage point (100 basis points) change in average floating interest rates would have a £1.0 million (2024: £4.9 million) impact on the Group's profit before tax.

Further information on Group borrowings and the management of related interest rate risk is set out in notes 3.10 and 3.11.

#### Commodity price risk management

DCC, through its activities in the energy sector, procures, markets and sells liquid gas, natural gas, electricity and oil products and, as such, is exposed to changes in commodity cost prices. In general, market dynamics are such that commodity cost price movements are promptly reflected in sales prices. In certain markets, short-term or seasonal price stability is preferred by certain customer segments. Thus DCC hedges a proportion of forecasted transactions, with such transactions qualifying as 'highly probable' for IAS 39 hedge accounting purposes. DCC uses both forward purchase contracts and derivative commodity instruments to support its pricing strategy for a portion of expected future sales, typically for periods of less than 24 months.

Fixed price supply contracts may be provided to certain customers for periods typically less than 12 months in duration. DCC fixes its purchase cost on contracted future volumes where the customer contract contains a take-or-pay arrangement that permits the customer to purchase a fixed amount of product for a fixed price during a specified period and requires payment even if the customer does not take delivery of the product. Where a take-or-pay clause is not included in the customer contract, DCC hedges a portion of forecasted sales volume recognising that certain sales, such as liquid gas and natural gas, are exposed to volume risk arising from a range of factors, including the weather.

## 5.7 Financial Risk and Capital Management continued

DCC does not hold significant amounts of commodity inventory relative to purchases and sales; however, for certain inventory, such as fuel oil, DCC may enter hedge contracts to manage price exposures.

Some DCC energy businesses enters into commodity hedges to fix a portion of its own fuel costs.

Certain activities of individual businesses are centralised under the supervision of the DCC Group Commodity Risk Management function. Divisional and subsidiary management, in conjunction with the Group's Commodity Risk Management function, manage commodity price exposures within approved policies and guidelines.

All derivative commodity hedging counterparties are approved by the Chief Executive and the Chief Financial Officer and are reviewed by the Board.

### Sensitivity to commodity price movements

Due to pricing dynamics in the oil distribution market, an increase or decrease of 10% in the commodity cost price of oil would have an immaterial impact on the Group's profit before tax (2024: immaterial) and an immaterial impact on the Group's equity (2024: immaterial).

The impact on the Group's profit before tax and on the Group's equity of an increase or decrease of 10% in the commodity cost price of liquid gas, natural gas or electricity would be dependent on seasonal variations, competitive pressures and the underlying absolute cost of the commodity at the time and, as such, is difficult to quantify but would not be material.

### Fair values of financial assets and financial liabilities

The fair values of borrowings (of which includes listed and private debt) and derivative financial instruments are measured by discounting cash flows at prevailing interest and exchange rates. The fair values of expected future payments under contingent consideration arrangements are determined by applying a risk-adjusted discount rate to the future payments which are based on forecasted operating profits of the acquired entity over the relevant period. The carrying value of non-interest-bearing financial assets, financial liabilities and cash and cash equivalents approximates their fair values, largely due to their short-term maturities. The nominal value less impairment allowance of trade receivables and payables approximate to their fair values, largely due to their short-term maturities. The following is a comparison by category of book values and fair values of the Group's financial assets and financial liabilities:

	2025		2024	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
<b>Financial assets</b>				
Derivative financial instruments	50,192	50,192	97,824	97,824
Trade and other receivables	1,975,444	1,975,444	2,172,422	2,172,422
Cash and cash equivalents	1,088,175	1,088,175	1,109,446	1,109,446
	<b>3,113,811</b>	<b>3,113,811</b>	<b>3,379,692</b>	<b>3,379,692</b>
<b>Financial liabilities</b>				
Borrowings (excluding lease creditors)	1,966,042	1,996,543	1,943,518	1,975,789
Derivative financial instruments	30,572	30,572	48,450	48,450
Acquisition related liabilities	94,458	94,458	141,777	141,777
Trade and other payables	2,763,181	2,763,181	3,054,108	3,054,108
	<b>4,854,253</b>	<b>4,884,754</b>	<b>5,187,853</b>	<b>5,220,124</b>

The Group has adopted the following fair value measurement hierarchy in relation to its financial assets and financial liabilities that are carried in the Balance Sheet at fair value as at the year end:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs, other than quoted prices included within level 1, that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**5.7 Financial Risk and Capital Management** continued

Fair value measurement as at 31 March 2025	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Financial assets</b>				
Derivative financial instruments (note 3.10)	–	50,192	–	50,192
	–	50,192	–	50,192
<b>Financial liabilities</b>				
Acquisition related liabilities (note 3.16)	–	–	94,458	94,458
Derivative financial instruments (note 3.10)	–	30,572	–	30,572
	–	30,572	94,458	125,030
<b>Financial assets</b>				
Derivative financial instruments (note 3.10)	–	97,824	–	97,824
	–	97,824	–	97,824
<b>Financial liabilities</b>				
Acquisition related liabilities (note 3.16)	–	–	141,777	141,777
Derivative financial instruments (note 3.10)	–	48,450	–	48,450
	–	48,450	141,777	190,227

**Level 2 fair value measurement:**

The specific valuation techniques used to value financial instruments that are carried at fair value using level 2 valuation techniques are:

- the fair value of interest rate, currency and cross currency interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the reporting date with the resulting value discounted back to present value; and
- the fair value of forward commodity contracts is determined using quoted forward commodity prices at the reporting date with the resulting value discounted back to present value.

**Level 3 fair value measurement:**

Acquisition related liabilities are included in level 3 of the fair value hierarchy. Details of the movement in the year are included in note 3.16. The specific valuation techniques used to value contingent consideration that is carried at fair value using level 3 valuation techniques are:

- the expected future payments are determined by forecasting the acquiree's relevant basis for the contingent consideration (i.e. valuations based on EBITDA or EBIT multiples) as appropriate to the specific contractual earn out arrangement; and
- the present value of the estimated future expected payments are discounted using a risk-adjusted discount rate where the time value of money is material.

The significant unobservable inputs are as follows:

- forecasted average adjusted operating profit growth rate 1.0% to 27.0% (2024: 5.0% to 52.0%); and
- risk adjusted discount rate 7.8% to 9.8% (2024: 3.0% to 9.4%).

The estimated fair value of contingent consideration would increase/(decrease) if EBITDA/EBIT growth was higher/(lower) or if the risk-adjusted discount rate was lower/(higher). For the fair value of contingent consideration, a reasonably possible change to one of the significant unobservable inputs at 31 March 2025, holding the other inputs constant, would have the following effects:

Impact on the carrying value of contingent consideration	2025 £'000	2024 £'000
Forecasted average adjusted operating profit growth rate (1% movement)	1,730	1,814
Risk adjusted discount rate (0.5% movement)	1,066	1,478

## 5.7 Financial Risk and Capital Management continued

### OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

#### (i) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements or similar agreements:

	Gross amounts of recognised financial assets £'000	Gross amounts of recognised financial liabilities set off in the Balance Sheet £'000	Net amounts of financial assets presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet		Net amount £'000
				Financial liabilities £'000	Cash collateral received £'000	
As at 31 March 2025						
Derivative financial instruments	36,751	–	36,751	(8,428)	–	28,323
Cash and cash equivalents	494,735	–	494,735	(23,401)	–	471,334
	531,486	–	531,486	(31,829)	–	499,657

	Gross amounts of recognised financial assets £'000	Gross amounts of recognised financial liabilities set off in the Balance Sheet £'000	Net amounts of financial assets presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet		Net amount £'000
				Financial liabilities £'000	Cash collateral received £'000	
As at 31 March 2024						
Derivative financial instruments	86,060	–	86,060	(21,163)	–	64,897
Cash and cash equivalents	506,506	–	506,506	(34,274)	–	472,232
	592,566	–	592,566	(55,437)	–	537,129

#### (ii) Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements or similar agreements:

	Gross amounts of recognised financial liabilities £'000	Gross amounts of recognised financial assets set off in the Balance Sheet £'000	Net amounts of financial liabilities presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet		Net amount £'000
				Financial assets £'000	Cash collateral provided £'000	
As at 31 March 2025						
Derivative financial instruments	16,869	–	16,869	(8,428)	–	8,441
Bank borrowings	23,402	–	23,402	(23,402)	–	–
	40,271	–	40,271	(31,830)	–	8,441

	Gross amounts of recognised financial liabilities £'000	Gross amounts of recognised financial assets set off in the Balance Sheet £'000	Net amounts of financial liabilities presented in the Balance Sheet £'000	Related amounts not set off in the Balance Sheet		Net amount £'000
				Financial assets £'000	Cash collateral provided £'000	
As at 31 March 2024						
Derivative financial instruments	26,035	–	26,035	(21,163)	–	4,872
Bank borrowings	34,274	–	34,274	(34,274)	–	–
	60,309	–	60,309	(55,437)	–	4,872

### 5.7 Financial Risk and Capital Management continued

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis however each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party. Per the terms of each agreement, an event of default includes failure by a party to make payment when due, failure by a party to perform any obligation required by the agreement (other than payment) if such a failure is not remedied within periods of 15 to 30 days after notice of such failure is given to the party, or bankruptcy.

### 5.8 Events after the Balance Sheet Date

This note provides details on material events which have occurred between the year end date of 31 March and the date of approval of the financial statements.

As announced on 22 April 2025, the Group entered into a definitive agreement for the sale of its Healthcare division. The proposed transaction values DCC Healthcare at a total enterprise value of £1,050 million on a cash-free, debt-free basis. The proposed transaction is subject to receipt of customary regulatory approvals and is expected to complete in the third quarter of this calendar year.

In April 2025, DCC Technology signed an exclusivity agreement for the sale of the Exertis France consumer product business and Exertis Iberia. The transaction is expected to close within three months, subject to regulatory approvals.

### 5.9 Summary of Material Accounting Policies

This section sets out the Group's material accounting policies which are applied in recognising and measuring transactions and balances arising in the year

#### REVENUE RECOGNITION

Revenue comprises the fair value of the sale of goods and services to external customers net of applicable sales taxes, volume and promotional rebates, allowances and discounts. Revenue is generally recognised on a duty inclusive basis where applicable. The Group is deemed to be a principal in an arrangement when it controls a promised good or service before transferring them to a customer, and accordingly recognises revenue on a gross basis. Where the Group is determined to be an agent in a transaction, based on the principle of control, the net amount retained after the deduction of any costs to the principal is recognised as revenue.

The Group operates across a wide range of business segments and jurisdictions with varying customer credit terms which are in line with normal credit terms offered in that business segment and/or country of operation. Given the short-term nature of these credit terms, no element of financing is deemed present. Group revenues do not include any significant level of variable consideration.

Revenue is recorded when the collection of the amount is reasonably assured and when specific criteria have been met for each of the Group's activities as detailed below.

#### Sales of goods

Revenue from the sale of goods is measured based on the consideration specified in the contract with the customer. The Group recognises revenue when it transfers control over a good or service to a customer. This generally arises on delivery or in accordance with specific terms and conditions agreed with individual customers. In the case of consignment stock arrangements, revenue is recognised on the date that legal title passes. Rebates, allowances, and discounts are recorded in the same period as the original revenue.

DCC Energy derives most of its revenue from the sale of transport and commercial fuels, heating oils and related products, liquid gas, refrigerants, electricity and natural gas. Revenue is also derived from activities which fall under services, renewables and other ('SRO') such as the sale and installation of solar panels and energy efficiency offerings. The customer obtains control when the goods are delivered to the customer. The performance is satisfied once the customer accepts the delivery. Products can be sold under short or long-term agreements at prevailing market prices or at fixed prices for which DCC Energy will have fixed supply prices.

DCC Technology derives most of its revenue from the sale of consumer and SME focused technology products. The Group recognises the revenue, generally, when dispatch occurs. The performance obligation is then deemed to have been satisfied. Should volume and promotional rebates be granted to customers they are recognised as a reduction in sales revenue at the time of the sale based on managements' estimate of the likely rebate to be awarded to customers. Estimates are based on historical results, taking into consideration the type of customer, the type of transaction and the specific facts of each arrangement.

## 5.9 Summary of Material Accounting Policies continued

DCC Healthcare derives its revenue from the sale of a broad range of third-party and own-branded medical devices and pharmaceuticals. Revenue is also generated from the manufacture of products for health and beauty brand owners. The customer obtains control when the products are delivered to the customer and the performance is satisfied once the customer accepts the products. Revenue is recognised at this point in the majority of cases.

### Sales of services

Revenue from the rendering of services is recognised in the period in which the services are rendered. Contracts do not contain multiple performance obligations as defined by IFRS 15.

Service revenue in DCC Energy is generated from a variety of value-added services provided to customers. Revenue is recognised when the performance obligation is met which is as the service is provided.

DCC Technology generates service revenue from providing a range of value-added services to both its customers and suppliers including third party logistics, web site development and management, outsourced managed services, training and certain supply chain management services such as quality assurance and compliance. Revenue relating to these services is recognised when the performance obligation is deemed to be met which is as the service is provided.

DCC Healthcare generates service revenue from a variety of sources such as logistics services including stock management, distribution services to hospitals and healthcare manufacturers as well as engineering and preventative maintenance services. Revenue is recognised as the service is rendered and completed, when the performance obligation is deemed to be met.

### Rental income

Rental income principally comprises property and liquid gas tank rental income and rental income from operating leases is recognised on a straight-line basis over the term of the lease. The related assets are recorded within property, plant and equipment and are depreciated on a straight-line basis over the useful lives of the assets.

## SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments. The Group has determined that it has two reportable operating segments: DCC Energy and DCC Technology.

## FOREIGN CURRENCY TRANSLATION

### Functional and presentation currency

The functional currency of the Company is euro. The consolidated financial statements are presented in sterling which is the Company's and the Group's presentation currency, and a significant portion of the Group's revenue and operating profit is generated in sterling. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates.

### Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Currency translation differences on monetary assets and liabilities are taken to the Group Income Statement except when cash flow or net investment hedge accounting is applied.

### Group companies

Results and cash flows of the parent and its subsidiaries and associates which do not have sterling as their functional currency are translated into sterling at average exchange rates for the year. Average exchange rates are a reasonable approximation of the cumulative effect of the rates on the transaction dates. The related balance sheets are translated at the rates of exchange ruling at the reporting date. Adjustments arising on translation of the results of such subsidiaries and associates at average rates, and on the restatement of the opening net assets at closing rates, are dealt with in a separate translation reserve within equity, net of differences on related currency instruments designated as hedges of such investments.

On disposal of a foreign operation, such cumulative currency translation differences are recognised in the Income Statement as part of the overall gain or loss on disposal. In accordance with IFRS 1, cumulative currency translation differences arising prior to the transition date to IFRS (1 April 2004) have been set to zero for the purposes of ascertaining the gain or loss on disposal of a foreign operation.

Goodwill and fair value adjustments arising on acquisition of a foreign operation are regarded as assets and liabilities of the foreign operation, are expressed in the functional currency of the foreign operation, and are recorded at the exchange rate at the date of the transaction and subsequently retranslated at the applicable closing rates.

### 5.9 Summary of Material Accounting Policies continued

#### FINANCE COSTS

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method, net losses on hedging instruments that are recognised in the Income Statement, facility fees and the unwinding of discounts on provisions and acquisition related liabilities. The interest expense component of lease creditor payments is recognised in the Income Statement using the effective interest rate method. The net finance cost/income on defined benefit pension scheme assets or obligations are recognised in the Income Statement in accordance with IAS 19.

The mark-to-market of designated swaps and related debt and the mark-to-market of undesignated currency swaps and related debt are included in 'Finance Costs' in the case of a net loss. The mark-to-market of designated swaps and related debt comprises the gain or loss on interest rate swaps and cross currency interest rate swaps that are in hedge relationships with borrowings, together with the gain or loss on the hedged borrowings which is attributable to the hedged risk.

The mark-to-market of undesignated swaps and related debt comprises the gain or loss on currency swaps which are not designated as hedging instruments, but which are used to offset movements in foreign exchange rates on certain borrowings, along with the currency movement on those borrowings.

#### FINANCE INCOME

Finance income is recognised in the Income Statement as it accrues, using the effective interest method, and includes net gains on hedging instruments that are recognised in the Income Statement.

The mark-to-market of designated swaps and related debt and the mark-to-market of undesignated currency swaps and related debt, both as defined above, are included in 'Finance Income' in the case of a net gain.

#### EXCEPTIONAL ITEMS

The Group has adopted an Income Statement format which seeks to highlight significant items within the Group results for the year. Such items may include restructuring, profit or loss on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, profit or loss on disposal of property, plant and equipment, IAS 39 ineffective mark-to-market movements together with gains or losses arising from currency swaps offset by gains or losses on related fixed rate debt, acquisition costs, profit or loss on defined benefit pension scheme restructuring, adjustments to contingent acquisition consideration, the impact on deferred tax balances as a result of changes to enacted corporation tax rates and impairment of assets. Judgement is used by the Group in assessing the items, which by virtue of their scale and nature, should be presented in the Income Statement and disclosed in the related notes as exceptional items.

#### INCOME TAX

##### Current tax

The Group's income tax charge is based on reported profit and enacted statutory tax rates, which reflect various allowances and reliefs available to the Group in the multiple tax jurisdictions in which it operates. The determination of the Group's provision for income tax requires certain judgements and estimates in relation to matters where the ultimate tax outcome may not be certain. The recognition or non-recognition of deferred tax assets as appropriate also requires judgement as it involves an assessment of the future recoverability of those assets. In addition, the Group is subject to tax audits which can involve complex issues that could require extended periods to conclude, the resolution of which is often not within the control of the Group. Although management believes that the estimates included in the Consolidated Financial Statements and its tax return positions are correct, there is no certainty that the final outcome of these matters will not be different to that which is reflected in the Group's historical income tax provisions and accruals. Whilst it is possible, the Group does not currently anticipate that any such differences could have a material impact on the income tax provision and profit for the period in which such a determination is made nor does it expect any significant impact on its financial position in the near term. This is based on the Group's knowledge and experience, as well as the profile of the individual components which have been reflected in the current tax liability, the status of the tax audits, enquiries and negotiations in progress at each year end.

Current tax represents the expected tax payable or recoverable on the taxable profit for the year using tax rates enacted or substantively enacted at the reporting date and considering any adjustments stemming from prior years. Any interest or penalties arising are included within current tax. Where items are accounted for outside of profit or loss, the related income tax is recognised either in other comprehensive income or directly in equity as appropriate.

##### Deferred tax

Deferred tax is provided using the liability method on all temporary differences at the reporting date which is defined as the difference between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are not subject to discounting and are measured using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

## 5.9 Summary of Material Accounting Policies continued

Deferred tax liabilities are recognised for all taxable temporary differences except for the following:

- where the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and
- where, in respect of taxable temporary differences associated with investments in subsidiaries and associates, the timing of the reversal of the temporary difference is subject to control by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets are recognised in respect of all deductible temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which to offset these items except:

- where the deferred tax asset arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit nor the taxable profit or loss at the time of the transaction; and
- where, in respect of deductible temporary differences associated with investment in subsidiaries and associates, a deferred tax asset is recognised only if it is probable that the deductible temporary difference will reverse in the foreseeable future and that sufficient taxable profits will be available against which the temporary difference can be utilised.

The carrying amounts of deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits would be available to allow all or part of the deferred tax asset to be utilised.

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided on a straight-line basis at the rates stated below, which are estimated to reduce each item of property, plant and equipment to its residual value level by the end of its useful life.

	Annual Rate
Freehold buildings	2%
Plant and machinery	5% – 33 <sup>1</sup> / <sub>3</sub> %
Cylinders	6 <sup>2</sup> / <sub>3</sub> % – 10%
Motor vehicles	10% – 33 <sup>1</sup> / <sub>3</sub> %
Fixtures, fittings & office equipment	10% – 33 <sup>1</sup> / <sub>3</sub> %

Land is not depreciated. The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at each reporting date.

In accordance with IAS 36 Impairment of Assets, the carrying amounts of items of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in the Income Statement. Following the recognition of an impairment loss, the depreciation charge applicable to the asset or cash-generating unit is adjusted prospectively to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the replaced item can be measured reliably. All other repair and maintenance costs are charged to the Income Statement during the financial period in which they are incurred.

Borrowing costs directly attributable to the construction of property, plant and equipment are capitalised as part of the cost of those assets.

### INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Investments in subsidiaries are stated at cost less any accumulated impairments and are reviewed for impairment if there are indications that the carrying value may not be recoverable.

### BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. For each business combination, the acquirer measures the non-controlling interest in

### 5.9 Summary of Material Accounting Policies continued

the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the Income Statement.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. The fair value of contingent consideration is arrived at through discounting the expected payment to present value. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in the Income Statement.

Goodwill is initially measured at cost being the excess of the fair value of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised in the Income Statement.

A financial liability is recognised in relation to the non-controlling shareholder's option to put its shareholding back to the Group, being the fair value of the estimate of amounts payable to acquire the non-controlling interest. The financial liability is included in acquisition related liabilities. The discount component is unwound as an interest charge in the Income Statement over the life of the obligation. Subsequent changes to the financial liability are recognised in the Income Statement.

#### **GOODWILL**

Goodwill arising in respect of acquisitions completed prior to 1 April 2004 (being the transition date to IFRS) is included at its carrying amount, which equates to its net book value recorded under previous GAAP. In accordance with IFRS 1, the accounting treatment of business combinations undertaken prior to the transition date was not reconsidered and goodwill amortisation ceased with effect from the transition date.

Goodwill on acquisitions is initially measured as the excess of the fair value of consideration paid for the business combination plus any non-controlling interest, over the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill acquired in a business combination is allocated, from the acquisition date to the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

The carrying amount of goodwill in respect of associates, net of any impairment, is included in investments in associates under the equity method in the Group Balance Sheet.

Goodwill is subject to impairment testing on an annual basis and at any time during the year if an indicator of impairment is considered to exist; the goodwill impairment tests are undertaken at a consistent time in each annual period. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Impairment losses arising in respect of goodwill are not reversed following recognition.

Where a subsidiary is sold, any goodwill arising on acquisition, net of any impairments, is included in determining the profit or loss arising on disposal.

Where goodwill forms part of a cash-generating unit and part of the operations within that unit are disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the proportion of the cash-generating unit retained.

#### **INTANGIBLE ASSETS**

Intangible assets acquired separately are capitalised at cost. Intangible assets acquired in the course of a business combination are capitalised at fair value being their deemed cost as at the date of acquisition.

Following initial recognition, intangible assets which have a finite life are carried at cost less any applicable accumulated amortisation and any accumulated impairment losses. Where amortisation is charged on assets with finite lives this expense is taken to the Income Statement.

## 5.9 Summary of Material Accounting Policies continued

The amortisation of intangible assets is calculated to write off the book value of intangible assets over their useful lives on a straight-line basis on the assumption of zero residual value. In general, finite-lived intangible assets are amortised over periods ranging from two to 40 years, depending on the nature of the intangible asset.

The carrying amount of finite-lived intangible assets are reviewed for indicators of impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The Group does not have any indefinite-lived intangible assets.

### INVENTORIES

Inventories are valued at the lower of cost and net realisable value.

Cost is determined on a first in first out basis and in the case of raw materials, bought-in goods and expense inventories, comprises purchase price plus transport and handling costs less trade discounts and subsidies. Cost, in the case of products manufactured by the Group, consists of direct material and labour costs together with the relevant production overheads based on normal levels of activity. Net realisable value represents the estimated selling price less costs to completion and appropriate selling and distribution costs.

Provision is made, where necessary, for slow moving, obsolete and defective inventories.

### FINANCIAL INSTRUMENTS

A financial instrument is recognised when the Group becomes a party to its contractual provisions. Financial assets are derecognised when the Group's contractual rights to the cash flows from the financial assets expire, are extinguished, or transferred to a third party. Financial liabilities are derecognised when the Group's obligations specified in the contracts expire, are discharged, or cancelled.

### TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less allowance for impairment.

An allowance for impairment of trade receivables is established based on both expected credit losses and information available that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the trade receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the allowance is recognised in the Income Statement.

The Group derecognises a receivable only when the contractual rights to the cash flows from the receivable expire, or when it transfers the receivable and substantially all of the risks and rewards of ownership of the asset to another entity. The Group applies several tests to receivable purchase agreements to determine whether derecognition is appropriate or not. These tests are applied to the entire portfolio of receivables rather than to each individual receivable as the receivables comprise 'a group of similar assets' in accordance with IFRS 9. The testing procedure includes consideration of the following; whether the arrangement represents a qualifying transfer of assets, whether substantially all of the risks and rewards of the receivable transferred from the Group and whether the Group has lost control of the receivable.

On derecognition of a receivable the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Income Statement. Following derecognition, receivables arising from non-recourse sales are excluded from 'Trade and other receivables' in the Group Balance Sheet. The Group presents cash flows arising from non-recourse sales as part of operating activities in the Group Cash Flow Statement.

### TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost, which approximates to fair value given the short-dated nature of these liabilities.

### CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the Group Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of bank overdrafts.

### 5.9 Summary of Material Accounting Policies continued

#### **INTEREST-BEARING LOANS AND BORROWINGS**

All loans and borrowings are initially recorded at fair value, net of transaction costs incurred. Loans and borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

#### **LEASES**

The Group enters leases for a range of assets, principally relating to property. These property leases have varying terms and renewal rights, including periodic rent reviews linked with indices. The Group also leases motor vehicles, plant, machinery, and other equipment. The terms and conditions of these leases do not impose significant financial restrictions on the Group.

A contract contains a lease if it is enforceable and conveys the right to control the use of a specified asset for a period in exchange for consideration, which is assessed at inception. A right-of-use asset and lease creditor are recognised at the commencement date for contracts containing a lease, except for leases with a term of 12 months or less, leases where the underlying asset is of low value and leases with associated payments that vary directly in line with usage or sales (such lease costs continue to be expensed in the Income Statement as incurred). The commencement date is the date at which the asset is made available for use by the Group.

Lease creditors are initially measured at the present value of the future lease payments, discounted using the incremental borrowing rate over the remaining lease term. Lease payments include fixed payments, variable payments that are dependent on an index known at the commencement date, payments for an optional renewal period and termination option payments, if the Group is reasonably certain to exercise those options. The lease term is the non-cancellable period of the lease adjusted for any renewal or termination options which are reasonably certain to be exercised. Management applies judgement in determining whether it is reasonably certain that a renewal or termination option will be exercised.

Incremental borrowing rates are calculated using a portfolio approach, based on the risk profile of the entity holding the lease and the term and currency of the lease.

After initial recognition, lease creditors are measured at amortised cost using the effective interest method. They are remeasured when there is a change in future lease payments or when the Group changes its assessment of whether it is reasonably certain to exercise an option within the contract. A corresponding adjustment is made to the carrying amount of the right-of-use asset.

The right-of-use asset is initially measured at cost, which comprises the lease creditor adjusted for any payments made at or before the commencement date, initial direct costs incurred, lease incentives received and an estimate of the cost to dismantle or restore the underlying asset or the site on which it is located at the end of the lease term. The right-of-use asset is depreciated over the lease term and is tested periodically for impairment if an impairment indicator is considered to exist.

#### **DERIVATIVE FINANCIAL INSTRUMENTS**

The Group uses derivative financial instruments (principally interest rate, currency and cross currency interest rate swaps and forward foreign exchange and commodity contracts) to hedge its exposure to interest rate and foreign exchange risks and to changes in the prices of certain commodity products arising from operational, financing and investment activities.

Derivative financial instruments are recognised at inception at fair value, being the present value of estimated future cash flows. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Changes in the fair value of currency swaps that are hedging borrowings and for which the Group has not elected to apply hedge accounting, along with changes in the fair value of derivatives hedging borrowings, that are part of designated fair value hedge relationships, are reflected in the Income Statement in 'Finance Costs'.

Changes in the fair value of other derivative financial instruments for which the Group has not elected to apply hedge accounting are reflected in the Income Statement, in 'Other Operating Income/Expenses'.

#### **HEDGING**

For the purposes of hedge accounting, hedges are designated either as fair value hedges (which hedge the exposure to movements in the fair value of recognised assets or liabilities or firm commitments that are attributable to hedged risks) or cash flow hedges (which hedge exposures to fluctuations in future cash flows derived from a particular risk associated with recognised assets or liabilities or highly probable forecast transactions).

The Group documents, at the inception of the transactions, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions.

## 5.9 Summary of Material Accounting Policies continued

The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments are disclosed in note 3.10 and the movements on the cash flow hedge reserve in equity are shown in note 4.2. The full fair value of a derivative is classified as a non-current asset or non-current liability if the remaining maturity of the derivative is more than 12 months and as a current asset or current liability if the remaining maturity of the derivative is less than 12 months.

### Fair value hedge

In the case of fair value hedges which satisfy the conditions for hedge accounting, any gain or loss arising from the remeasurement of the fair value of the hedging instrument is reported in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. As a result, the gain or loss on interest rate swaps and cross currency interest rate swaps that are in hedge relationships with borrowings are included within 'Finance Income' or 'Finance Costs'. In the case of the related hedged borrowings, any gain or loss on the hedged item which is attributable to the hedged risk is adjusted against the carrying amount of the hedged item and reflected in the Income Statement within 'Finance Costs' or 'Finance Income'. The gain or loss on commodity derivatives that are designated as fair value hedges of firm commitments are recognised in the Income Statement. Any change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability on the Balance Sheet with a corresponding gain or loss in the Income Statement.

If a hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to the Income Statement over the period to maturity.

### Cash flow hedge

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised as a separate component of equity. The ineffective portion is reported in the Income Statement in 'Finance Income' and 'Finance Costs' where the hedged item is private placement debt, and in 'Other Operating Income/Expenses' for all other cases. When a forecast transaction results in the recognition of an asset or a liability, the cumulative gain or loss is removed from equity and included in the initial measurement of the asset or liability. Otherwise, the associated gains or losses that had previously been recognised in equity are transferred to the Income Statement in the same reporting period as the hedged transaction in Revenue or Cost of Sales (depending on whether the hedge related to a forecasted sale or purchase).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

## PROVISIONS

A provision is recognised in the Balance Sheet when the Group has a present obligation (either legal or constructive) because of a past event, and it is probable that a transfer of economic benefits will be required to settle the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and announced its main provisions.

Provisions arising on business combinations are only recognised to the extent that they would have qualified for recognition in the financial statements of the acquiree prior to the acquisition.

A contingent liability is not recognised but is disclosed where the existence of the obligation will only be confirmed by future events or where it is not probable that an outflow of resources will be required to settle the obligation or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable.

### Environmental provisions

The Group has certain site remediation obligations to be incurred in compliance with local or national environmental regulations together with constructive obligations stemming from established best practice. The measurement of these provisions is based on the evaluation of currently available facts with respect to each individual site and is adjusted periodically as remediation efforts progress or as additional information becomes available. Inherent uncertainties exist in such measurements primarily due to unknown timing, site conditions and changing regulations. Full provision is made for the net present value of the estimated costs in relation to the Group's environmental liabilities. The net present value of the estimated costs is capitalised as property, plant and equipment and the unwinding of the discount element on the environmental provision is reflected in the Income Statement.

### 5.9 Summary of Material Accounting Policies continued

#### **Cylinder and tank deposits provisions**

In certain DCC Energy operations, an obligation arises from the receipt of deposit fees paid by customers for liquid gas cylinders and tanks. On receipt of a deposit the Group recognises a liability equal to the deposit received. This deposit will subsequently be refunded at an amount equal to the original deposit on return of the cylinder or tank together with the original deposit receipt. Cylinder and tank deposits acquired through business combinations are measured initially at their fair value at the acquisition date (i.e., net present value) and the unwinding of the discount element is reflected in the Income Statement.

#### **PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS**

The Group operates defined contribution and defined benefit pension schemes.

The costs arising in respect of the Group's defined contribution schemes are charged to the Income Statement in the period in which they are incurred. The Group has no legal or constructive obligation to pay further contributions after payment of fixed contributions.

The Group operates several defined benefit pension schemes which require contributions to be made to separately administered funds. The liabilities and costs associated with the Group's defined benefit pension schemes are assessed based on the projected unit credit method by qualified actuaries and are arrived at using actuarial assumptions based on market expectations at the reporting date. The Group's net obligation in respect of defined benefit pension schemes is calculated separately for each plan by estimating the number of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan asset is deducted. Plan assets are measured at fair values.

The discount rate employed in determining the present value of the schemes' liabilities is determined by reference to market yields at the reporting date on high-quality corporate bonds of a currency and term consistent with the currency and term of the associated post-employment benefit obligations.

The deferred tax impact of pension scheme surpluses and deficits is disclosed separately within deferred tax liabilities or assets as appropriate. Remeasurements, comprising actuarial gains and losses and the return on plan assets (excluding net interest) are recognised immediately in the Group Balance Sheet with a corresponding entry to retained earnings through Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The defined benefit pension asset or liability in the Group Balance Sheet comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Fair value is based on market price information, and, in the case of published securities, it is the published bid price. The value of any defined benefit asset is limited to the present value of any economic benefits available in the form of refunds from the plan and reductions in the future contributions to the plan.

A curtailment arises when the Group is demonstrably committed to make a significant reduction in the number of employees covered by a plan. A past service cost, negative or positive, arises following a change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits. A settlement arises where the Group is relieved of responsibility for a pension obligation and eliminates significant risk relating to the obligation and the assets used to affect the settlement. Past-service costs, negative or positive, are recognised immediately in the Income Statement. Losses arising on settlement or curtailment not allowed for in the actuarial assumptions are measured at the date on which the Group becomes demonstrably committed to the transaction.

Gains arising on a settlement are measured at the date on which all parties whose consent is required are irrevocably committed to the transaction. Settlement gains and losses are dealt with in the Income Statement.

#### **SHARE-BASED PAYMENT TRANSACTIONS**

Certain employees (including Directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render service in exchange for shares or rights over shares.

The fair value of share entitlements granted is recognised as an employee expense in the Income Statement with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement, with a corresponding adjustment to equity. The fair value at the grant date is determined using a Monte Carlo simulation technique for the DCC plc Long-term Incentive Plan.

## 5.9 Summary of Material Accounting Policies continued

The DCC plc Long-term Incentive Plan contains both market and non-market based vesting conditions. Accordingly, the fair value assigned to the related equity instrument on initial application of IFRS 2 Share-based Payment is adjusted to reflect the anticipated likelihood at the grant date of achieving the market based vesting conditions. The cumulative non-market-based charge to the Income Statement is reversed where entitlements do not vest because non-market performance conditions have not been met or where an employee in receipt of share entitlements relinquishes service before the end of the vesting period.

Where the share-based payments give rise to the issue of new equity share capital, the proceeds received by the Company are credited to Share Capital (nominal value) and Share Premium when the share entitlements are exercised. Where the share-based payments give rise to the re-issue of shares from treasury shares, the proceeds of issue are credited to shareholders equity.

The measurement requirements of IFRS 2 have been implemented in respect of share options entitlements granted after 7 November 2002. In accordance with the standard, the disclosure requirements of IFRS 2 have been applied to all outstanding share-based payments regardless of their grant date. The Group does not operate any cash-settled share-based payment schemes or share-based payment transactions with cash alternatives as defined in IFRS 2.

### EQUITY

#### Treasury shares

Where the Company purchases the Company's equity share capital, the consideration paid is deducted from total equity and classified as treasury shares until they are cancelled. Where such shares are subsequently sold or re-issued, any consideration received is included in share premium.

#### Dividends

Dividends on Ordinary Shares are recognised as a liability in the Group's financial statements in the period in which they are approved by the shareholders of the Company. Proposed dividends that are approved after the reporting date are not recognised as a liability at that reporting date but are disclosed in the dividends note.

#### Non-controlling interests

Non-controlling interests represent the portion of the equity of a subsidiary not attributable either directly or indirectly to the Parent Company and are presented separately in the Group Income Statement and within equity in the Group Balance Sheet, distinguished from shareholders' equity attributable to owners of the Parent Company. Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised because of such transactions. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

## 5.10 Approval of Financial Statements

The financial statements were approved by the Board of Directors on 12 May 2025.

# COMPANY BALANCE SHEET

AS AT 31 MARCH 2025

	Note	2025 £'000	2024 £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiary undertakings	6.4	1,140,763	1,141,980
<b>Current assets</b>			
Trade and other receivables	6.5	278,736	339,191
Cash and cash equivalents	6.7	660	5,375
		<b>279,396</b>	<b>344,566</b>
<b>Total assets</b>		<b>1,420,159</b>	<b>1,486,546</b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	4.1	17,422	17,422
Share premium	4.1	883,909	883,890
Other reserves	6.8	109,785	135,050
Retained earnings	6.9	353,691	400,165
<b>Total equity</b>		<b>1,364,807</b>	<b>1,436,527</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	6.6	55,352	50,019
<b>Total equity and liabilities</b>		<b>1,420,159</b>	<b>1,486,546</b>

**Mark Breuer, Donal Murphy**  
Directors

# COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 6.9) £'000	Other reserves (note 6.8) £'000	Total equity £'000
<b>At 1 April 2024</b>	17,422	883,890	400,165	135,050	1,436,527
Profit for the financial year	–	–	150,873	–	150,873
<b>Other comprehensive income:</b>					
Currency translation	–	–	–	(32,809)	(32,809)
<b>Total comprehensive income</b>	–	–	150,873	(32,809)	118,064
Re-issue of treasury shares	–	19	–	–	19
Share based payment	–	–	–	7,544	7,544
Dividends	–	–	(197,347)	–	(197,347)
<b>At 31 March 2025</b>	17,422	883,909	353,691	109,785	1,364,807

FOR THE YEAR ENDED 31 MARCH 2024

	Share capital (note 4.1) £'000	Share premium (note 4.1) £'000	Retained earnings (note 6.9) £'000	Other reserves (note 6.8) £'000	Total equity £'000
At 1 April 2023	17,422	883,669	360,947	165,537	1,427,575
Profit for the financial year	–	–	228,035	–	228,035
<b>Other comprehensive income:</b>					
Currency translation	–	–	–	(39,697)	(39,697)
<b>Total comprehensive income</b>	–	–	228,035	(39,697)	188,338
Re-issue of treasury shares	–	221	–	–	221
Share based payment	–	–	–	9,210	9,210
Dividends	–	–	(188,817)	–	(188,817)
<b>At 31 March 2024</b>	17,422	883,890	400,165	135,050	1,436,527

# COMPANY CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £'000	2024 £'000
<b>Operating activities</b>			
Cash generated from operations	6.10	65,591	(45,660)
Income tax paid		(11)	–
<b>Net cash flow from operating activities</b>		<b>65,580</b>	<b>(45,660)</b>
<b>Investing activities</b>			
Inflows:			
Interest received		10,464	12,199
Dividends received from subsidiaries		141,888	217,065
		<b>152,352</b>	<b>229,264</b>
Outflows:			
Acquisition of subsidiaries	6.4	(25,225)	(73)
<b>Net cash flow from investing activities</b>		<b>127,127</b>	<b>229,191</b>
<b>Financing activities</b>			
Inflows:			
Proceeds from issue of shares		19	221
Outflows:			
Dividends paid	2.11	(197,347)	(188,817)
<b>Net cash flow from financing activities</b>		<b>(197,328)</b>	<b>(188,596)</b>
Change in cash and cash equivalents		(4,621)	(5,065)
Translation adjustment		(94)	(251)
Cash and cash equivalents at beginning of year		5,375	10,691
<b>Cash and cash equivalents at end of year</b>	6.7	<b>660</b>	<b>5,375</b>

# NOTES TO THE COMPANY FINANCIAL STATEMENTS

In accordance with the Companies Act 2014, information regarding the ultimate Parent Company, DCC plc, is presented below.

## Section 6 Notes to the Company Financial Statements

### 6.1 Basis of Preparation

The financial statements which are presented in sterling, rounded to the nearest thousand, have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union.

The Company applies consistent accounting policies to those applied by the Group. To the extent that an accounting policy is relevant to both Group and Parent Company financial statements, please refer to the Group financial statements for disclosure of the relevant accounting policy.

### 6.2 Auditor Statutory Disclosure

The audit fee for the Parent Company is £15,450 and is payable to KPMG, Ireland, the statutory auditor (2024: £15,450).

### 6.3 Profit Attributable to DCC plc

Profit after tax for the year attributable to owners of the Parent Company amounting to £150,873 million (2024: £228.035 million) has been accounted for in the financial statements of the Company. In accordance with Section 304(2) of the Companies Act, 2014, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting. The Company has also availed of the exemption from filing its individual Income Statement with the Registrar of Companies as permitted by Section 304(2) of the Companies Act, 2014.

### 6.4 Investments in Subsidiary Undertakings

	2025 £'000	2024 £'000
At 1 April	1,141,980	1,174,092
Additions	25,225	73
Exchange and other	(26,442)	(32,185)
At 31 March	1,140,763	1,141,980

Details of the Group's principal operating subsidiaries are included in the Supplementary Information section on pages 237 to 262. Non-wholly owned subsidiaries principally comprises DCC Holding Denmark A/S (60%) (which owns 100% of DCC Energi Danmark A/S, DCC Energi Retail A/S and DCC Energi Center A/S).

The Group's principal overseas holding company subsidiaries are DCC Limited, a company operating, incorporated and registered in England and Wales and DCC International Holdings B.V., a company operating, incorporated and registered in the Netherlands. The registered office of DCC Limited is at 2 New Street Square, London, EC4A 3BZ, England. The registered office of DCC International Holdings B.V. is Zuiderzeestraatweg 1, 3882 NC, Putten, The Netherlands.

### 6.5 Trade and Other Receivables

	2025 £'000	2024 £'000
Amounts owed by subsidiary undertakings	278,736	339,191

All amounts owed by subsidiary undertakings are interest-free and repayable on demand. There were no past due or impaired trade receivables in the Company at 31 March 2025 (31 March 2024: nil). The Company does not expect any material loss in relation to trade and other receivables at 31 March 2025.

## 6.6 Trade and Other Payables

	2025 £'000	2024 £'000
Amounts due to subsidiary undertakings	54,771	49,420
Other creditors and accruals	581	599
	<b>55,352</b>	<b>50,019</b>

## 6.7 Cash and Cash Equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand	660	5,375

## 6.8 Other Reserves

	Share based payment reserve <sup>1</sup> £'000	Foreign currency translation reserve <sup>2</sup> £'000	Other reserves <sup>3</sup> £'000	Total £'000
At 1 April 2023	54,596	110,712	229	165,537
Share based payment	9,210	–	–	9,210
Currency translation	–	(39,697)	–	(39,697)
At 31 March 2024	<b>63,806</b>	<b>71,015</b>	<b>229</b>	<b>135,050</b>
Share based payment	7,544	–	–	7,544
Currency translation	–	(32,809)	–	(32,809)
At 31 March 2025	<b>71,350</b>	<b>38,206</b>	<b>229</b>	<b>109,785</b>

1. The share based payment reserve comprises capital contributions and cash settlements for share based payments to subsidiaries.
2. The Company's foreign currency translation reserve represents all foreign exchange differences from 1 April 2004 arising from the translation of the net assets of the Company's euro denominated operations into sterling (the presentation currency), including the translation of the profits and losses of the Company from the average rate for the year to the closing rate at the balance sheet date.
3. The Company's other reserves is a capital conversion reserve fund.

## 6.9 Retained Earnings

	2025 £'000	2024 £'000
At 1 April	400,165	360,947
Total comprehensive income for the financial year	150,873	228,035
Dividends	(197,347)	(188,817)
At 31 March	<b>353,691</b>	<b>400,165</b>

## 6.10 Cash Generated from Operations

	2025 £'000	2024 £'000
Profit for the financial year	150,873	228,035
Add back non-operating income:		
– tax	11	–
– net finance income	(10,464)	(12,199)
– dividend income	(141,888)	(217,065)
Operating profit before exceptionals	(1,468)	(1,229)
Changes in working capital:		
– trade and other receivables	60,534	(44,763)
– trade and other payables	6,525	332
Cash generated from operations	<b>65,591</b>	<b>(45,660)</b>

## 6.11 Related Party Transactions

### SUBSIDIARIES AND ASSOCIATES

The Company's Income Statement includes dividends from its subsidiary companies of £141.888 million and principally comprises dividends from DCC Financial Services Holdings Unlimited Company (£78.645 million), DCC Management Services Limited (£21.021 million), DCC Financial Services International dac (£20.482 million) and DCC Energy Limited (£16.817 million). Details of loan balances to/from subsidiaries are provided in the Company Balance Sheet on page 230, in note 6.5 'Trade and Other Receivables' and in note 6.6 'Trade and Other Payables'.

## 6.12 Financial Risk Management

A description of the Group's financial risk management objectives and policies is provided in note 5.7 to the Group financial statements. These financial risk management objectives and policies also apply to the Parent Company.

### CREDIT RISK MANAGEMENT

Credit risk arises from credit exposure to intercompany receivables and cash and cash equivalents including deposits with banks and financial institutions.

As detailed in note 6.5, the Group's intercompany receivables at 31 March 2025 amount to £278.736 million (2024: £339.191 million). None of these balances include a provision for impairment and all amounts are expected to be recoverable in full.

Risk of counterparty default arising on cash and cash equivalents is controlled within a framework of dealing with high-quality institutions and, by policy, limiting the amount of credit exposure to any one bank or institution. DCC plc transacts with a variety of high credit quality financial institutions for the purpose of placing deposits. The Group actively monitors its credit exposure to each counterparty to ensure compliance with the counterparty risk limits of the Board approved treasury policy. The cash and cash equivalents balance at 31 March 2025 of £0.660 million was held with financial institutions with minimum short-term ratings of A-2 (Standard and Poor's) or P-1 (Moody's).

### LIQUIDITY RISK MANAGEMENT

The tables below show the expected undiscounted total cash outflows (principal and interest) arising from the Company's trade and other payables. These projections are based on the interest and foreign exchange rates applying at the end of the relevant financial year.

As at 31 March 2025	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	55,352	–	–	–	55,352
	55,352	–	–	–	55,352
As at 31 March 2024	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total £'000
Financial liabilities – cash outflows					
Trade and other payables	50,019	–	–	–	50,019
	50,019	–	–	–	50,019

The Company has sufficient cash resources and liquid assets to enable it to meet its trade and other payables.

### MARKET RISK MANAGEMENT

#### Foreign exchange risk management

The Company does not have any material assets or liabilities denominated in any currency other than euro at 31 March 2025 or at 31 March 2024 which would give rise to a significant transactional currency exposure. However, as the presentation currency for the Company is sterling, it is exposed to fluctuations in the sterling/euro exchange rate. A change in the value of euro by 10% against sterling would have a £0.8 million (2024: £1.0 million) impact on the Company's profit before tax, would change the Company's equity by £124.1 million and change the Company's net cash by £0.1 million (2024: £130.6 million and £0.5 million respectively).

## 6.12 Financial Risk Management continued

### Interest rate risk management

Based on the composition of net cash at 31 March 2025 a one percentage point (100 basis points) change in average floating interest rates would have a £0.1 million (2024: £0.1 million) impact on the Company's profit before tax. Finance income principally comprises guarantee fees charged at fixed rates on intergroup loans. Finance costs comprise interest on intergroup loans payable at variable market rates.

### Commodity price risk management

The Company has no exposure to commodity price risk.

### Fair values of financial assets and financial liabilities

The following is a comparison by category of book values and fair values of the Company's financial assets and financial liabilities:

	2025		2024	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
<b>Financial assets</b>				
Trade and other receivables	278,736	278,736	339,191	339,191
Cash and cash equivalents	660	660	5,375	5,375
	<b>279,396</b>	<b>279,396</b>	<b>344,566</b>	<b>344,566</b>
<b>Financial liabilities</b>				
Trade and other payables	55,352	55,352	50,019	50,019
	<b>55,352</b>	<b>55,352</b>	<b>50,019</b>	<b>50,019</b>

As at 31 March 2025 and 31 March 2024 the Company had no financial assets or financial liabilities which were carried at fair value.

## 6.13 Contingencies

Guarantees given in respect of borrowings and other obligations are detailed in note 5.5 to the Group financial statements.