

# Company Overview

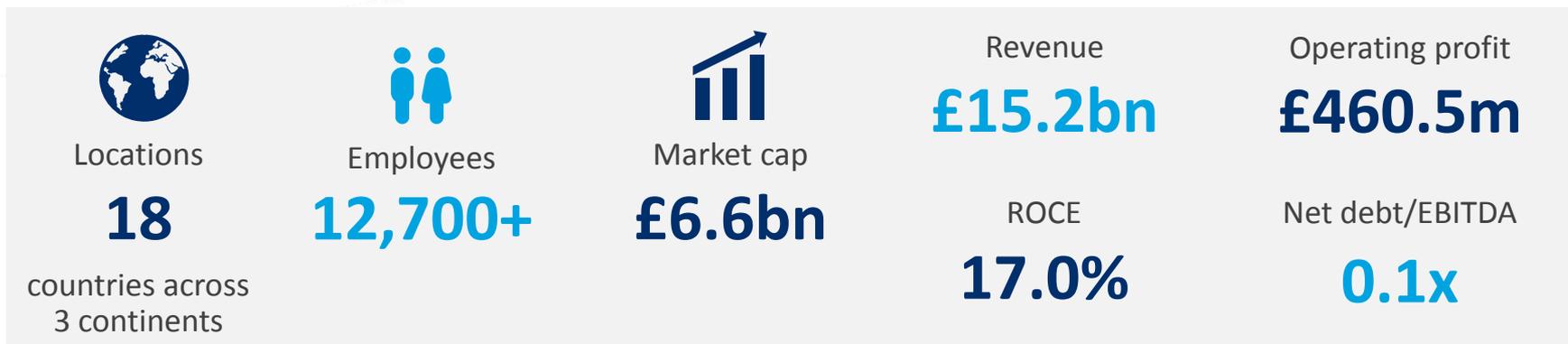
August 2019



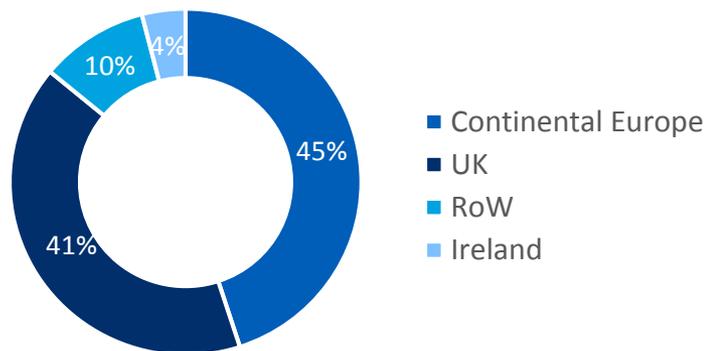
**DCC**

# Our business today

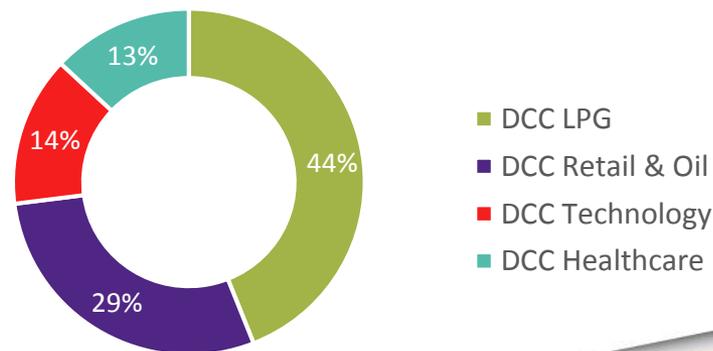
DCC is a leading international sales, marketing and support services group operating across four divisions



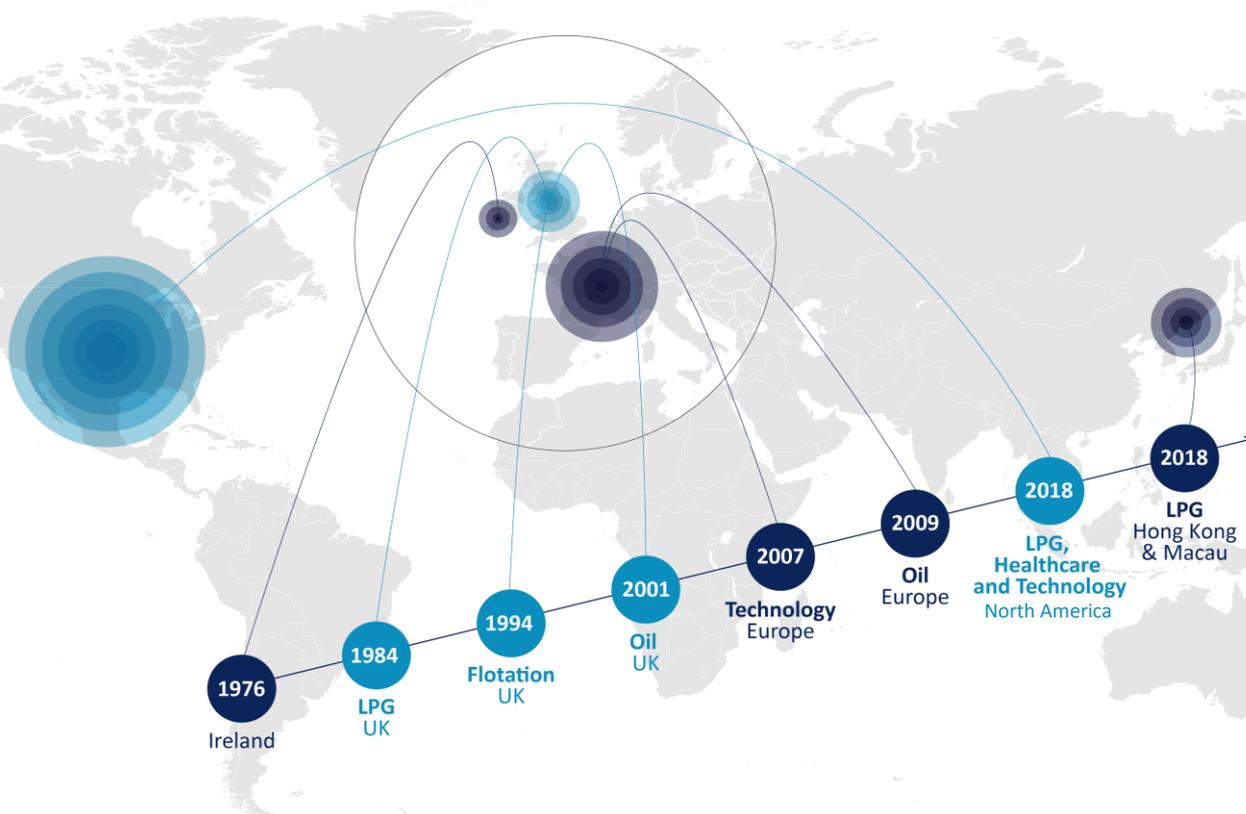
## Profit by geography



## Profit by division



# Proven track record of growth, development and value creation



**Operating Profit Growth**  
25 year CAGR<sup>1</sup>  
**14.6%**

**Dividend Growth**  
25 year CAGR  
**14.4%**

**Free cashflow conversion**  
25 years  
**101%**

**Total Shareholder Return**  
25 years  
**6,698%**

<sup>1</sup> On a continuing basis

# A consistent strategy since flotation, deploying a proven business model

## Our strategic objective

To continue to build a growing, sustainable and cash generative business which consistently provides returns on capital employed well in excess of its cost of capital



# DCC has a proven business model

- Financial**
- Disciplined capital allocation
  - Focus on ROCE
  - Culture of financial discipline
  - Risk management
  - Best practice in governance



- Operational**
- Sales, marketing and distribution expertise
  - Similar business model
  - Strong supplier and customer relationships
  - Integrating acquisitions and synergy generation

- Strategic**
- Consistent strategic direction
  - Identifying and executing acquisitions
  - Devolved management structure
  - Experienced leadership team
  - Talent development and retention

Underpinned by our  
core values



# Consolidating and compounding: The DCC way

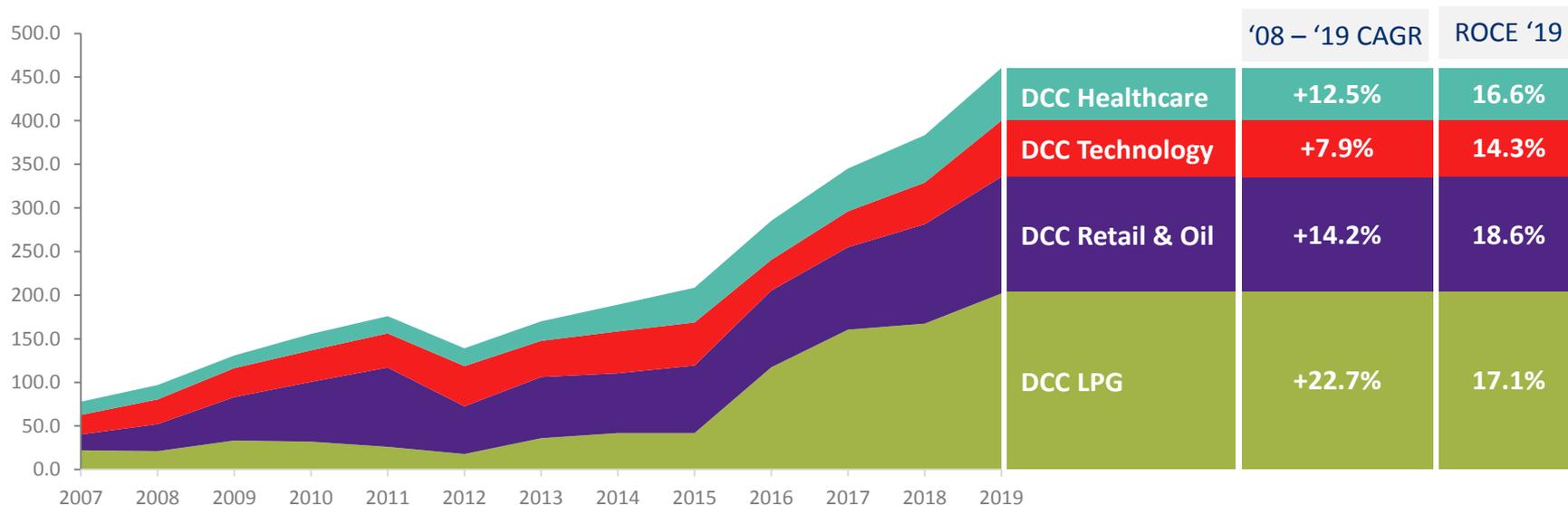


1: Continuing operations

# Why diversity works for DCC

Significant operating profit growth across all divisions since 2008

Operating profit FY08 – FY19 (£'m) CAGR: 15.2%



Organic and acquisitive growth

Optionality in capital allocation

Maintaining returns discipline

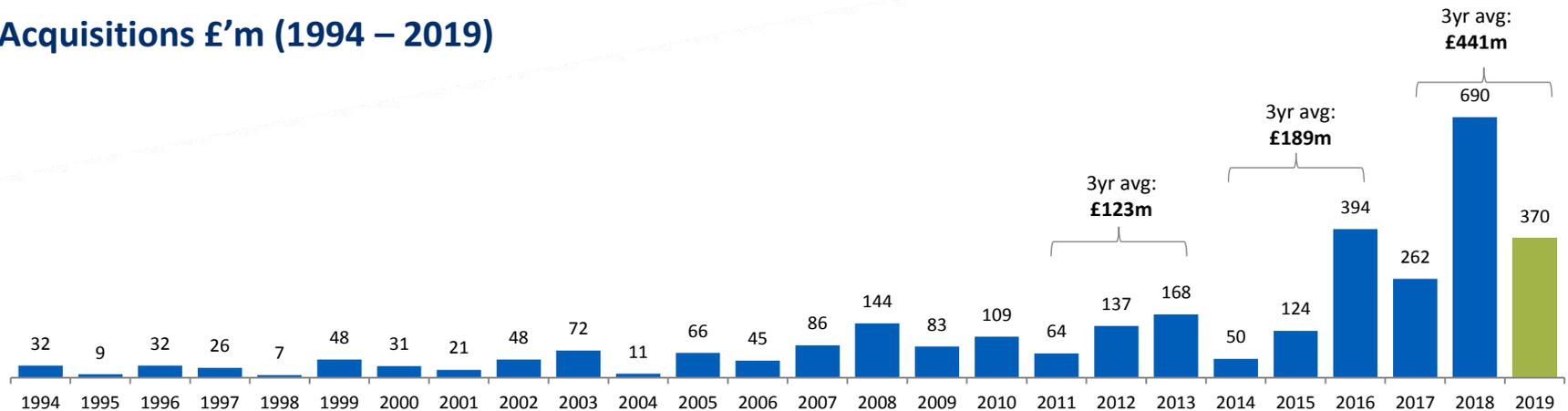
Facilitates geographic expansion across the Group

Growing our opportunity set in attractive markets

# Significant M&A and integration capability

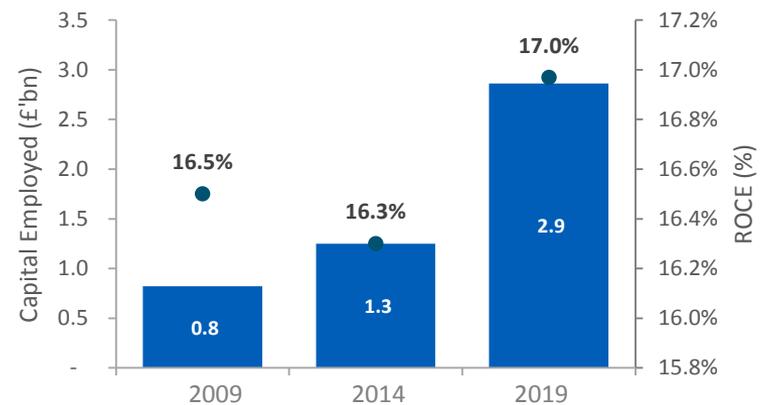
40+ years M&A experience – proven track record

## Acquisitions £'m (1994 – 2019)



- £370m+ of M&A over the last twelve months
- > c.270 acquisitions since flotation in 1994
- c.£3.0bn total acquisition spend in past 25 years
- Continue to successfully integrate and drive strong returns and organic growth

## Capital Employed and ROCE (%)\*



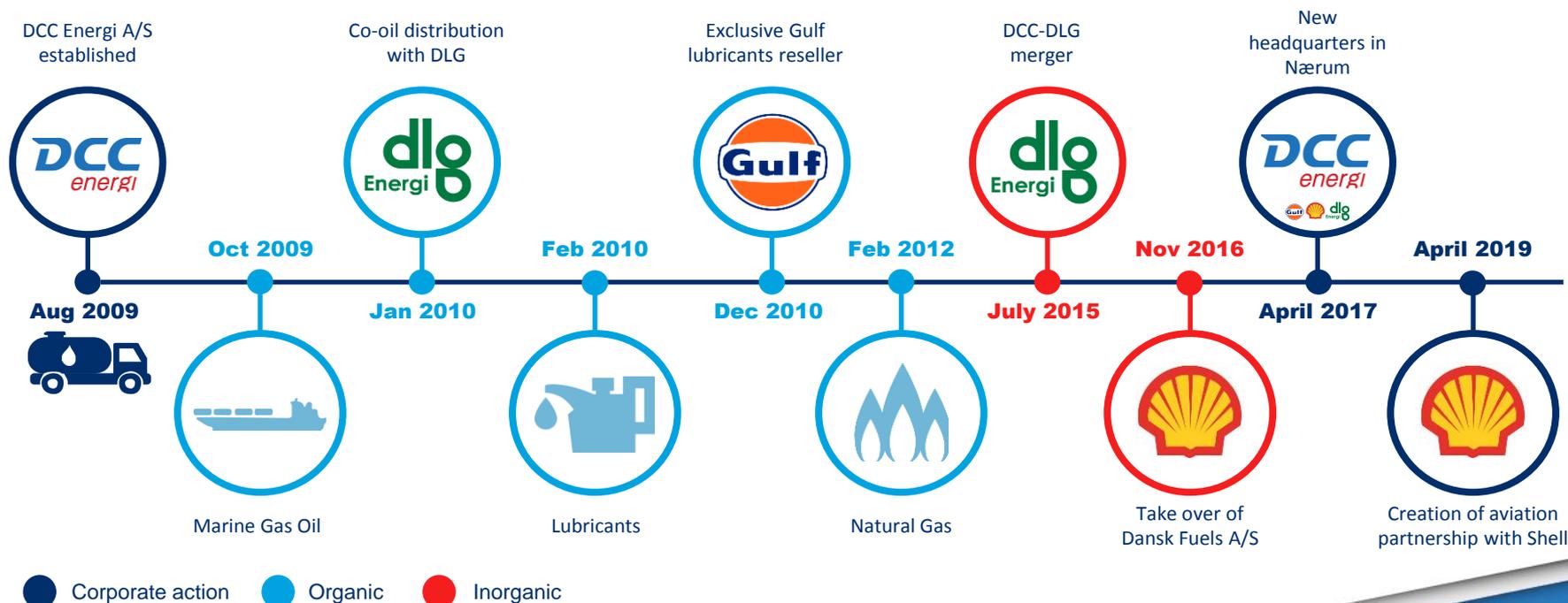
\* ROCE on a continuing basis

# Platform for acquisitions with extensive integration experience

## DCC builds innovative, partner focused businesses with scale

- DCC looks to capture value through related and adjacent markets
- Inorganic opportunities are used to build comprehensive businesses

## Case study – creating a fully integrated Danish retail & oil business



# Highly cash generative with strong and liquid balance sheet

<b>1 April 1994 – 31 March 2019</b>	<b>£'m</b>	<b>25 Year CAGR</b>
<b>Operating profit</b>	<b>3,704</b>	<b>+14.0%<sup>(1)</sup></b>
Decrease in working capital	360	
Depreciation and other	948	
<b>Operating cash flow</b>	<b>5,012</b>	<b>+13.4%</b>
Capex	(1,271)	
<b>Free cash flow</b>	<b>3,741</b>	<b>+13.0%</b>
Interest and tax	(802)	
<b>Free cash flow after interest and tax</b>	<b>2,939</b>	<b>+13.4%</b>
Acquisitions	(3,026)	
Disposals/exceptionals	314	
Dividends/share buybacks	(981)	
Share issues	768	
Translation and other	(30)	
<b>Net cash outflow</b>	<b>(16)</b>	
Opening net debt	(2)	
<b>Closing net debt</b>	<b>(18)</b>	

Conservative approach to financial and risk management has been a key driver of DCC's success

Low levels of risk

Strong cash flow underpins our business model

25 year free cash flow conversion of 101% and CAGR of 13%

DCC benefits from a strong and liquid balance sheet

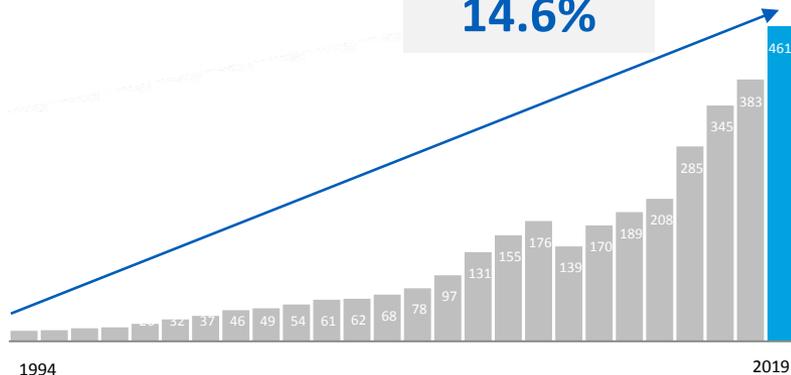


1 CAGR stated on a reported basis

# Track record of consistent growth

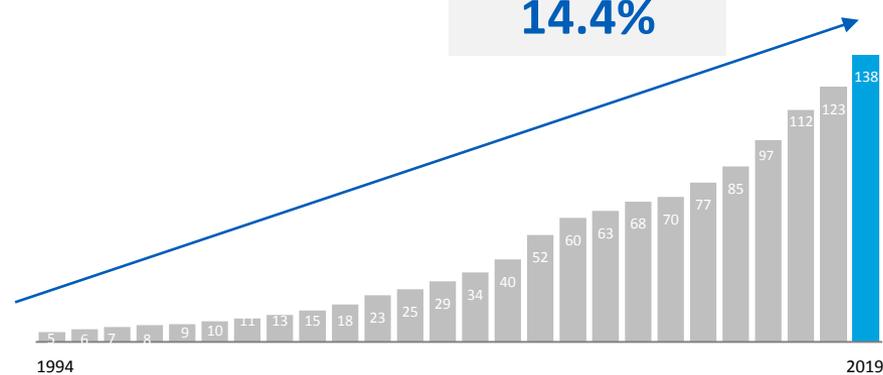
Operating profit (£'m)<sup>1</sup>

25 year CAGR<sup>1</sup>  
**14.6%**



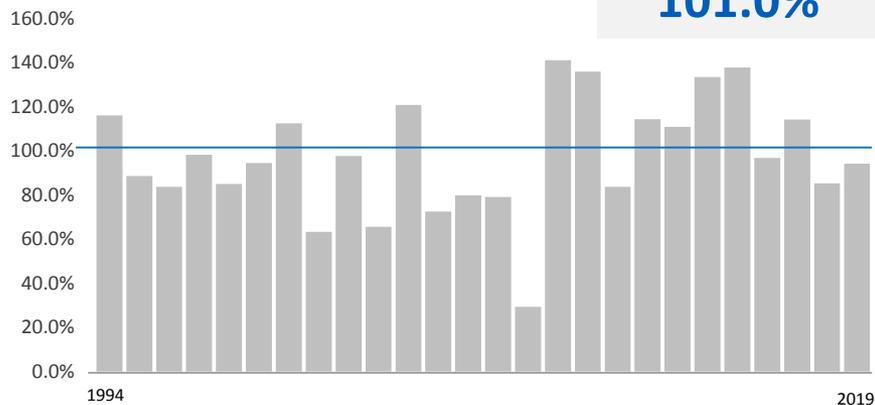
Dividend (pence)

25 year CAGR  
**14.4%**



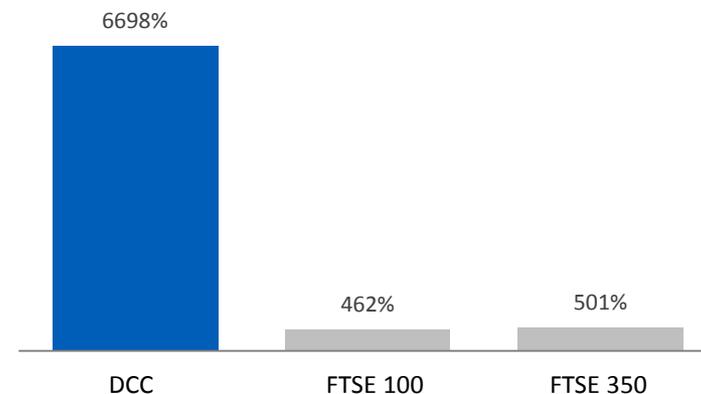
Free cash flow conversion (%)

25 year conversion  
**101.0%**



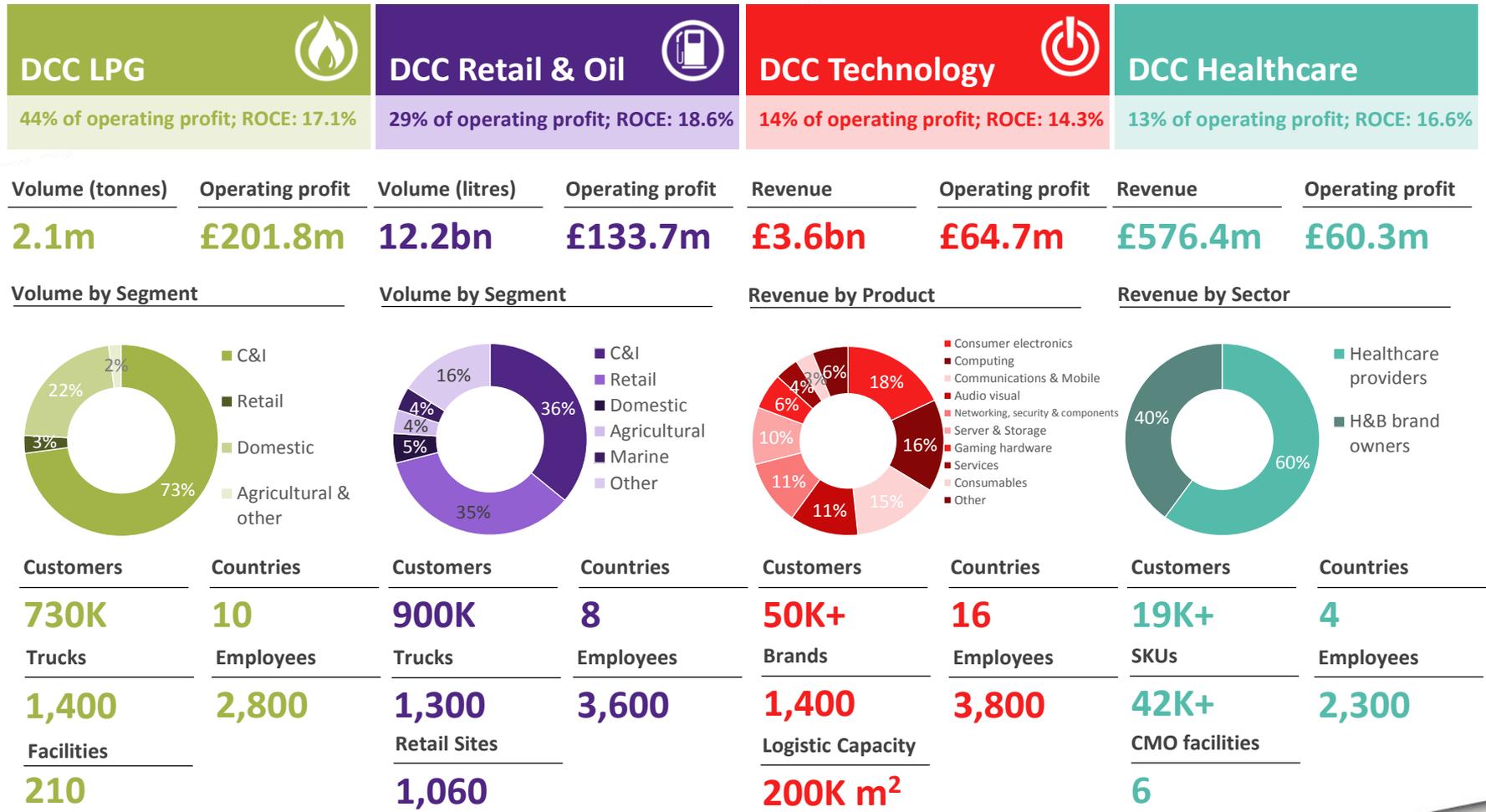
<sup>1</sup> On a continuing basis

Total Shareholder Return (25 Years)



Source: Datastream – as at 31 March 2019

# Divisional introduction



# Our business strategies for growth

---

## DCC LPG



DCC LPG's vision is to be a global leader in the sales, marketing and distribution of LPG, natural gas and electricity and related products and services to energy consumers

---

## DCC Retail & Oil



DCC Retail & Oil's vision is to be a global leader in the sales, marketing and distribution of fuels and related products and provision of services to energy consumers

---

## DCC Technology

DCC Technology's vision is to become a leading specialist technology distribution and supply chain services business, delivering an industry-leading service offering, whilst delivering consistent long-term profit growth and industry-leading returns on capital employed

---

## DCC Healthcare

DCC Healthcare's vision is to build a substantial healthcare business, focused on the sales, marketing and distribution of medical devices and pharmaceuticals and the provision of contract manufacturing and related services for the health and beauty sector

---

# Our Business: by Division

# DCC LPG

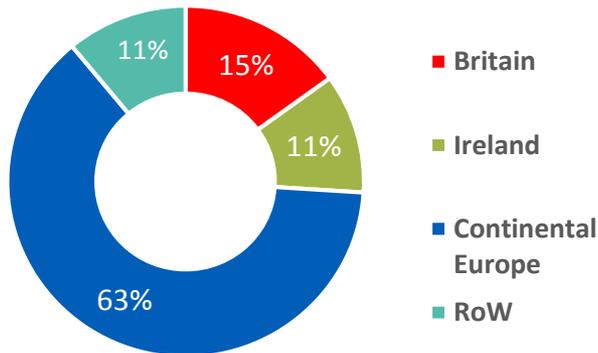
# DCC LPG

A leading liquefied petroleum gas (“LPG”) sales and marketing business, with a developing business in the retailing of natural gas and electricity

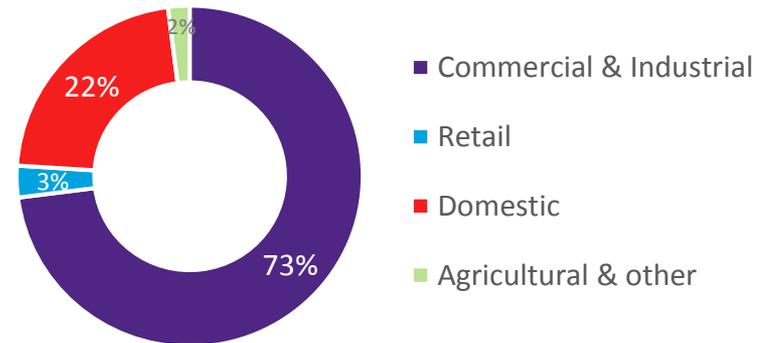
**FY2019**

Volumes (tonnes)	2.1mT*
Operating profit	£201.8m
ROCE	17.1%
Employees	2,800

## FY19 volumes by geography



## FY19 volumes by customer segment



\* Volumes include natural gas sold based on the equivalent calorific value of LPG measured in tonnes:  
 1MWh of natural gas = 0.076 tonnes of LPG  
 1 tonne of LPG = 1,969 litres of LPG

# Recurring revenue, cash generative & high ROCE business

LPG is used by a varied customer base for:

- Heating
- Cooking
- Hot water
- Industrial / agricultural processes
- Transport including fork lift truck operators
- Propellants

Global business with significant market presence in ten countries in Europe, Asia and the US

Over 40 years industry experience

Partner of choice for oil majors in asset divestment

Developing position in adjacencies of natural gas, electricity and industrial and refrigerant gases – leveraging our sales and marketing capability under established gas brands

Recently entered the German, Asian and US markets providing platforms for further growth



# Operating model

## DCC LPG Value Chain

### Our suppliers



E&P and refinery



Importation terminals



Inbound supply

### DCC LPG activities



Inbound logistics



Storage and filling



Sales and marketing



Outbound logistics

### Our customers



Domestic



Commercial/Industrial



Agriculture



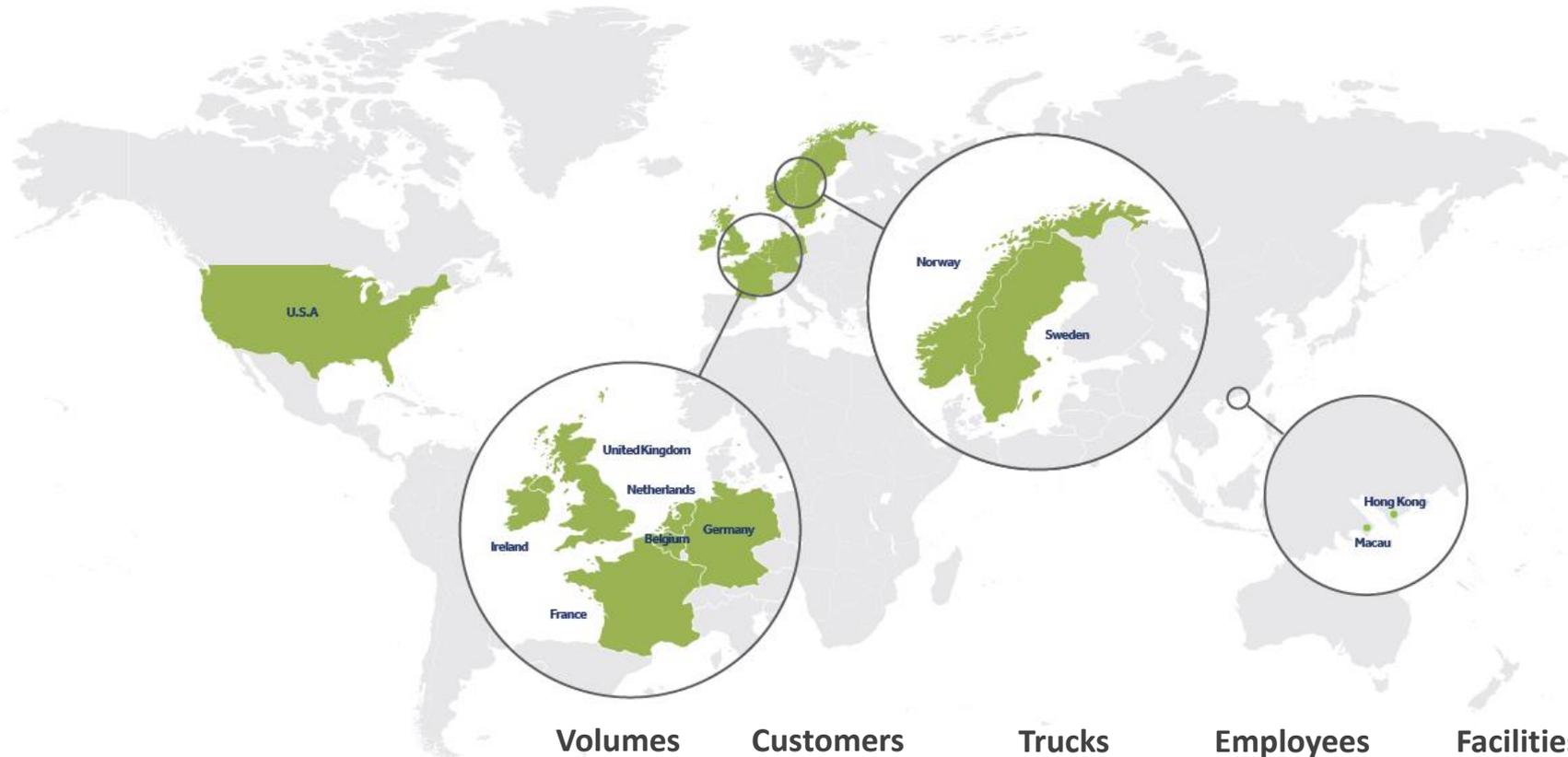
Retailers/consumers

## Our major brands



# Business of scale with global presence

Large Market Positions: #2 France, Britain and Ireland; #1 Norway, Sweden, Netherlands

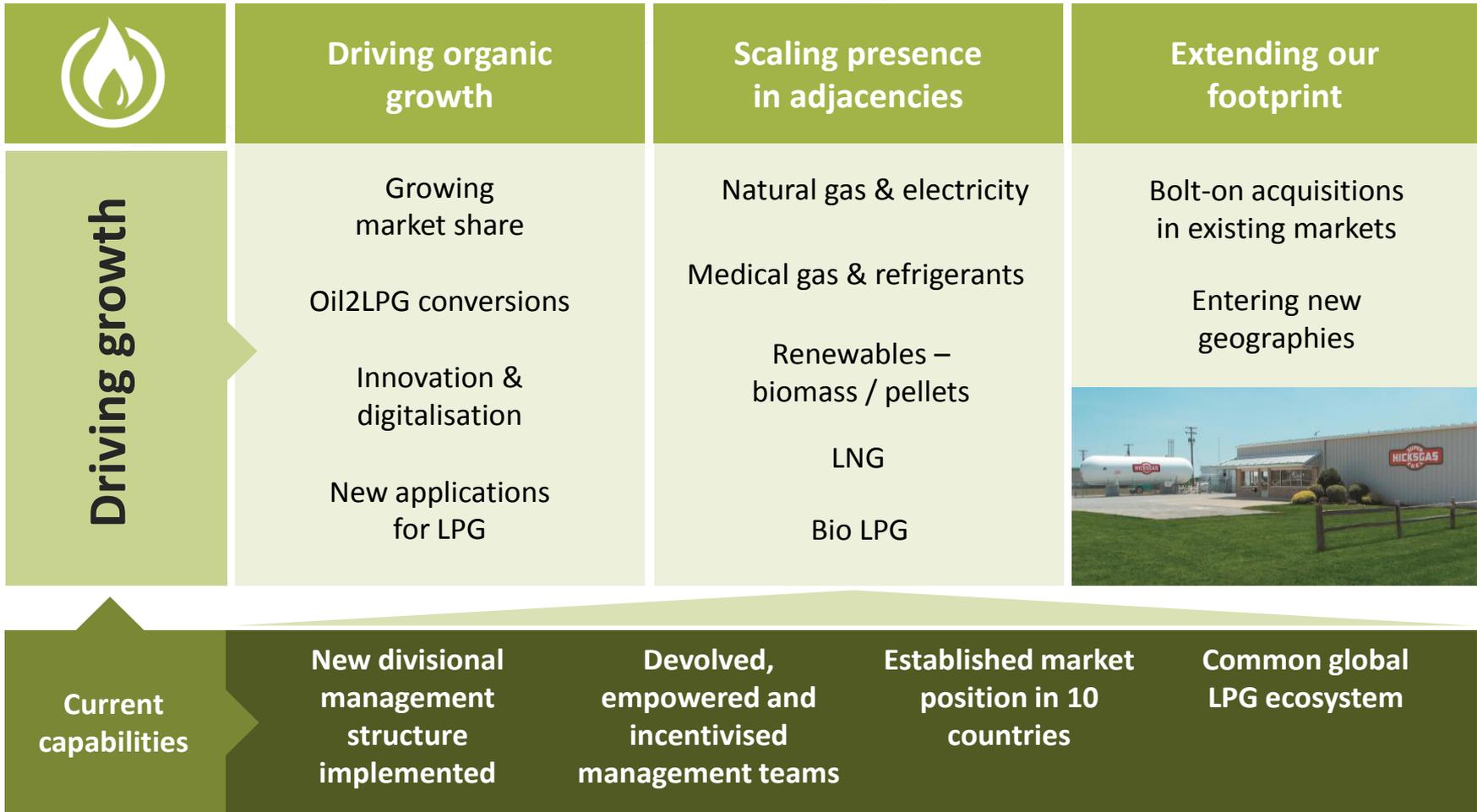


Business Statistics FY 2019:

Volumes	Customers	Trucks	Employees	Facilities
<b>2.1m</b> Tonnes	<b>730k*</b>	<b>1,400</b>	<b>2,800</b>	<b>210</b>

*\*excludes consumers who purchase our cylinders from retailers*

# LPG delivering growth



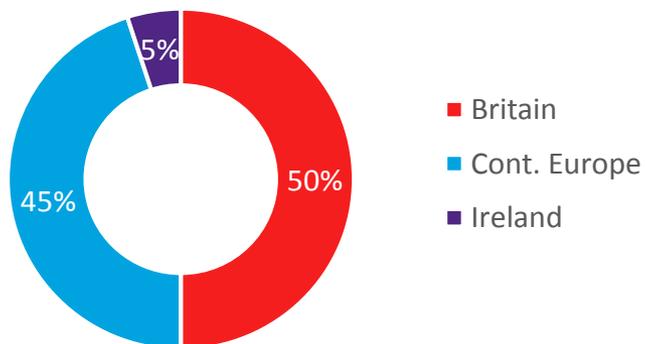
# DCC Retail & Oil

# DCC Retail & Oil

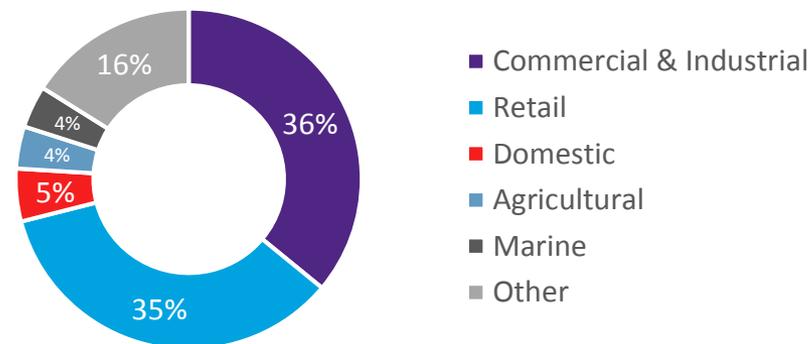
A leader in the sales, marketing and retailing of transport and commercial fuels, heating oils and related products and services

	FY2019
Volumes (litres)	12.151bn
Operating profit	£133.7m
ROCE	18.6%
Employees	3,600

FY19 volumes by geography



FY19 volumes by customer segment



# Recurring revenue, cash generative & high ROCE business

Retail stations and fuel cards for consumers and commercial customers

Oil distribution for:

- Transport
- Heating
- Industrial / agricultural processes

Developing position in adjacencies such as:

- Aviation
- Marine fuels
- Lubricants

Established market position in eight countries with a platform to grow the business across Europe

Over 30 years industry experience

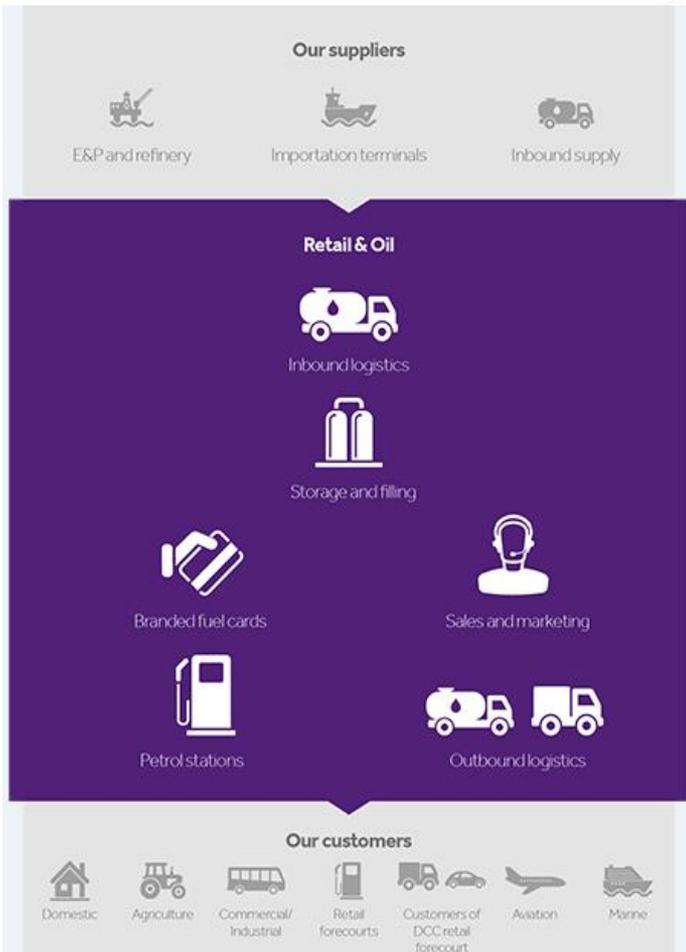
Consolidator of fragmented markets

Partner of choice for oil majors in asset divestment



# Operating model

## DCC Retail & Oil Value Chain



## Our brands



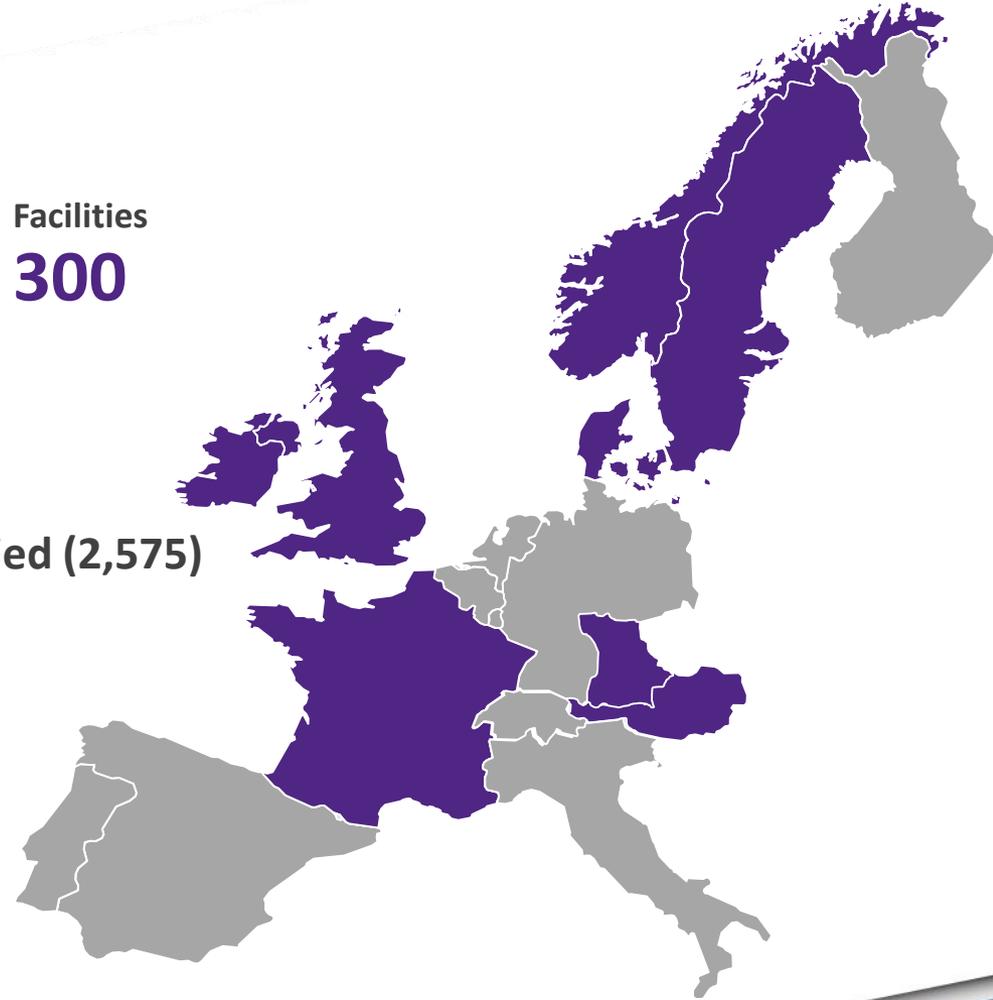
# A business of scale

## Business Statistics FY 2019

Volumes	Customers	Trucks	Employees	Facilities
<b>12.2bn</b> Litres	<b>0.9m*</b>	<b>1,300</b>	<b>3,600</b>	<b>300</b>

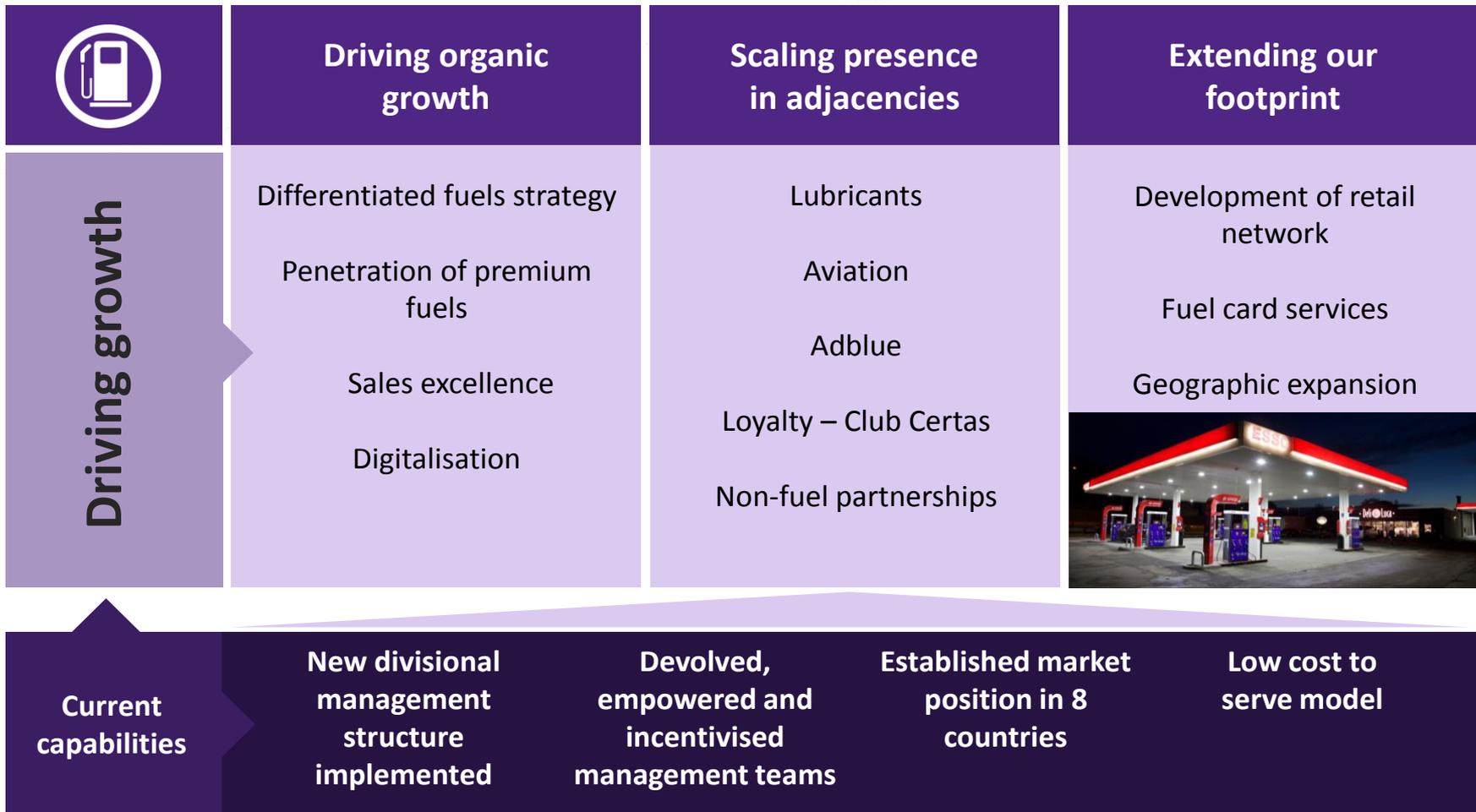
## Retail petrol sites operated (1,060) / supplied (2,575)

Britain	France	Sweden	Norway
<b>850</b>	<b>475</b>	<b>365</b>	<b>245</b>
Austria	Ireland	Denmark	
<b>295</b>	<b>115</b>	<b>230</b>	



\*Excludes retail service station customers / consumers

# Retail & Oil delivering growth



# DCC Technology

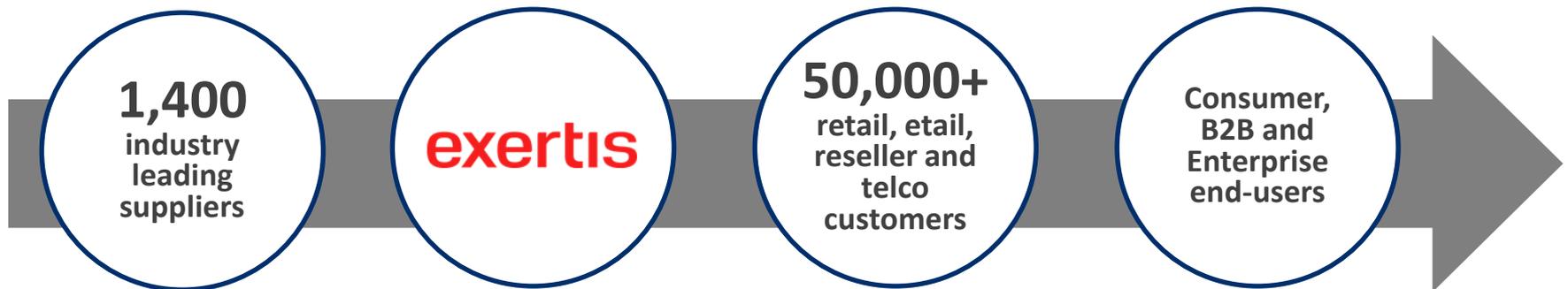
# DCC Technology

A leading route-to-market and supply chain partner for global technology brands

**FY2019**

Revenue	£3,631m
Operating profit	£64.7m
ROCE	14.3%
Employees	3,800

DCC Technology operates in 17 countries, across the consumer, B2B and enterprise markets and principally under the **exertis** brand.



# At a glance

## The obvious partner for a new supplier to access Retail and B2B markets

DCC Technology delivers an industry-leading and innovative range of services and value-add solutions that enable our partners to access existing and new sales channels in the most effective manner possible

### Key Facts

**£3.6bn**  
turnover

**1,400**  
technology brands

**3,800**  
employees  
across **17** countries

**50,000+**  
reseller & retailer  
customers

**>200,000m<sup>2</sup>**  
logistics capacity

Specialists in **Consumer, B2B and Enterprise** markets

### Our Business

**Product Focus and Breadth**  
Datacentre, Security, IT, Mobile, Home, Supplies

**Market Insight and Alignment**  
Public Sector, Business, Smart Home, Cloud



**Channel Specialists**  
Business, Retail, Mobile, Supplies

**Value Added Services**  
Logistics, Supply Chain, Marketing, Retail, Digital, Technical Installation & Support

### Key Partners



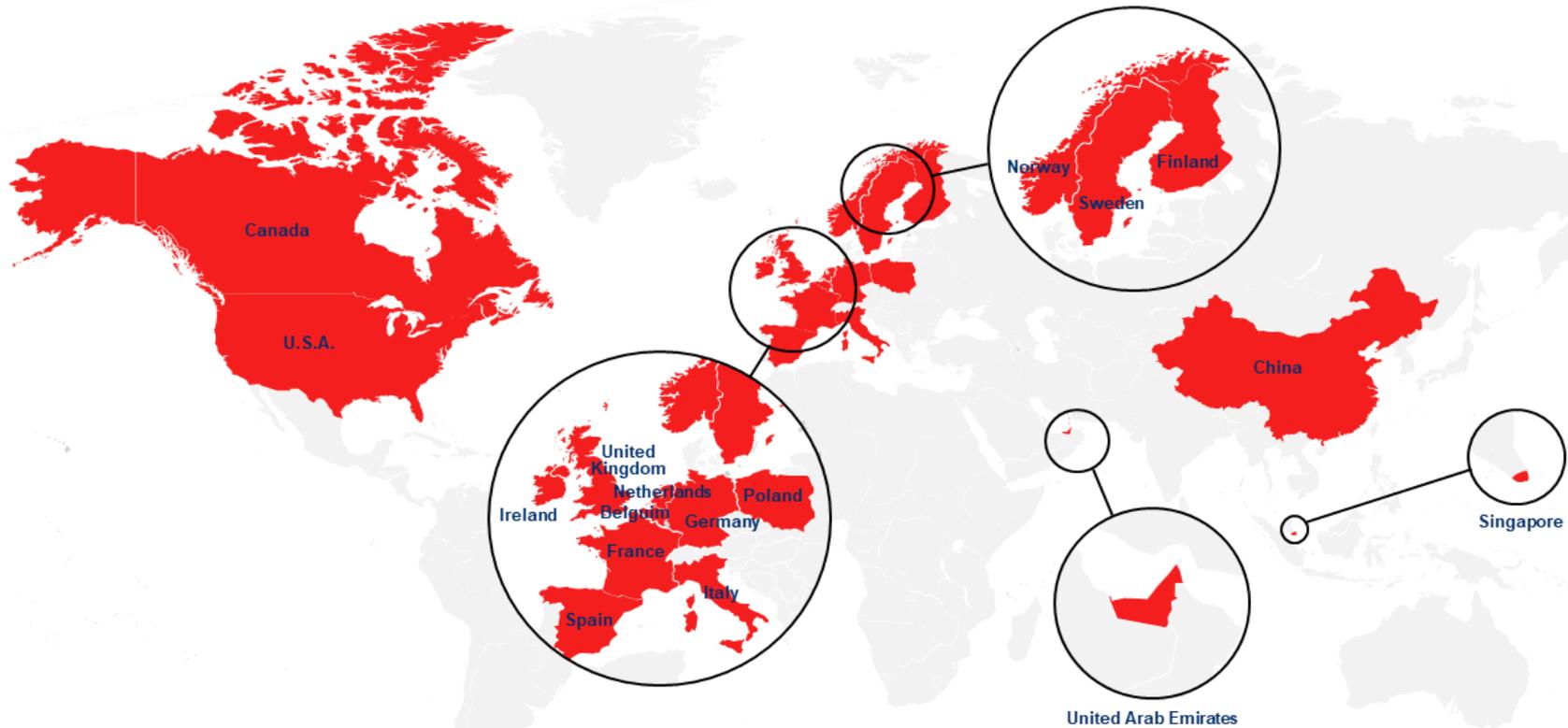
# An integral part of the Tech supply chain



## Creating value for customers and suppliers

- Proactive sales and marketing approach to a very broad customer base across a number of countries
- Excellent supplier portfolio, dealing with small to large technology brand owners
- Agile, responsive and service-focused approach to bringing our suppliers' products to market
- Cost-effective and tailored solutions for customers and suppliers
- Technical, supply chain and value-added services expertise

# Significant footprint across Europe, North America & Asia



# Technology delivering growth

	<b>Driving organic growth</b>	<b>Scaling presence in adjacencies</b>	<b>Extending our footprint</b>
<b>Driving growth</b>	<ul style="list-style-type: none"> <li>Differentiating through customer value</li> <li>Providing market access for brands</li> <li>Simplifying complex supply chain</li> <li>Enabling the Retail Revolution</li> <li>Developing focused sales expertise</li> </ul>	<ul style="list-style-type: none"> <li>Strong specialist capabilities in Retail, B2B, Pro AV, Mobile, Enterprise</li> <li>Developing expertise in Security, Services, Software &amp; Cloud</li> <li>Developing complementary own-brand offering</li> <li>White label proposition</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced capabilities in existing geographies</li> <li>Geographic expansion</li> <li>Global supply chain capability</li> </ul>    

<b>Current capabilities</b>	<b>New divisional management structure</b>	<b>Devolved, empowered and incentivised management teams</b>	<b>Central infrastructure delivering business intelligence and operational efficiency</b>	<b>Direct presence in 16 countries, capability to serve globally</b>
-----------------------------	--------------------------------------------	--------------------------------------------------------------	-------------------------------------------------------------------------------------------	----------------------------------------------------------------------

# DCC Healthcare

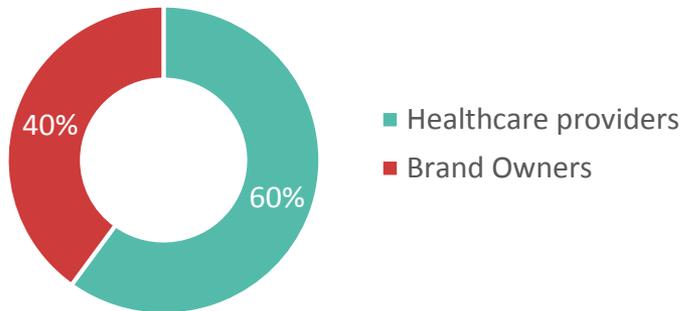
# DCC Healthcare

A leading healthcare business, providing products and services to healthcare providers and health & beauty brand owners

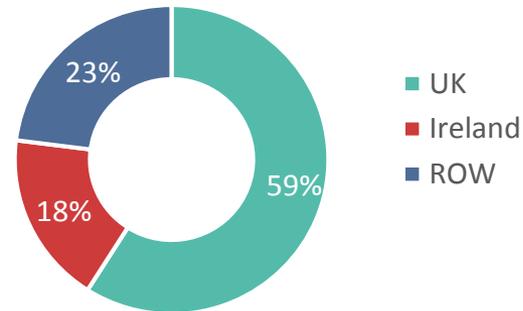
**FY2019**

Revenue	£576.4m
Operating profit	£60.3m
ROCE	16.6%
Employees	2,300

**FY19 sales by sector**



**FY19 sales by geography**



# DCC Vital – What we do

## Our Suppliers



Third party brand owners



Own brand/licence products

## Our Services



Sales marketing and distribution



Portfolio development



Procurement



Vendor Management



Supply chain management and logistic services

## Our Customers



Hospitals



Pharma retailers and wholesalers

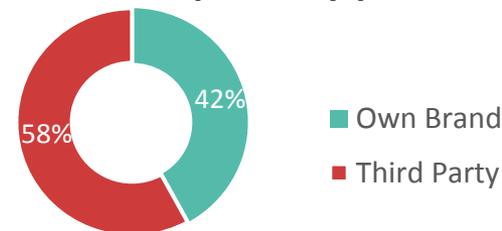


Primary Care (GPs and Community Care)

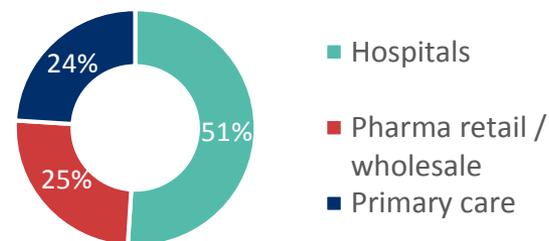
## DCC Vital

Sales, marketing and distribution of own and third party medical and pharmaceutical products to healthcare providers across all sectors of the healthcare market in the UK & Ireland

### FY19 Gross profit by product:



### FY19 Gross profit by channel:



# DCC Vital – Product focus

## Own brands



## Exclusive Partners



- Clinical diagnostics / life sciences companies
- Medical device companies
- Pharma companies

# DCC Health & Beauty Solutions – What we do

## Our Services



Product development, contract manufacturing and packing of health & beauty products

## DCC Health & Beauty Solutions

Builds long term partnerships with international brand owners, providing specialist services including NPD, formulation, manufacturing and packaging in Europe and the US

- Six high quality facilities producing tablets, hard shell capsules, soft gels, creams, liquids
- Packaging formats: pots, blisters, sachets, tubes, bottles, pumps, sprays

## Our Customers



Health & beauty brand owners

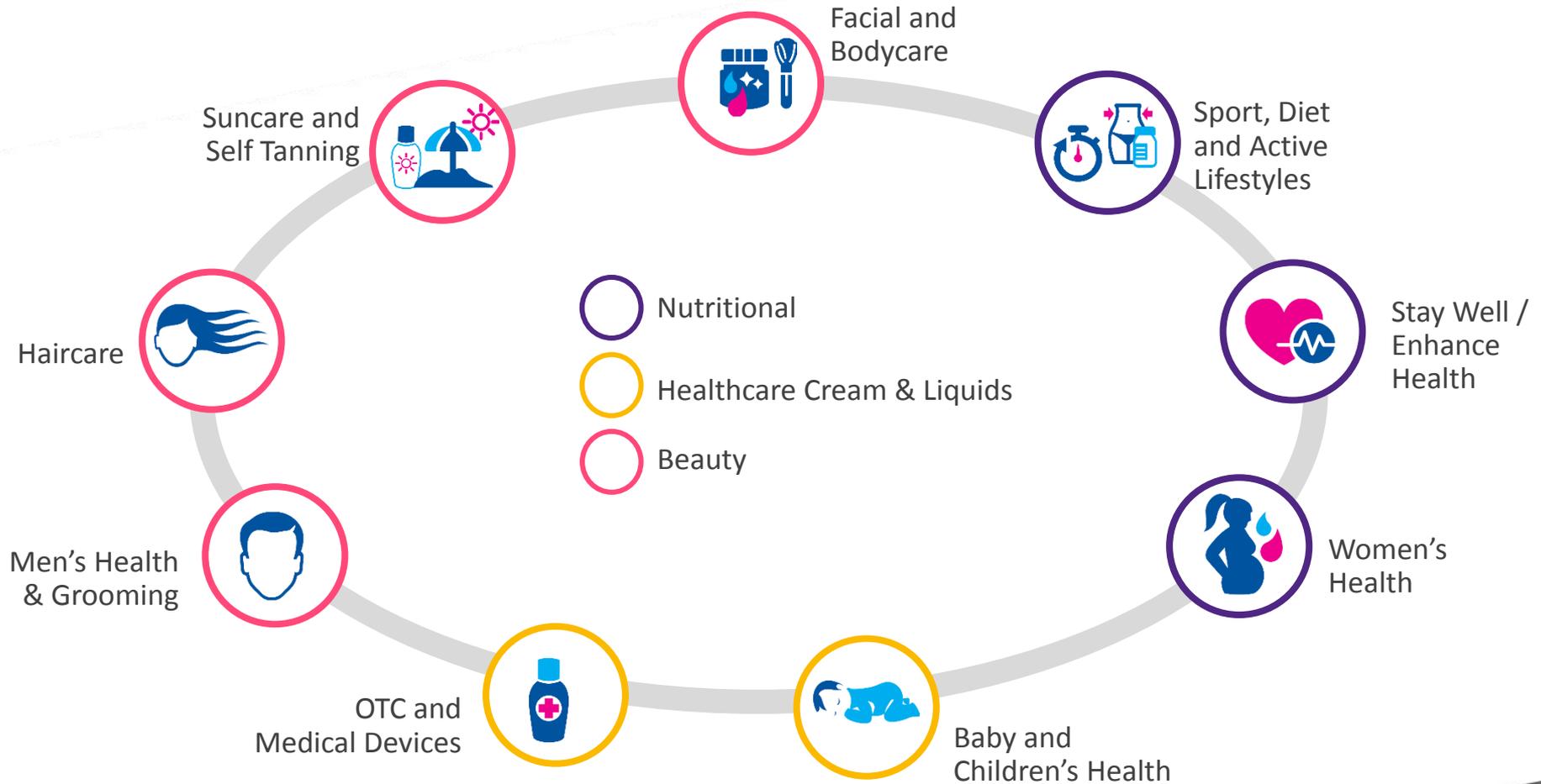
Specialist health & beauty retailers

Direct sales/ mail order companies

## A selection of brands we support:



# DCC Health & Beauty – Product categories



# Healthcare delivering growth

