

Results Presentation

For the six months ended 30 September 2020
10 November 2020



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Agenda

- **Introduction and highlights**
- **Financial and business review**
- **Development update**
- **Enabling energy transition**
- **Summary and Q&A**

Introduction and highlights

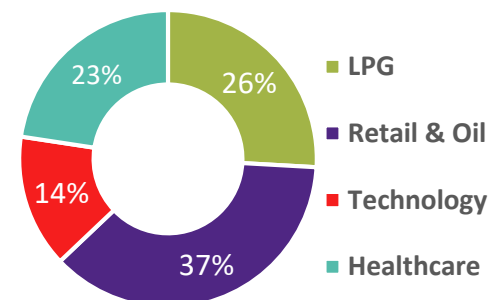
- **Very robust performance, despite the uncertain trading environment caused by the pandemic**
- **Strong growth in operating profit in seasonally less significant first half**
- **Reflects diverse, agile and resilient business model and essential products and services**
- **Excellent cash flow performance**
- **Several acquisitions completed during the period and we remain very active from a development perspective**

Divisional results

For the six months ended 30 September 2020

£'m	2020	2019	% change	% ccy change
Adjusted operating profit¹				
DCC LPG	45.6	49.0	-7.1%	-7.4%
DCC Retail & Oil	65.2	59.7	+9.2%	+10.1%
DCC Technology	25.5	25.4	+0.7%	+1.0%
DCC Healthcare ²	39.8	28.5	+39.7%	+39.8%
Group adjusted operating profit¹	176.1	162.6	+8.3%	+8.6%

By Division



¹Excluding net exceptionals and amortisation of intangible assets

²DCC Healthcare's reported prior year figures include its UK generic pharmaceutical activities and related manufacturing facility in Ireland (Kent Pharma and Athlone Laboratories) which were disposed of in September 2019. Operating profit growth excluding these activities was 65.9%

Divisional highlights

For the six months ended 30 September 2020

DCC LPG



- Traded robustly given difficult operating conditions, first half weighting to commercial and industrial volumes and warmer weather conditions
- Continued good development activity during the period

DCC Retail & Oil



- Very strong organic profit growth – mix benefit of good domestic and agri demand offsetting lower commercial, industrial and transport volumes
- Agile business model delivered good cost performance as business responded to changed volume mix

DCC Technology



- Traded resiliently, recovered through the first half to deliver modest operating profit growth
- First half defined by strong demand for consumer products, more difficult environment for B2B products, given restrictions on B2B customers

DCC Healthcare



- Very strong performance in first half – operating profit up 65.9% on continuing basis, approx. half of which was organic
- Strong demand in DCC Health & Beauty Solutions for nutritional products across all geographic markets; DCC Vital also performed very strongly

Financial & business review

Kevin Lucey
Chief Financial Officer



Financial summary

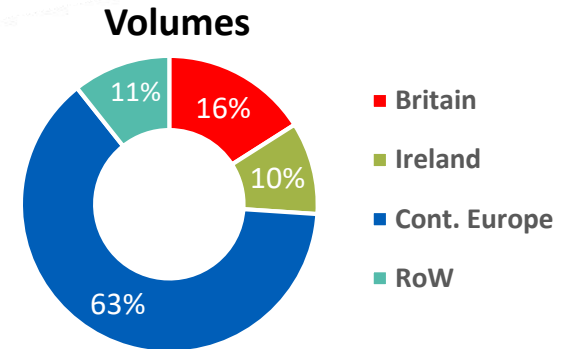
For the six months ended 30 September 2020

£'m	2020	2019	% change
Revenue	5,931	7,312	-18.9%
Group adjusted operating profit¹	176.1	162.6	+8.3%
Finance costs (net) and other	(30.2)	(26.7)	
Profit before net exceptionals, amortisation of intangible assets and tax	145.9	135.9	+7.3%
Adjusted EPS¹	117.9 pence	110.2 pence	+7.0%
Interim dividend per share	51.95 pence	49.48 pence	+5.0%
Free cash flow²	120.7	30.4	
Net debt – excluding lease creditors	137.2	245.3	
Lease creditors at 30 September	303.8	286.4	
Net debt – including lease creditors	441.0	531.7	

¹Excluding net exceptionals and amortisation of intangible assets

²After net working capital and net capital expenditure but before net exceptionals, interest and tax payments

	2020	2019	% change
Volume ('000 tonnes)	726.3	798.5	-9.0%
Operating profit (£'m)	45.6	49.0	-7.1%
Operating profit per tonne	£62.7	£61.4	



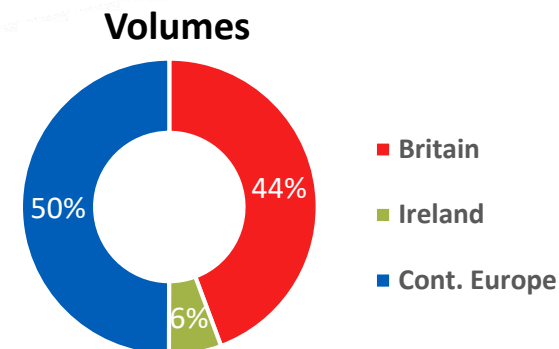
Robust performance given difficult trading conditions in seasonally less significant first half of year

- Volume decline of 9.0%, with lower commercial and industrial volumes in Britain & Ireland due to restrictions, warmer weather also impacted demand
- Modest increase in operating profit per tonne, reflecting strong cost control and positive mix impact of strong cylinder and domestic demand
- France performed in line with expectations, resilient performance in the cylinder and domestic sectors despite warmer weather. Continued development in B2B gas and power market
- In Britain & Ireland, good domestic and cylinder demand offset by lower commercial and industrial demand – pipeline of 'Oil2LPG' conversions remains active. Recently acquired Budget Energy performing well
- Trading in Hong Kong & Macau was robust despite significant restrictions. Germany weaker due to industrial and manufacturing customer base experiencing disruption
- US business performed well, given its strong domestic customer focus, delivering good organic volume and operating profit growth



DCC Retail & Oil

	2020	2019	% change
Volume (bn litres)	4.876	5.930	-17.8%
Operating profit (£'m)	65.2	59.7	+9.2%
Operating profit per litre	1.34ppl	1.01ppl	

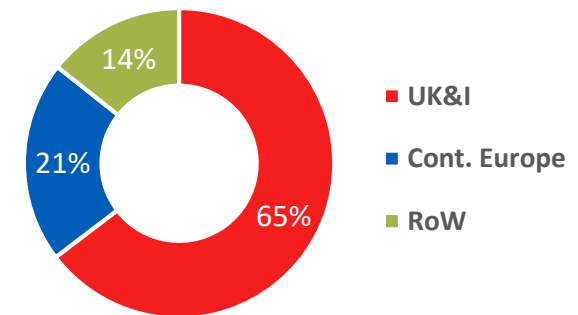


Excellent trading performance with strong growth in operating profit

- Organic operating profit growth reflects mix benefit of increased demand from domestic and agricultural customers and a very good cost performance
- Volume reduced by 17.8% reflecting significant impact of lockdown restrictions on commercial, industrial and transport volumes in April and May – transport volumes steadily improved in Q2
- In Britain and Ireland, very strong organic profit growth driven by increased domestic demand in Q1 and stronger demand for premium products. Fully integrated 22 former Tesco sites in Ireland
- Very strong profit growth in Scandinavia with very good performance in the retail sector and strong demand from agricultural customers
- France recovered steadily from the significant impact of lockdown restrictions in April and May – the unmanned network benefited from customer preference for a local, low-cost, pay at the pump model. Strong profit growth in Austria, benefiting from good penetration of premium, cleaner products and services to customers

	2020	2019	% change
Revenue (£'m)	1,969	1,795	+9.7%
Operating profit (£'m)	25.5	25.4	+0.7%
Operating margin	1.3%	1.4%	

Revenue by geography

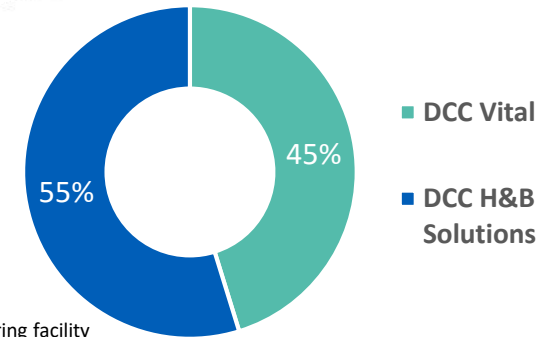


Very resilient performance, business recovered through period to deliver modest profit growth

- Revenue growth driven by higher-volume, lower-margin consumer and working-from-home products. Operating profit growth benefited from range of cost reduction measures
- In the UK&I, strong demand for consumer products from e-tailers, non-traditional retailers and from B2B customers offering mobility and working-from-home products offset by reductions in most B2B categories resulting in a decline in operating profit
- The North American business performed well and delivered strong organic revenue and operating profit growth, particularly in sales of 'at-home' products
- In Continental Europe, the business experienced a challenging trading environment for B2B products but this was more than offset by good performance in consumer products. Benelux achieved good growth and the Scandinavian business traded robustly due to less negative impact from Covid-19 in that market

	2020	2019	% change
Revenue ¹ (£'m)	322.0	258.7	+24.5%
Operating profit ¹ (£'m)	39.8	24.0	+65.9%
Operating margin ¹	12.4%	9.3%	

Revenue by business



¹The commentary below relates to the activities of DCC Healthcare excluding its UK generic pharmaceutical activities and related manufacturing facility in Ireland (Kent Pharma and Athlone Laboratories) which were disposed of in September 2019

Excellent first half performance with operating profit increasing by 65.9%

• DCC Health & Beauty Solutions:

- Excellent profit growth, benefiting from expanded presence in the US nutrition market
- Prior year acquisitions of Ion Labs and Amerilab Technologies both integrated successfully and performed very well
- In Europe, the business also performed strongly, particularly in immunity-related products and also benefited from good performance in beauty products

• DCC Vital:

- Generated both sales and operating profit growth as a result of increased demand for Covid-19 related products, offset by lower activity in routine hospital procedures and in-person GP consultations
- The business also benefited from the modest bolt-on acquisitions completed during the prior year, which performed ahead of expectations

Development update

Donal Murphy
Chief Executive



Development update

Active period of development – c. £90m committed to acquisitions

DCC LPG



- Completed the acquisition of NES Group in September 2020, DCC LPG's second material bolt-on acquisition in the US – initial entry in the north east region of the US
- Completed a number of small bolt-ons in the US LPG market
- Agreed to acquire Primagaz in the Netherlands from SHV Energy, subject to competition authority approval – very complementary to our existing business
- Budget Energy announced in May 2020 – successfully integrated and performing well

DCC Technology



- Recently completed the acquisition of The Music People in the US, a business complementary in both customer and product set to our current Pro Audio offering in North America

DCC Retail & Oil



- Completed the acquisition of a small bolt-on retail network in Austria

Enabling energy transition

Donal Murphy
Chief Executive



Webcast – 18th November 2020

- Registration at www.dcc.ie
- Event begins at 2.00pm (GMT)
- Broadcast, with Q&A for sell-side analysts
- We will cover:
 - Group purpose, strategy and energy position
 - DCC's opportunity in enabling energy transition
 - How our business is growing and evolving its product and service offerings
 - Leading by example in our own operations

Summary and Q&A

Donal Murphy
Chief Executive



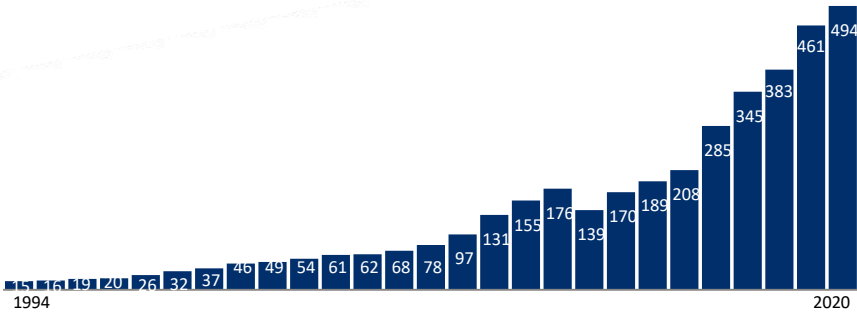
Summary & outlook

- **Strong performance during seasonally less significant first half, despite difficult and uncertain trading environment**
- **Excellent cash flow performance – Group balance sheet remains extremely strong**
- **Acquisition activity continues – DCC remains very active from a development perspective**

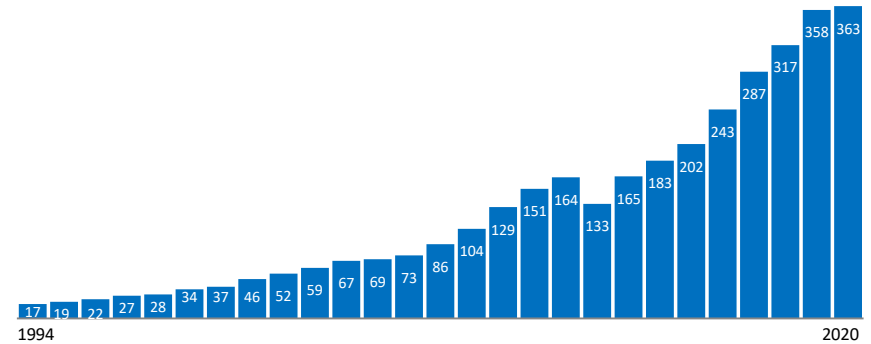
With Covid-19 related restrictions now increasing again generally, the outlook for all economies in which DCC operates remains very uncertain. However, DCC's diverse and resilient business model, the essential nature of the Group's products and services and its extremely strong balance sheet ensure that the Group is well placed to navigate this ongoing uncertainty and continue its growth and development into the future

Strategy continues to deliver

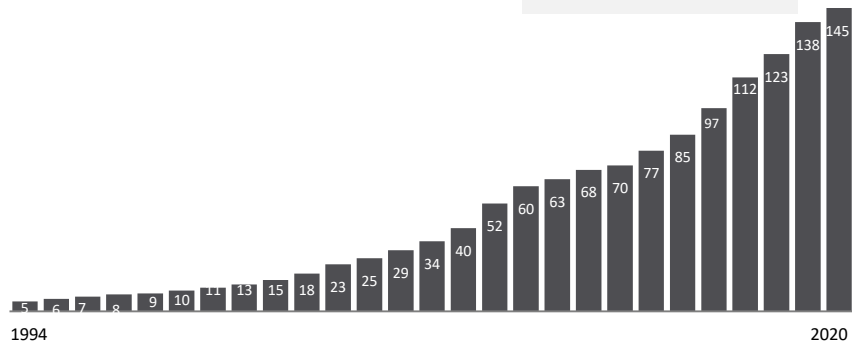
Operating profit (£m)¹



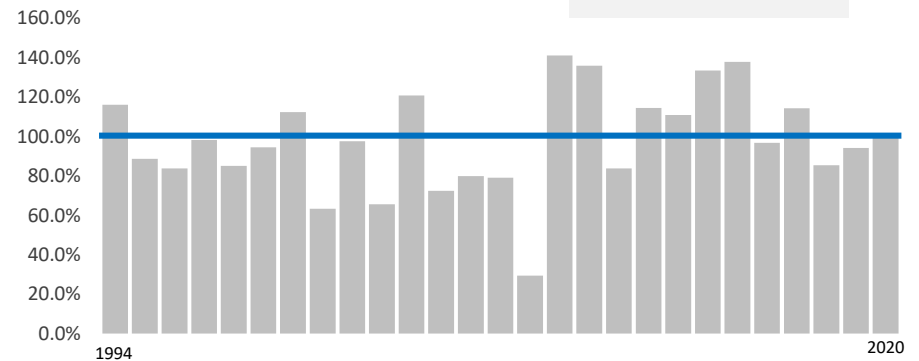
EPS (pence)



Dividend (pence)



Free cash flow conversion (%) 26 year conversion
101.0%



¹ On a continuing basis