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Presentation of results – video webcast and conference call details

Group and divisional management will host an in-person analyst presentation at the London Stock Exchange at 10.00 a.m. BST today. The presentation will also be made available via live video webcast and conference call. The access details are as follows:

Ireland:	+353 (0) 1 691 7842
UK:	+44 (0) 20 3936 2999
International:	+44 (0) 20 3936 2999
Passcode:	684408
Webcast link:	https://www.investis-live.com/dcc/642ec59263f9f8130091a0c1/tqiu

This report, presentation slides and a recording of the webcast will be made available at www.dcc.ie.

About DCC plc

DCC is a leading international sales, marketing and support services group. We provide solutions the world needs across three transformative sectors: energy, healthcare and technology; where we acquire, improve and grow diverse businesses. We bring our growth mindset to our businesses in 22 countries across four continents, empowering our 16,000 employees to create long term value – for our shareholders, customers, society and the planet.

Headquartered in Dublin, DCC plc is listed on the London Stock Exchange and is a constituent of the FTSE 100. In our financial year ended 31 March 2023, DCC generated revenues of £22.2 billion and adjusted operating profit of £655.7 million. DCC has an excellent record, delivering compound annual growth of 14% in adjusted operating profit and generating an average return on capital employed of approximately 19% over 29 years as a public company.

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Forward-looking statements

This announcement contains some forward-looking statements that represent DCC's expectations for its business, based on current expectations about future events, which by their nature involve risk and uncertainty. DCC believes that its expectations and assumptions with respect to these forward-looking statements are reasonable, however because they involve risk and uncertainty as to future circumstances, which are in many cases beyond DCC's control, actual results or performance may differ materially from those expressed in or implied by such forward-looking statements.

GROUP & DIVISIONAL PERFORMANCE REVIEW

A summary of the Group's results for the year ended 31 March 2023 is as follows:

	2023 £'m	2022 £'m	**% change**
Revenue	**22,205**	17,732	**+25.2%**
Adjusted operating profit[1]			
DCC Energy	**457.8**	407.1	**+12.4%**
DCC Healthcare	**91.8**	100.4	**-8.6%**
DCC Technology	**106.1**	81.7	**+29.9%**
Group adjusted operating profit[1]	**655.7**	589.2	**+11.3%**
Finance costs (net) and other	**(81.4)**	(53.8)	
Profit before net exceptionals, amortisation of intangible assets and tax	**574.3**	535.4	**+7.3%**
Net exceptional charge before tax and non-controlling interests	**(31.6)**	(45.3)	
Amortisation of intangible assets	**(111.1)**	(84.4)	
Profit before tax	**431.6**	405.7	**+6.4%**
Taxation	**(84.8)**	(79.7)	
Profit after tax	**346.8**	326.0	
Non-controlling interests	**(12.8)**	(13.6)	
Attributable profit	**334.0**	312.4	
Adjusted earnings per share[1]	**456.3p**	430.1p	**+6.1%**
Dividend per share	**187.21p**	175.78p	**+6.5%**
Operating cash flow	**785.5**	560.6	
Free cash flow[2]	**570.4**	382.6	
Net debt at 31 March (excl. lease creditors)	**(767.3)**	(419.9)	
Lease creditors	**(346.6)**	(336.7)	
Net debt at 31 March (including lease creditors)	**(1,113.9)**	(756.6)	
Total equity at 31 March	**3,058.3**	2,970.6	
Return on capital employed (excl. IFRS 16)	**15.1%**	16.5%	
Return on capital employed (incl. IFRS 16)	**14.2%**	15.3%	

[1] Excluding net exceptionals and amortisation of intangible assets

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

INCOME STATEMENT REVIEW

Group revenue

Group revenue increased by 25.2% (23.2% on a constant currency basis) to £22.2 billion, driven by the higher energy commodity prices that prevailed during the year and the impact that this had on DCC Energy's revenues.

Revenue in DCC Energy was £16.1 billion, an increase of 30.8% (29.8% on a constant currency basis). With like-for-like volumes modestly behind the prior year, the significant increase in revenue was as a result of the higher wholesale cost of energy commodities during the year.

DCC Healthcare recorded revenues of £821.5m, an increase of 7.4% (4.3% on a constant currency basis). The constant currency growth was driven by the acquisition of Medi-Globe during the second half of the year and organically revenues declined by 2.2%.

Revenue in DCC Technology was £5.3 billion, an increase of 13.3% (8.5% on a constant currency basis). The increase was driven by the acquisition of Almo which completed in December 2021. Organically revenue declined by 5.1%, reflecting weaker demand for consumer products in Europe.

Group adjusted operating profit

Group adjusted operating profit increased by 11.3% to £655.7 million. The impact on reported Group adjusted operating profit of foreign exchange (FX) translation, M&A growth and organic growth was as follows:

Period	FX translation	M&A	Organic	Reported growth
2023	**+3.5%**	**+7.6%**	**+0.2%**	**11.3%**
2022	-4.0%	+9.0%	+6.1%	11.1%
5-year average	-0.2%	+8.5%	+3.4%	11.8%

Average sterling exchange rates weakened against most relevant currencies during the year, including the US dollar and euro, a reversal of what was experienced in the prior year. The net impact of currency translation in the current year was a benefit of 3.5%, or £20.7 million, in the reported growth in adjusted operating profit.

Acquisitions completed in the prior year (most materially Almo) and in the current year (principally Medi-Globe and PVO) contributed 7.6% of the reported operating profit growth.

Set against very strong prior year comparatives, organic operating profit growth was modest, and was driven by the strong organic performance of DCC Energy. As reported during the year, DCC Healthcare and DCC Technology experienced more difficult market conditions and declined organically. The inflationary environment was a significant feature of the year across each division, with the overall organic profit growth achieved despite the 8.0% (or £130.2 million) increase in the Group's like for like overhead cost base. Further commentary on the trading performances of each of the three divisions is detailed below.

DIVISIONAL PERFORMANCE REVIEWS

DCC Energy	**2023**	2022	**% change**	***% change CC***
Volumes (billion litre equivalent)[1]	**15.5bn**	15.9bn	**-2.1%**	
Gross profit	**£1.566bn**	£1.356bn	**+15.5%**	***+13.5%***
Operating profit	**£457.8m**	£407.1m	**+12.4%**	***+10.0%***
Operating profit per litre	**2.95ppl**	2.57ppl		
Return on capital employed excl. IFRS 16	**19.0%**	18.6%		
Return on capital employed incl. IFRS 16	***17.6%***	*17.1%*		

- Excellent trading performance, with operating profit increasing by 12.4% (10.0% constant currency). Both our Solutions and Mobility businesses recorded strong growth. Organic operating profit grew 8.3% and ROCE increased to 19.0%.
- Announced and implemented our *'Leading with Energy'* strategy during the year. Fabian Ziegler joined as CEO on 1 November 2022 and new divisional and regional management organisation established.
- Completed 18 acquisitions during the period, most of which broaden our service and renewable offering for customers in line with strategy. Increased share of operating profit from Services and Renewables to 28%, up from 22% in the prior year, as a result of very strong organic profit growth and acquisition activity. Increased our operating profit to carbon emissions ratio by 18%, while lowering our Scope 3 customer emissions by 5.0%.

DCC Energy Solutions	**2023**	2022	**% change**	***% change CC***
Volumes (billion litre equivalent)	**10.9bn**	11.2bn	**-2.3%**	
Operating profit	**£335.7m**	£305.9m	**+9.7%**	***+6.7%***
Operating profit per litre	**3.07ppl**	2.74ppl		

DCC Energy Solutions performed very well during the year and grew operating profit by 9.7% (6.7% constant currency). Half of the operating profit growth was organic, despite the pervasive inflationary cost pressures and the milder than average winter conditions, which impacted demand. There are four operating regions within DCC Energy Solutions: continental Europe, UK & Ireland, North America and the Nordic region. All regions performed strongly during the year.

In continental Europe, we recorded good profit growth and experienced robust demand from customers, despite high and volatile wholesale energy prices and the headwind of milder weather. Government efforts across the region to lower energy consumption, given energy security concerns, also influenced demand. In France, our business performed strongly, albeit it saw lower demand for lower carbon LPG, natural gas and power given the headwinds mentioned above. The business saw strong demand for solar solutions and completed further bolt-on acquisitions which have broadened regional coverage. The wholesale cost of natural gas and power was very volatile and made for a

[1] Billion litres equivalent provides a standard metric for the different products and solutions that DCC Energy sells. Metric tonnes and kilowatts of power are converted to litres. Separately, much of the services and renewables that DCC Energy provides do not have associated volumes such as solar installations, heat pump solutions, fleet services, energy efficiency services, lubricants and refrigerants.

challenging trading environment in this segment, but the business managed this challenge very well. The Austrian business had an excellent year, where it benefited from good demand and our strong supply position.

We also delivered strong growth in the UK & Ireland. With weaker demand for traditional fuel products, the profit growth in the year was driven by good demand for our energy services and renewables (particularly in Ireland), as well as good demand for lower carbon products, such as LPG. We rolled out Hydrotreated Vegetable Oil (HVO) biofuel across our UK & Ireland fuel network and we are using the fuel to power our own truck fleet. This creates strong visibility with our own customers. Demand increased for HVO from customers across the UK & Ireland, including from large commercial customers such as data centres.

In North America we achieved strong profit growth during the year, despite the weather being warmer than average. We continued to invest in the operating and management infrastructure in the region. This will provide the capacity to further develop our presence in the region in the future.

In the Nordics, our business recorded good growth, driven by the provision of solutions to commercial and industrial customers. We delivered renewable Dimetyl Ether (rDME, a drop-in renewable replacement for LPG) to our first customers in the region during the year and our aviation business recovered as travel resumed. We continue to lead in the region in sustainable aviation fuel initiatives.

DCC Energy Mobility	**2023**	2022	**% change**	***% change CC***
Volumes (billion litre equivalent)	**4.6bn**	4.7bn	**-1.8%**	
Operating profit	**£122.1m**	£101.2m	**+20.6%**	***+20.1%***
Operating profit per litre	**2.65ppl**	2.16ppl		

DCC Energy Mobility grew operating profit by 20.6% (20.1% constant currency), almost all of which was organic. There was significant volatility in the wholesale price of fuels in all markets during the year. We experienced supply disruption due to the energy crisis and industrial action at various refineries in France. Against this backdrop we continued to make good progress in adding further capability to the business, increasing our offerings in renewable fuels and fleet solutions and investing in locations where we see an EV charging opportunity.

In France, our business recorded strong profit growth. Volumes were robust, despite the market experiencing supply disruption through the year due to industrial unrest. We also fully integrated the adjacent Luxembourg network which has brought a strong convenience capability. Our business also had a very strong year in the UK market. We saw strong growth in demand for our range of HGV services, where we continue to expand our truck-stop network and grew our tech-enabled parking and services offering for customers. The company-owned and operated retail network in the UK also performed strongly and saw good growth in non-fuel income. In Scandinavia, we delivered a robust performance. Operating profit declined in Sweden, following a very strong performance in the prior year, but we saw good growth in Norway and a robust performance in Denmark.

We continued our focus on organic development during the year to improve our offering to our retail and fleet customers. Our locations offering EV charging increased from 55 to 98. We continued to roll out biofuel at the pump for HGVs in the Nordics and we opened our first purpose-built mobility hub at Mandal in southern Norway.

DCC Healthcare	2023	2022	% change	% change CC
Revenue	**£821.5m**	£765.2m	**+7.4%**	***+4.3%***
Gross profit	**£220.3m**	£207.0m	**+6.4%**	***+3.8%***
Operating profit	**£91.8m**	£100.4m	**-8.6%**	***-11.1%***
Operating margin	**11.2%**	13.1%		
Return on capital employed excl. IFRS 16	**13.0%**	20.5%		
Return on capital employed incl. IFRS 16	***12.5%***	*19.2%*		

- Following excellent performance in recent years, more challenging year for DCC Healthcare. Operating profit declined by 8.6% (11.1% constant currency).
- Driven by significant customer and retailer destocking in DCC Health & Beauty Solutions, operating profit declined 18.7% organically. DCC Vital traded modestly ahead of expectations. DCC Healthcare operating profit was 11.3% ahead of FY20 organically.
- Continued to make significant strategic progress during the year. DCC Vital's acquisition of Medi-Globe was the highlight and the division's largest to date. We also invested to grow organically across gummy and effervescent formats in DCC Health & Beauty Solutions. We are well positioned to resume our track record of growth.

Divisional revenue

DCC Healthcare recorded revenues of £821.5 million, up 7.4% (4.3% constant currency). The constant currency growth was driven by the acquisition of Medi-Globe which completed in October 2022. Revenues declined by 2.2% organically, principally due to less demand for Covid related products in DCC Vital and lower demand from customers in DCC Health & Beauty Solutions.

DCC Vital

DCC Vital performed robustly and in line with expectations during the year. The anticipated reduction in Covid-related sales was offset by a good trading performance across the business, particularly in our British medical devices and primary care operations. We ensured that rising product costs were recovered in the market.

Primary care recorded strong revenue and profit growth in both Britain and Germany. While patient visits to surgeries remain below pre-pandemic levels, activity continues to improve. In medical devices, underlying trading in recurring product sales was strong despite activity levels in the UK and Irish healthcare systems being constrained by staffing challenges. As expected, in medical devices we experienced less demand for Covid-related products. Following the expansion of our primary care business into continental Europe in 2020 through the acquisition of Wörner, our medical devices platform completed the material acquisition of Medi-Globe. Medi-Globe, headquartered in Germany, has a strong position in minimally invasive devices for gastroenterology and urology. It has performed in line with expectations since acquisition and the integration of the business is progressing well.

DCC Health & Beauty Solutions

DCC Health & Beauty Solutions experienced a very challenging year, following record organic growth in recent years. We entered the year with strong demand from customers, while managing labour and supply chain challenges. As the year progressed, demand from customers weakened substantially and our order books declined in the US and particularly in Europe. This was driven by destocking throughout the supply chain, with retailers and our customers seeking to reduce inventory levels, as experienced by the broader market. Despite this we recorded good sales growth in effervescent products for leading US nutritional brands. In recent months we have seen order books stabilise and expect that order books will grow as destocking unwinds during the year.

The nutrition market has been a long-term growth market and is projected to grow strongly in the future, benefiting from the secular trend of increasing consumer interest in improving health and wellbeing. We continue to invest in growing our capacity and capability and will have our gummy production commercialised in the US and Europe in the coming year. We are also expanding capacity in our effervescent facility, to ensure we can meet increasing customer demand for this product format.

DCC Technology	**2023**	2022	**% change**	***% change CC***
Revenue	**£5.264bn**	£4.644bn	**+13.3%**	***+8.5%***
Gross profit	**£618.4m**	£474.5m	**+30.3%**	***+24.9%***
Operating profit	**£106.1m**	£81.7m	**+29.9%**	***+19.7%***
Operating margin	**2.0%**	1.8%		
Return on capital employed excl. IFRS 16	**8.7%**	9.1%		
Return on capital employed incl. IFRS 16	***8.3%***	*8.5%*		

- Operating profit increased by 29.9% (19.7% constant currency), driven by the prior year acquisition of Almo. Almo performed in line with expectations in the second half of the year.
- Organic operating profit declined by 16.9%, driven by weak demand for consumer technology products, particularly in Europe. Demand for B2B technology products was generally robust. UK performance improved following a difficult prior year.
- North American Pro Tech (Pro Audio and AV) performed strongly. Successful integration in first quarter of recently acquired Almo's AV business with our existing US AV business has created the largest specialist AV distributor in the region.

Divisional revenue

DCC Technology recorded revenues of £5.264 billion, up 13.3% (8.5% constant currency), with the growth driven by the acquisition of Almo. Organically, revenues declined by 5.1% due to weak demand in Europe, including in the UK.

North America

In North America, we have a leading market position across the sales, marketing and distribution of 'Pro Tech' and 'Life Tech' technology products.

Our North American Pro Tech (Pro Audio and AV) operations grew strongly during the year. Business investment and demand for these products held up well, despite the inflationary environment and higher interest rates. We saw strong performances from the hospitality and entertainment sectors in particular. We integrated Almo's AV business with our existing business in the first quarter of FY23 without disruption to create the region's largest specialist distributor of AV equipment.

Performance of our Life Tech (lifestyle and home comfort technology) operations in the region was mixed. Premium appliance categories performed well, with good underlying demand. Consumers in this segment are less impacted by cost of living pressures. Demand for appliances, music and consumer products weakened as the year progressed, with softer consumer confidence impacting demand and dealers cautious with regards to their inventory holding. As previously reported, our online fulfilment segment within Almo, which provides Life Tech products to etailers and online services for traditional retailers, experienced reduced demand for air conditioning and other home comfort equipment during the first half of the financial year. We are focused on delivering increased contribution from this segment going forward.

Europe

As in North America, performance in Europe was mixed. Our consumer-focused businesses in continental Europe experienced very weak demand during the year. The rise in the cost of living impacted consumer demand for technology products. As a result, we recorded revenue and operating profit declines. Conversely, our Pro Tech businesses in Europe performed well. There was good post-Covid recovery in our continental European AV business, with good growth in Germany and Italy and general B2B demand was robust.

Our business in Ireland performed well and recorded another year of good profit growth. In the UK we delivered an improved performance this year. Although the technology market in the UK was difficult, driven by a weak economic outlook and our UK revenues declined, the operational and cost performance of the business was much improved year on year following a very difficult prior year. Our UK business, which operates predominantly in the high volume, lower margin 'Info Tech' market, is well placed to continue to improve and is a key focus to drive an improvement in divisional return on capital employed (ROCE).

consideration payable in respect of an acquisition in DCC Energy where the trading performance has been very strong and ahead of expectations.

Restructuring and integration costs and other of £13.4 million relates to the restructuring and integration of operations across a number of businesses and acquisitions. The significant items during the year were primarily within DCC Energy and include costs related to a realignment of the organisation structures in the UK and France to reflect acquisitions and the changing operational environment.

Acquisition and related costs include the professional fees and tax costs relating to the evaluation and completion of acquisition opportunities and amounted to £10.6 million.

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 2023, this amounted to an exceptional non-cash gain of £0.9 million. The cumulative net exceptional credit taken in respect IAS 39 ineffectiveness is £1.4 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.

The charge for the amortisation of acquisition-related intangible assets increased to £111.1 million from £84.4 million in the prior year reflecting acquisitions completed during the second half of the prior year and in the current year.

Profit before tax

Profit before tax increased by 6.4% to £431.6 million.

Taxation

The effective tax rate for the Group increased to 19.3% (2022: 18.3%). The Group's effective tax rate is influenced by the geographical mix of profits arising in any year and the tax rates attributable to the individual territories. The increase in the year was driven by the expansion of the Group in recent years into certain higher tax geographies and the increasing corporate tax rate environment generally.

Adjusted earnings per share

Adjusted earnings per share increased by 6.1% (3.0% on a constant currency basis) to 456.3 pence, reflecting the increase in profit before exceptional items and goodwill amortisation.

Dividend

The Board is proposing a 6.0% increase in the final dividend to 127.17 pence per share, which, when added to the interim dividend of 60.04 pence per share, gives a total dividend for the year of 187.21 pence per share. This represents a 6.5% increase over the total prior year dividend of 175.78 pence per share. The dividend is covered 2.4 times by adjusted earnings per share (2022: 2.4 times). It is proposed to pay the final dividend on 20 July 2023 to shareholders on the register at the close of business on 26 May 2023.

Over its 29 years as a listed company, DCC has an unbroken record of dividend growth at a compound annual rate of 13.5%.

CASH FLOW, CAPITAL DEPLOYMENT & RETURNS AND CAPITAL EMPLOYED ("ROCE")

Cash flow

The Group generated very strong operating and free cash flow during the year as set out below:

Year ended 31 March	2023 £'m	2022 £'m
Group operating profit	**655.7**	589.2
Increase in working capital	**(14.0)**	(168.7)
Depreciation (excluding ROU leased assets) and other	**143.8**	140.1
Operating cash flow (pre add-back for depreciation on ROU leased assets)	**785.5**	560.6
Capital expenditure (net)	**(206.6)**	(170.8)
	578.9	389.8
Depreciation on ROU leased assets	**75.2**	67.8
Repayment of lease creditors	**(83.7)**	(75.0)
Free cash flow	**570.4**	382.6
Interest and tax paid, net of dividend from equity accounted investments	**(155.0)**	(114.2)
Free cash flow (after interest and tax)	**415.4**	268.4
Acquisitions	**(340.5)**	(720.1)
Dividends	**(178.0)**	(167.5)
Exceptional items/disposals	**(23.8)**	(29.5)
Share issues	**0.3**	0.4
Net outflow	**(126.6)**	(648.3)
Opening net debt	**(756.6)**	(150.2)
Translation and other	**(230.7)**	41.9
Closing net debt (including lease creditors)	**(1,113.9)**	(756.6)
Analysis of closing net debt (including lease creditors):		
Net debt at 31 March (excluding lease creditors)	**(767.3)**	(419.9)
Lease creditors at 31 March	**(346.6)**	(336.7)
	(1,113.9)	(756.6)

Free cash flow generation and conversion

The Group's free cash flow amounted to £570.4 million versus £382.6 million in the prior year. The conversion of adjusted operating profit into free cash flow was strong at 87%.

The material components of the conversion of adjusted operating profit to free cash flow are set out below.

Working Capital

There was a modest increase in working capital during the year of £14.0 million (2022: £168.7 million), a strong performance given the continued volatile supply chain environment. Working capital decreased in DCC Technology driven by a focus on reducing inventory levels through the year. This strong working capital performance in DCC Technology was achieved despite a decrease in the utilisation of supply chain financing as set out below. There was a net investment in working capital across both DCC Healthcare and DCC Energy. The prior year-end saw energy prices at an elevated position following the beginning of the conflict in Ukraine and so the fall in energy prices towards the end of this financial year led to an increase in working capital in DCC Energy as the division has a negative working capital profile.

DCC Technology selectively uses supply chain financing solutions to sell, on a non-recourse basis, a portion of its receivables relating to certain higher volume supply chain/sales and marketing activities. The level of supply chain financing at 31 March 2023 decreased by £16.9 million to £151.1 million (2022: £168.0 million). Supply chain financing had a positive impact on Group working capital days of 2.3 days (31 March 2022: 2.3 days).

The absolute value of working capital in the Group at 31 March 2023 was £274.4 million. Overall working capital days were 4.1 days sales, compared to 2.8 days sales in the prior year, reflecting the mix impact of acquisition activity during the year in DCC Energy and DCC Healthcare.

Net capital expenditure

As illustrated in the table below, net capital expenditure amounted to £206.6 million for the year (2022: £170.9 million) and was net of disposal proceeds of £22.6 million (2022: £23.5 million). The level of net capital expenditure reflects continued investment in organic initiatives across the Group, supporting the Group’s continued growth and development. Net capital expenditure for the Group exceeded the depreciation charge of £144.4 million (excluding right-of-use leased assets) in the period by £62.1 million.

	2023 £’m	2022 £’m
DCC Energy	**173.1**	135.8
DCC Healthcare	**24.6**	24.3
DCC Technology	**8.9**	10.8
Total	**206.6**	170.9

Capital expenditure in DCC Energy primarily comprised expenditure on tanks, cylinders, depot infrastructure and installations and the continued rollout of ‘Click and Collect’ services, supporting new and existing customers in Energy Solutions. There was also continued development spend in relation to the Avonmouth LPG storage facility in the UK which is now substantially complete and will be operational in the coming months. In Mobility, there was investment in retail sites and upgrades across the business, including adding further lower emission product capability such as EV fast charging and related services in the Nordics.

In DCC Healthcare, the capital expenditure primarily related to increased manufacturing capability and capacity across DCC Health & Beauty Solutions. The business has been investing in adding gummy capability in Europe and the US and will have commercial production in both regions in the coming financial year. In addition, the business has also been investing to increase capacity at its effervescent facility in Minnesota.

Capital expenditure in DCC Technology included a new fleet of electric forklift trucks in North America along with warehouse and IT developments across the division as part of the programme of continuous system improvement.

Total cash spend on acquisitions for the year ended 31 March 2023

The total cash spend on acquisitions in the year was £318.5 million. The spend primarily reflects acquisitions committed to and completed during the current year, but also includes DCC Energy's investment in Frijsenborg Biogas in Denmark and a small DCC Healthcare bolt-on in Germany which were announced in the prior year Results Announcement in May 2022. Payment of deferred and contingent acquisition consideration previously provided amounted to £22.0 million.

Committed acquisitions

DCC has committed £361.7 million to new acquisitions since the prior year Results Announcement. An analysis of these commitments by division is set out below:

	2023 £'m	2022 £'m
DCC Energy	**137.3**	93.0
DCC Healthcare	**224.4**	10.1
DCC Technology	**-**	500.3
Total	**361.7**	603.4

As can be seen from the table above, DCC continues to be very active from a development perspective, committing approximately £360 million to 19 new acquisitions during the period. Recent acquisition activity of the Group includes:

DCC Healthcare

Medi-Globe

In October 2022, DCC Healthcare completed the acquisition of Medi-Globe Technologies GmbH ("Medi-Globe"), an international medical devices business focused on minimally invasive procedures. The acquisition was based on an enterprise value of approximately €245 million (£213 million) on a cash-free, debt-free basis.

Medi-Globe, founded in 1990, is involved in the development, manufacture and distribution of single-use devices for endoscopy in diagnostic and therapeutic procedures. The business has grown organically and through bolt-on acquisitions to become a leading global player in its focus areas of gastroenterology and urology. These are large and growing therapeutic areas, benefiting from strong demographic and treatment trends. Medi-Globe has revenues of approximately €120 million (£104 million) and employs approximately 600 people. Its products are sold to hospitals and procurement organisations in over 120 countries through direct sales operations in Germany, France, Austria, Netherlands, Czechia and Brazil, and an international network of distributors.

DCC Energy

Accelerating cleaner energy offerings

As set out in its '*Leading with Energy'* strategy, DCC Energy has been adding complementary capabilities to accelerate the decarbonisation offering it has for customers. During the period DCC Energy completed 10 transactions which have contributed to this enhanced service offering and contribute to the increasing share of the division's profits which come from non-fossil energy products and services. The largest of these transactions was the acquisition of PVO, which is set out in further detail below. In addition, the division completed the following acquisitions:

- In May 2023, DCC Energy completed the acquisitions of AEI, a leading solar installation and services business in Ireland, and Hafod Renewables, a supplier and installer of renewable energy sources in the UK and O'sitoit, a solar installer in central and eastern France.
- In February 2023, DCC Energy completed the acquisition of Søberg Energi in Denmark, a nationwide energy services business.
- DCC Energy acquired solar installer Sys EnR in France in January 2023. Sys EnR provides design, construction and maintenance services for solar panel and solar thermal installations.
- In October 2022, DCC Energy completed the acquisition of Freedom Heat Pumps, a distributor of air source heat pumps and accessories in the UK.
- In June 2022, DCC Energy acquired Protech Group, which provides a range of renewable and energy efficient heating solutions to commercial and industrial customers across the UK.

PVO

In November 2022, DCC completed the acquisition of PVO International BV ("PVO"), a leading distributor of solar panels, invertors, batteries and accessories used in the commercial, industrial and domestic energy sectors across continental Europe. PVO was established in 2014 and has grown rapidly to become one of the leading solar solutions suppliers in Europe, with a market-leading position in the Benelux, and growing positions in eight other European countries including Germany, Poland and Finland. The business is headquartered in Rosmalen, the Netherlands, and employs approximately 50 people. PVO is an excellent strategic fit for DCC. It will leverage PVO's established market position in the fast-growing solar PV market and DCC Energy's knowledge and experience in transitioning customers to cleaner energy products and services including solar solutions. The majority of the consideration for PVO was payable in cash on completion, followed by earn out payments over three years based on PVO's future trading.

DCC Energy bolt-ons

DCC Energy also completed a number of small complementary bolt-on acquisitions in the period in Norway, Denmark, Germany and Sweden as well as a lubricants business in Ireland.

Return on capital employed

The creation of shareholder value through the delivery of consistent, sustainable long-term returns well in excess of its cost of capital is one of DCC's core strategic aims. The return on capital employed by division was as follows:

	2023 excl. IFRS 16	2022 excl. IFRS 16	***2023 incl. IFRS 16***	*2022 incl. IFRS 16*
DCC Energy	**19.0%**	18.6%	***17.6%***	*17.1%*
DCC Healthcare	**13.0%**	20.5%	***12.5%***	*19.2%*
DCC Technology	**8.7%**	9.1%	***8.3%***	*8.5%*
Group	**15.1%**	16.5%	***14.2%***	*15.3%*

The Group continued to generate strong returns on capital employed, notwithstanding the substantial increase in the scale of the Group in recent years. The decrease in return on capital employed versus the prior year primarily reflects the substantial acquisition spend during the prior and current years of a cumulative £1.1 billion, primarily in DCC Healthcare and DCC Technology, which had a dilutive impact on Group returns. In the current year it also reflects the organic decline in operating profit in DCC Healthcare and DCC Technology, which we expect will recover in the coming years.

Financial strength

DCC has always maintained a strong balance sheet and it remains an important enabler of the Group's strategy. A strong balance sheet provides many strategic and commercial benefits, including enabling DCC to take advantage of acquisitive or organic development opportunities as they arise. At 31 March 2023, the Group had net debt (including lease creditors) of £1.1 billion, net debt (excluding lease creditors) of £767.3 million, cash resources (net of overdrafts) of £1.4 billion and total equity of £3.1 billion.

Substantially all of the Group's term debt has been raised in the US private placement market and has an average maturity of 5.0 years. Post the year-end, in April 2023, DCC repaid £223.3 million of maturing US private placement notes.

Sustainability

DCC's ambition is to reduce the carbon intensity of the Group and to make progress across four sustainability pillars: climate change and energy transition, safety and environmental protection, people and social, and governance and compliance.

Last year, the Group set a revised increased target to reduce Scope 1 and 2 carbon emissions by 50% by 2030, having achieved the previous interim target ahead of expectations. During the current year DCC lowered its Scope 1 and 2 emissions by 9.3%.

The vast majority of the Group's Scope 3 carbon emissions derive from DCC Energy's sales of products to customers. In the year, DCC Energy reduced these emissions by 5.0%. DCC's progress towards net zero has been rewarded by CDP with an improved B rating for the Group.

Related to Scope 3, the Group increased the renewable content of energy supplied to customers (in GigaJoules (GJ)) to 6.3%, up from 4.0% in 2022 and 3.2% in 2019. This figure is a subset of the very low or zero carbon sales of the Group.

DCC Energy's operating profit share of services and renewables (with less than 10kg of CO_2e per GJ sold) increased by six percentage points to 28% from 22% in 2022. This broader category adds operating profit from services such as solar installations and other very low or zero carbon services to DCC Energy's profit from sales of renewable energy (viz. 6.3% GJ share above). Due to strong growth in operating profit and the 5.0% decline in Scope 3 carbon emissions, DCC Energy's operating profit to carbon ratio increased by 18%.

Looking at sustainability beyond climate change and energy transition, DCC retained an AAA rating from MSCI, remaining among the top 10% of peer companies.

	2023	2022	**% change**	**% change vs. 2019 baseline**
Scope 1 & 2 carbon emissions ($mtCO_2e$, Group)	**0.078**	0.086	**-9.3%**	**-32.8%**
Customer Scope 3 carbon emissions ($mtCO_2e$, DCC Energy)	**39.1**	41.2	**-5.0%**	**-5.9%**
Renewable share of energy sold (GJ)	**6.3%**	4.0%		

Annual General Meeting

The Company's Annual General Meeting will be held at 2.00pm on Thursday 13 July 2023 at the Powerscourt Hotel, Powerscourt Estate, Enniskerry, Co. Wicklow, A98 DR12.

GROUP INCOME STATEMENT

For the year ended 31 March 2023

	Note	2023 Pre exceptionals £'000	2023 Exceptionals (note 5) £'000	2023 Total £'000	2022 Pre exceptionals £'000	2022 Exceptionals (note 5) £'000	2022 Total £'000
Revenue	4	**22,204,846**	**–**	**22,204,846**	17,732,020	–	17,732,020
Cost of sales		**(19,800,114)**	**–**	**(19,800,114)**	(15,694,347)	–	(15,694,347)
Gross profit		**2,404,732**	**–**	**2,404,732**	2,037,673	–	2,037,673
Administration expenses		**(629,510)**	**–**	**(629,510)**	(517,128)	–	(517,128)
Selling and distribution expenses		**(1,157,642)**	**–**	**(1,157,642)**	(965,489)	–	(965,489)
Other operating income/(expenses)		**38,082**	**(32,528)**	**5,554**	34,178	(46,534)	(12,356)
Adjusted operating profit		**655,662**	**(32,528)**	**623,134**	589,234	(46,534)	542,700
Amortisation of intangible assets		**(111,146)**	**–**	**(111,146)**	(84,340)	–	(84,340)
Operating profit	4	**544,516**	**(32,528)**	**511,988**	504,894	(46,534)	458,360
Finance costs		**(96,735)**	**–**	**(96,735)**	(77,205)	–	(77,205)
Finance income		**16,111**	**892**	**17,003**	23,075	1,192	24,267
Share of equity accounted investments' (loss)/profit after tax		**(692)**	**–**	**(692)**	314	–	314
Profit before tax		**463,200**	**(31,636)**	**431,564**	451,078	(45,342)	405,736
Income tax expense		**(87,526)**	**2,764**	**(84,762)**	(81,235)	1,501	(79,734)
Profit after tax for the financial year		**375,674**	**(28,872)**	**346,802**	369,843	(43,841)	326,002
Profit attributable to:							
Owners of the Parent		**362,683**	**(28,661)**	**334,022**	356,214	(43,841)	312,373
Non-controlling interests		**12,991**	**(211)**	**12,780**	13,629	–	13,629
		375,674	**(28,872)**	**346,802**	369,843	(43,841)	326,002
Earnings per ordinary share							
Basic earnings per share	6			**338.40p**			316.78p
Diluted earnings per share	6			**338.04p**			316.36p
Basic adjusted earnings per share	6			**456.27p**			430.11p
Diluted adjusted earnings per share	6			**455.79p**			429.55p

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2023

	2023 £'000	2022 £'000
Group profit for the financial year	**346,802**	326,002
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
Currency translation	**43,280**	26,549
Movements relating to cash flow hedges	**(164,422)**	88,776
Movement in deferred tax liability on cash flow hedges	**30,374**	(16,138)
	(90,768)	99,187
Items that will not be reclassified to profit or loss		
Group defined benefit pension obligations:		
- remeasurements	**2,811**	(748)
- movement in deferred tax asset	**(800)**	210
	2,011	(538)
Other comprehensive income for the financial year, net of tax	**(88,757)**	98,649
Total comprehensive income for the financial year	**258,045**	424,651
Attributable to:		
Owners of the Parent	**243,242**	411,485
Non-controlling interests	**14,803**	13,166
	258,045	424,651