

Annual report 2017/18

DCC Holding A/S

CVR no. 32140270

Nærum Hovedgade 8
DK-2850 Nærum

The annual report was presented and approved at the
Company's annual general meeting on 31 August
2018



Claus Wellendorf
Chairman of the annual general meeting

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Statements and reports

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of DCC Holding A/S for the financial year 1 April 2017 – 31 March 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements presents a true and fair view of the Company's assets, liabilities and financial position at 31 March 2018 and of the results of the Company's operations for the financial year 1 April 2017 – 31 March 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

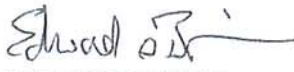
Nærum, 31 August 2018

Executive Board



Christian Frederik Heise

Board of Directors



Edward Gerard O'Brien
Chairman



Kirsten Ramsing



Morgan McElligott

Morgan McElligott



Claus Wellendorf

Claus Wellendorf



Christian Frederik Heise

Christian Frederik Heise

Statement and reports

Independent auditor's report

To the shareholders of DCC Holding A/S

Opinion

We have audited the financial statements of DCC Holding A/S for the financial year 1 April 2017 – 31 March 2018, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 March 2018 and of the results of the Company's operations for the financial year 1 April 2017 – 31 March 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the 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 in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control

Statement and reports

Independent auditor's report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 August 2018

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Michael Sten Larsen
State Authorised
Public Accountant
MNE no. 10488



Morten Høgh-Petersen
State Authorised
Public Accountant
MNE no. 34283

Management's review

Company details

Company	DCC Holding A/S Nærum Hovedgade 8 DK-2850 Nærum Telephone: +45 45 58 01 00 Telefax: +45 45 58 01 90 Email: info@kundeservice.dccenergi.dk Website: www.dccenergi.dk CVR no.: 32140270 Financial year: 1 April – 31 March Registered office: Nærum
Board of Directors:	Clive Jeremiah Fitzharris, Chairman Edward Gerard O'Brien Christian Frederik Heise Kirsten Ramsing Claus Wellendorf
Executive Board:	Christian Frederik Heise
Auditor:	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 DK-2100 København Ø
Attorney:	Accura Advokataktieselskab Tuborg Boulevard 1 DK-2900 Hellerup
Bank	Danske Bank Holmens Kanal 2 DK-1090 København K

Management's review

Operating review

BUSINESS PERFORMANCE AND BUSINESS FOUNDATION

The annual report of DCC Holding A/S for 2017/18 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of reporting class C.

The Company's financial year is from 1 April to 31 March the subsequent calendar year.

Principal activities

DCC Holding A/S serves as holding company for the Company's subsidiary with activities within energy in Denmark. DCC Holding A/S is a subsidiary of DCC Energy Limited. The ultimate parent company is DCC plc, which is domiciled in Ireland.

The Company's subsidiary DCC Holding Denmark A/S is through its group of subsidiaries operating a nationwide network of petrol stations, sales and delivery of fuel and heating to private households and the Danish business sectors within transport, industry, service and agriculture and aviation fuel for Danish airports as well as fuel card solutions under the trademarks *Shell* and *Euro Shell*.

Performance during the year

The Company's income statement shows a profit after tax of DKK 39.1 million, and equity at DKK 371 million in the Company's balance sheet total at 31 March 2018.

The Company's results rely directly on the results of the subsidiary DCC Holding Denmark A/S.

Since the acquisition previous year of Dansk Fuels A/S by DCC Holding Denmark A/S, an extensive plan has been carried out to ensure the integration of the activities in Dansk Fuels A/S with DCC Energi Danmark and DCC Energi Center and to realise identified and potential synergies.

The restructuring and integration of the acquired business, has been carried out successfully and contributes positive to the results for the year.

The results of DCC Holding A/S are in line with expectations and considered satisfactory.

Correction of material errors

Management has identified material errors when determining the Company's current and deferred tax in the annual report for 2016/17 for group companies. The errors have been corrected directly in Equity at 1 April 2017 in the annual report for 2017/18 and in the comparative figures for 2016/17.

The financial impact of the correction have been described in note 1 "Accounting policies".

Events after the balance sheet date

No events have occurred after the balance sheet date of importance to the annual report for 2017/18.

Uncertainty regarding recognition and measurement

Recognition and measurement in the annual report has not been subject to any uncertainty.

Financial statements

Income statement 1 April 2017 – 31 March 2018

	<u>Note</u>	<u>2018</u> <u>DKK'000</u>	<u>2017</u> <u>DKK'000</u>
Administrative expenses		-17	-2,197
Ordinary operating loss		<u>-17</u>	<u>-2,197</u>
Income from equity investments in group entities	2	39,854	-17,805
Financial expenses	3	-958	-1,016
Profit/loss before tax		<u>38,879</u>	<u>-21,018</u>
Tax on profit/loss for the year	4	214	-10,724
Profit/loss for the year		<u>39,093</u>	<u>-31,742</u>
Proposed profit appropriation/distribution of loss			
Reserve for net revaluation according to the equity value		39,854	-27,598
Retained earnings		<u>-761</u>	<u>-4,144</u>
		<u>39,093</u>	<u>-31,742</u>

Financial statements

Balance sheet 31 March 2018

Assets	Note	2018 DKK'000	2017 DDKK'000
Equity investments in group entities	5	220,553	182,938
Investments		<u>220,553</u>	<u>182,938</u>
Receivables from group entities	6	149,670	151,010
Corporation tax receivable		0	4,060
Other receivables		775	0
Receivables		<u>150,445</u>	<u>155,070</u>
Current assets		<u>150,445</u>	<u>155,070</u>
Assets		<u>370,998</u>	<u>338,008</u>
Equity and liabilities			
Contributed capital		501	501
Reserve for net revaluation according to the equity method		105,022	67,407
Retained earnings		265,448	266,209
Equity		<u>370,971</u>	<u>334,117</u>
Other liabilities		27	16
Prepayments		0	3,875
Current liabilities		<u>27</u>	<u>3,891</u>
Liabilities		<u>27</u>	<u>3,891</u>
Total equity and liabilities		<u>370,998</u>	<u>338,008</u>
Accounting policies	1		
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Financial statements

Statement of changes in equity

	Contributed capital DKK'000	Reserve for revaluation according to the equity value DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 1 April 2017	501	86,872	266,209	353,582
Correction of material error		-9,793		-9,793
Correction of material errors in subsidiaries	0	-9,672	0	-9,672
Corrected equity at 1 April 2017	501	67,407	266,209	334,117
Currency adjustment in subsidiaries	0	-2,239	0	-2,239
Results for the year	0	39,854	-761	39,093
Equity at 31 March 2018	501	105,022	265,448	370,971

	Contributed capital DKK'000	Reserve for revaluation according to the equity value DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 1 April 2016	501	95,005	270,353	365,859
Results for the year	0	-27,598	-4,144	-31,742
Equity at 31 March 2017	501	67,407	266,209	334,117

The contributed capital consists of shares of nom. DKK 1 and multiple hereof.
The capital is split into nom. 501,000 shares. The shares are not divided into share classes.
During the last five years, there have not been any movements on the contributed capital.

Financial statements

Notes to the financial statements

Note

1 ACCOUNTING POLICIES

The annual report of DCC Holding A/S for has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of reporting class C.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The annual report is presented in DKK.

Correction of material errors

Management has identified material errors when determining the Company's current and deferred tax in the annual report for 2016/17 for group companies. The errors have been corrected directly in Equity at 1 April 2017 in the annual report for 2017/18 and in the comparative figures for 2016/17.

The monetary impact on the comparative figures is as follows:

Increase in tax of the year (loss), 2016/17, from TDKK -931 to TDKK -10,724 by TDKK -9,793.

Increase in result of investments in subsidiaries (loss), 2016/17, from TDKK -8,133 to TDKK -17,805 by TDKK -9,672.

Decrease in result of the year (loss), 2016/17, from TDKK -12,277 to TDKK -31,742 by TDKK -19,465.

Decrease in investments in subsidiaries as at 31 March 2017, from TDKK 192,610 to TDKK 182,938 by TDKK -9,672.

Decrease in tax recievable as at 31 March 2017, from TDKK 9,793 to TDKK 0, by TDKK -9,793.

Decrease in equity as at 31 March 2017, from TDKK 353,582 to TDKK 334,117 by TDKK -19.465.

Measurement and recognition

The financial statements have been prepared on the basis of historical cost.

Income is recognised in the income statement as earned. In addition, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Further, all costs incurred to obtain revenue for the year, including write-down, depreciation, amortisation and provisions are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when it is probable that future economic resources will flow from the Company and the value of the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual accounting item below.

Certain financial assets and liabilities are measured at amortised cost, and thus, constant effective interest is recognised over the term. Amortised cost is calculated as original cost less payments and addition/deduction of the accumulated write-down of the difference between cost and nominal amount which allocates capital losses and capital gains over the term.

Financial statements

Notes to the financial statements

Measurement and recognition - continued

At measurement and recognition, consideration is given to unpredictable losses and risks occurring before the presentation of the annual report confirming or disconfirming matters that existed at the balance sheet date.

DKK is used as functional currency. Other currencies are regarded as foreign currency.

Consolidated financial statements

No consolidated financial statements have been prepared as the Company fulfils the exemption rules for subgroups laid down in section 112 of the Danish Financial Statements Act.

INCOME STATEMENT

Administrative expenses

Administrative expenses comprise legal and accounting expenses.

Income from equity investments in group entities

Income from equity investments in group entities comprise the proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of intra-group gains/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised exchange rate adjustments as well as surcharges and refunds under the on-account tax scheme.

Corporation tax

Tax for the year, which comprises current tax for the year and deferred tax for the year, is recognised in the income statement at the amount attributable to the profit/loss for the year. Tax recognised in the income statement is classified as tax on profit/loss from ordinary activities.

Changes in deferred tax as a result of changes in tax rates are recognised in the income statement.

In terms of tax, the Company acts as administration company for the Danish group of jointly taxed entities, which comprise DCC Energi Danmark A/S, DCC Energi Center A/S, DCC Holding Denmark A/S and Dansk Fuels A/S.

The tax effect of the joint taxation with the jointly taxed Danish companies is allocated between profitable as well as loss-making Danish entities in relation to their taxable income (full allocation with refunds for tax losses). The jointly taxed entities are included in the on-account tax scheme.

Financial statements

Notes to the financial statements

BALANCE SHEET

Equity investments in group entities

Equity investments in group entities are recognised and measured according to the equity method.

This entails that the equity investments are measured at the proportionate share of the entities' equity value plus non-amortised goodwill and less or plus unrealised intra-group gains and losses.

The total net revaluation of equity investments in group entities is transferred via the profit appropriation/distribution of loss to the reserve for net revaluation according to the equity method under equity.

Receivables

Receivables are measured at amortised cost in the balance sheet or a lower net realisable value, corresponding to fair value less write-down for bad debt losses. Write-down made for bad debt losses are calculated on the basis of an assessment of the individual receivables and for trade receivables also on a general write-down relying on the Company's past experience.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Dividend

Proposed dividend is recognised as a liability at the date on which they are adopted at the annual general meeting. The expected dividend payment for the financial year is disclosed as a separate item under equity.

Liabilities

Current liabilities are measured at amortised cost usually corresponding to the nominal value of the liability.

Deferred income

Deferred income comprises payments received regarding income in subsequent years. Deferred income is measured at cost.

Deferred tax assets and liabilities

Deferred tax is recognised of all temporary differences between carrying value and tax value of assets and liabilities.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Where taxable value can be computed according to alternative taxation rules, deferred tax is measured on basis of the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised; either as a set-off against tax on future income or as a set-off against deferred tax liabilities.

Deferred tax assets and liabilities are presented as offset.

Financial statements

Notes to the financial statements

Note	2018	2017
2	DKK'000	DKK'000
Income from equity investments in group entities		
Share of results after tax in group entities	39,854	-17,805
	<u>39,854</u>	<u>-17,805</u>
3 Financial expenses		
Interest expenses to group entities	958	1,016
	<u>958</u>	<u>1,016</u>
4 Corporation tax		
Current tax for the year	214	-931
Correction to tax previous years	0	-9,793
Total tax for the year	<u>214</u>	<u>-10,724</u>
Specified as follows:		
Tax on profit/loss for the year (joint taxation contribution)	214	-10,724
Total tax for the year	<u>214</u>	<u>-10,724</u>

Financial statements

Notes to the financial statements

Note		2018	2017
5	Equity investments in group entities	<u>DKK'000</u>	<u>DKK'000</u>
	Cost at 1 April	105,738	105,738
	Cost at 31 March	105,738	105,738
	Revaluations at 1 April	440,177	457,982
	Currency adjustment	-2,239	0
	Results for the year	39,854	-17,805
	Revaluations at 31 March	477,792	440,177
	Write-down and depreciation at 1 April	362,977	362,977
	Dividend paid	0	0
	Write-down and depreciation at 31 March	362,977	362,977
	Carrying amount at 31 March	<u>220,553</u>	<u>182,938</u>

Equity investments in subsidiaries are specified as follows: (DKK'000)

	Registered office	Equity interest in %	Contributed capital DKK'000	Equity DKK'000	Share of profit for the year DKK'000
DCC Holding Denmark A/S	Rudersdal	60%	835	382,102	39,854
			<u>835</u>	<u>382,102</u>	<u>39,854</u>

6 Receivables from group entities

Part of the Company's cash at bank and in hand of a total DKK 150 million is included in the DCC Group's international cash pool and is included in the following balance sheet items:

	2018	2017
	<u>DKK'000</u>	<u>DKK'000</u>
Receivables from group entities	149,670	151,010
	<u>149,670</u>	<u>151,010</u>

Financial statements

Notes to the financial statements

Note

7 Contingencies

The Company is jointly taxed with other Danish entities in the DCC Group and is liable with the other jointly taxed companies for the total corporation tax and any liabilities to pay withholding taxes on interest, royalties and for dividends for the jointly taxed companies.

8 Related parties and ownership

DCC Holding A/S' related parties comprise the following:

Control	Basis
DCC plc and subsidiaries and associated thereto Brewery Road, Dublin, Irland	Principal shareholder

Other related parties

DCC Holding Denmark A/S Nærum Hovedgade 8, 2850 Nærum	Subsidiary
DCC Energi Center A/S Nærum Hovedgade 8, 2850 Nærum	Group entity
DCC Energi Danmark A/S Nærum Hovedgade 8, 2850 Nærum	Group entity
Dansk Fuels A/S Nærum Hovedgade 8, 2850 Nærum	Group entity

Members of the Board of Directors and the Executive Board are mentioned under company details on page 3.

The consolidated financial statements for DCC plc may be obtained at the Group's website.

Transactions

The Company has chosen only to disclose transactions that are not carried out on an arm's length basis. During the financial year there have not been any such transactions.

Financial statements

Notes to the financial statements

Note

9 Group structure

The Company's Danish parent companies DCC Holding Denmark A/S and DCC Holding A/S do not prepare consolidated financial statements. The Company is included in the consolidated financial statements of:

DCC plc
DCC House
Brewery Road, Stillorgan
Blackrock
Co. Dublin, Ireland

DCC plc is both largest and smallest group for which consolidated financial statements are prepared. The consolidated financial statements can be obtained at DCC plc's website:
<https://www.dcc.ie/investors/reports>