

UK Tax strategy

Motus Holdings (UK) Limited and Motus Group (UK) Limited

Scope

Motus Holdings (UK) Limited is a UK based holding company which is a wholly owned subsidiary of Motus Holdings Limited, a South African listed entity. Motus Group (UK) Limited is a UK vehicle dealership business which sells, maintains and supplies spare parts for commercial vehicles, cars and vans.

This strategy applies to Motus Holdings (UK) Limited and the subsidiary undertakings listed below in accordance with paragraphs 19 of Schedule 19 to the Finance Act 2016. In this strategy, references to 'the Group', are to all the entities listed. The strategy is being published by the Group in accordance with paragraph 16(2) of the Schedule.

For clarity, this tax strategy document does not cover the following subsidiaries of Motus Holdings (UK) Limited:

- FAI Automotive plc
- Motor Parts Direct Limited

This strategy applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, Stamp Duty and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

This strategy was approved by the board of Motus Holdings (UK) Limited on 28th March 2023 in relation to the financial year ended 30th June 2023. Any subsequent amendments to this strategy will be approved by the Board.

Aim

The tax strategy of the Group must preserve and enhance the value and reputation of the Group in the context of its business activities. The Group has a well-deserved reputation, earned through excellent work over many years, and it is essential that this is retained.

The Group is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The Group's tax affairs are managed in a way which takes into account the Group's wider corporate reputation in line with the Group's overall high standards of governance.

Governance in relation to UK taxation

- Ultimate responsibility for the Group's tax strategy and compliance rests with the Board of Motus Holdings (UK) Limited.
- The UK Group CFO has responsibility for tax at Board level and will provide updates to the Board on the tax affairs and risks of the Group.
- The Board has delegated the responsibility for day-to-day management of the Group's tax affairs and implementation of the Tax Strategy to the UK Group CFO who is supported by the Finance teams.
- The Finance teams are staffed with appropriately qualified individuals.

- The Board ensures that the Group tax strategy is one of the factors considered in all investments and significant business decisions taken.

Risk management

- The Group operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the Group's financial reporting system.
- The Group seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations.
- Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.
- Appropriate training is provided for employees who manage processes or process transactions that have tax implications.
- Advice is sought from external advisers where appropriate.

Attitude towards tax planning and level of risk

The Group manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, the Group seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. All transactions are therefore required to have a commercial rationale or business purpose.

The level of risk which the Group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs. At all times the Group seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board and UK Group CFO are ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

Relationship with HMRC

The Group maintains an open and honest relationship in its dealing with HMRC and will seek to work in 'partnership' with HMRC in relation to its tax dealings. The Group seeks to obtain this through:

- Paying the right amount of tax on time;
- Submitting all tax returns on a timely basis;
- Ensuring that tax returns include sufficient detail to enable the tax authorities to form an accurate view of the affairs of the company filing the return with an adequate supporting audit trail and sign-off process;
- Maintaining tax accounting arrangements which are robust and accurate and comply with local regulations and the Senior Accounting Officer provisions in the UK; and
- Working closely with the tax authorities at all times.

In the event of any inadvertent errors arising in submissions made to HMRC, these are fully disclosed as soon as reasonably practicable after they are identified.

List of entities covered by this Tax Strategy

Active companies:

Motus Holdings (UK) Limited

Motus Group (UK) Limited

Dormant companies:

Orwell Trucks Limited

S&B Commercials Limited

Humberside Tail Lifts Limited

Pentagon Motor Holdings Limited

Reeve (Derby) Limited

Pentagon (Burton on Trent) Limited

Pentagon (Huddersfield) Limited

Pentagon (Nottingham) Limited

Reeve (Lincoln) Limited

Pentagon (Mazda) Limited

Pentagon (Mitsubishi) Limited

Pentagon (Oldham) Limited

Pentagon Chrysler (Barnsley) Limited

F&G Holdings Limited

F&G Commercials Limited

F&G Commercials (Manchester) Limited

F&G Commercials (Huddersfield) Limited

F&G Commercials (Oldham) Limited

Roco Truck Bodies Limited

Reeve (Sheffield) Limited

28 March 2023