

# UK TAX STRATEGY STATEMENT

Lifco offers secure ownership for small and medium-sized businesses. Lifco's business concept is to acquire and develop profitable, market-leading, sustainable niche businesses with the potential to deliver sustained earnings growth and robust cash flows. Lifco's ownership is very long-term and its culture is marked by decentralisation, customer focus and an emphasis on sustainability in everything we do. The Group has three business areas: Dental, Demolition & Tools and Systems Solutions.

Lifco and its United Kingdom (UK) subsidiaries regard the publication of this tax strategy statement as complying with their duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016 to publish their tax strategy in the current financial year. This statement relates to financial year 2026, ending 31 December 2026.

A list of Lifco Group subsidiaries within the United Kingdom, to whom this statement applies, is attached to this document in Appendix A.

## Approach to risk management and governance arrangements

### Governance

Responsibility for the tax strategy, the supporting governance framework and management of tax risks ultimately sits with the Chief Financial Officer of the Lifco Group, supported by the Group Finance department. Key risks and issues related to tax are escalated to and considered by the Group Audit Committee on a regular basis.

### Risk Management

Given the Group's scale of business and the volume of tax obligations, tax uncertainties and risks will inevitably arise from time to time with respect to the interpretation of tax laws and the nature of compliance obligations. Lifco proactively seeks to identify, evaluate, manage and monitor tax uncertainties and risks to ensure that they are appropriately addressed in accordance with these principles. The Group is exposed to a variety of tax risks which can be grouped under the following headings:

#### ***Tax compliance and reporting risks***

Tax compliance and reporting risks are risks associated with compliance failures such as submission of late or inaccurate returns, the failure to submit claims and elections on time or where systems and processes are not sufficiently robust to support tax compliance and reporting requirements.

#### ***Transactional risks***

Transactional risks are risks associated with undertaking transactions without appropriate consideration of the potential tax consequences or where advice taken is not correctly implemented.

## **Reputational risks**

Reputational risks are non-financial tax risks that may have an impact on the firm's relationship with stakeholders, clients, tax authorities and the generic public.

Lifco aims to manage tax risks in a similar way to any area of operational risk. The business is supported by oversight functions from the Group Finance department. Where appropriate, Lifco look to engage with tax authorities to disclose and resolve issues, risks and uncertain tax positions. The subjective nature of many tax rules does however mean that it is often impossible to mitigate all known tax risks. As a result, at any given time, the Group may be exposed to financial and reputational risks arising from its tax affairs. Where the interpretation or application of tax laws is not clear, Lifco will take well-reasoned positions considering legal precedents and administrative positions of HMRC and engaging external advisors where considered necessary.

## **Attitude to tax planning**

Lifco recognises the responsibility to pay an appropriate amount of tax in each of the principal jurisdictions in which it operates. The aim is to balance this with the responsibility to shareholders to structure its affairs in an effective manner. In structuring its commercial activities, Lifco will consider the tax laws of the countries within which it operates (in addition to other relevant matters) with a view to maximizing value on a sustainable basis for the stakeholders. Tax planning related to the UK is not undertaken unless it is consistent with commercial objectives.

Lifco intends to fulfil its tax obligations in accordance with UK tax laws and practice. Relevant facts and circumstances and reliefs or incentives (where available) claimed shall be disclosed to HMRC. Lifco also ensures that appropriate arrangements are in place to calculate accurately the tax liabilities and to pay the appropriate amount of tax in the right place on a timely basis.

## **Attitude towards risk**

Lifco sees compliance with tax legislation as key to managing its tax risk. The aim is to be compliant in all jurisdictions with regards to taxes. Where there is significant uncertainty or complexity relating to an identified risk, external professional tax advice may be sought. The Group's tax risk appetite requires that, where tax law is unclear or subject to interpretation, its adopted tax position is at least more likely than not to be allowable under applicable tax laws.

## **Relationship and dealings with HMRC**

Lifco engage with HMRC with openness, honesty, integrity, respect and fairness and with cooperative and proactive compliance. Lifco seeks to avoid disputes and, wherever possible, seeks to resolve any disputed matter through proactive and transparent discussion and negotiation. Positions on UK related tax matters that may create reputational risk or jeopardise the good standing with HMRC are avoided.

## Appendix A – list of Lifco UK subsidiaries

| Legal name                                 | Location                       |
|--------------------------------------------|--------------------------------|
| Always Ball Units Ltd                      | Birmingham                     |
| Always Engineering Ltd                     | Birmingham                     |
| Amayse Ltd                                 | Esher, Surrey                  |
| Ascot Signs Limited                        | Londonderry, Northern Ireland  |
| Auger Torque (Europe) Ltd                  | Cheltenham, Gloucestershire    |
| Burdess Group Ltd                          | Silsden, West Yorkshire        |
| Burdess Group Holdings Ltd                 | Silsden, West Yorkshire        |
| Brian James Trailers Holdings Ltd          | Daventry, Northamptonshire     |
| Brian James Trailers Ltd                   | Daventry, Northamptonshire     |
| Brokk UK Ltd                               | Crooklands, Milnthorpe         |
| Broughton Plant Hire and Sales Ltd         | Romford, Essex                 |
| C F Vending Ltd                            | Bolton                         |
| Cardel Group Ltd                           | Baldock                        |
| Cardel Ltd                                 | Baldock                        |
| Caring Technology Ltd                      | Newcastle Upon Tyne            |
| Cleveland Cascades Ltd                     | Stockton-on-Tees, Cleveland    |
| Condale Holdings Ltd                       | East Grinstead, West Sussex    |
| Condale Plastics Ltd                       | East Grinstead, West Sussex    |
| Didsbury Engineering Co. Ltd               | Cheshire                       |
| DB Orthodontics Limited                    | Silsden, West Yorkshire        |
| Efka Frame Solutions Ltd                   | Carle Donington, Derbyshire    |
| EthOss Regeneration Ltd                    | Silsden, West Yorkshire        |
| Heavy Duty Parts Ltd                       | Retford, Nottinghamshire       |
| Kefla UK Ltd                               | Buckingham                     |
| Kinshofer UK Ltd                           | Cheltenham, Gloucestershire    |
| Maydown Holdings Ltd                       | Londonderry, Northern Ireland  |
| Maximover Ltd                              | Lincoln                        |
| MBST Health Ltd                            | Grantham, Lincolnshire         |
| Modul-System Ltd                           | Buckinghamshire                |
| Ortho-Care (U.K.) Ltd                      | West Yorkshire                 |
| Prolec Ltd                                 | Poole                          |
| Rijo 42 Ingredients Ltd                    | Bolton                         |
| Rijo 42 Machines Ltd                       | Bolton                         |
| Silvent UK Ltd                             | Birmingham                     |
| Specialist Alarm Services Ltd              | Newcastle upon Tyne            |
| Spinaclean Ltd                             | Brackmills, Northampton        |
| Studio 8 Digital Dental Laboratory Limited | Silsden, West Yorkshire        |
| Swallow Dental Supplies Ltd                | Silsden, West Yorkshire        |
| T. Freemantle Ltd                          | Scunthorpe, North Lincolnshire |
| Taylor Defence Services Ltd                | Glasgow                        |
| TDS (E&W) Ltd                              | Glasgow                        |
| The Real Spirit of Coffee Ltd              | Bolton                         |
| Topdental (Products) Ltd                   | Silsden, West Yorkshire        |
| UK Point of Sale Group Ltd                 | Bredbury, Stockport            |
| Wholesale Coffee Company and Machines Ltd  | Bolton                         |