

THE7STARS UK LIMITED Tax Strategy

Aim

THE7STARS UK LIMITED is committed to full compliance with all statutory obligations and full disclosure to tax authorities. The company's tax affairs are managed in a way which takes into account the company's wider corporate reputation in line with the company's overall high standards of governance.

Governance in relation to UK taxation

- Ultimate responsibility for tax strategy and compliance rests with the Board of Directors;
- Day-to-day management of tax affairs is delegated to the Finance Director, who reports to Board of Directors;
- The Board ensures that the tax strategy is one of the factors considered in all investments and significant business decisions taken, following discussion with tax advisers.

Approach to tax risks

THE7STARS UK LIMITED:-

- will only undertake transactions that we are prepared to fully disclose, and we will not undertake transactions that are without strong underlying commercial motivation, or that are (or appear to be) artificial or contrived;
- will seek to minimise the risk of uncertainty or disputes;
- will carefully manage the tax risks and costs inherent in every commercial transaction, in the same way as any other cost. However, we do not enter into artificial arrangements in order to avoid taxation or to defeat the stated purpose of tax legislation;
- will not enter into tax planning, transactions or structures that are notifiable to tax authorities under mandatory disclosure regimes, which we consider to be abusive, or which otherwise have no ultimate commercial business purpose;
- will aim to pay an appropriate amount of tax and do not use contrived or abnormal tax structures that are intended for tax avoidance, have no commercial substance and do not meet the spirit of local or international law;
- will ensure that the commercial needs of the Company are paramount and all tax planning will be undertaken in this context. All transactions must therefore have a business purpose or commercial rationale. Due consideration will be given to the company's reputation, brand, corporate and social responsibilities when considering tax initiatives, as well as the applicable legal and fiduciary duties of directors and employees of the company and will form part of the overall decision-making and risk assessment process.

Relationship with HMRC

THE7STARS UK LIMITED seeks to have a transparent and constructive relationship with HMRC and ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, **THE7STARS UK LIMITED** discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.