



Status: **legally binding**

Class Ruling

Silk Logistics Holdings Limited – employee share scheme – disposal of shares under a scheme of arrangement

❶ Relying on this Ruling

This publication is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

Table of Contents	Paragraph
What this Ruling is about	1
Who this Ruling applies to	4
When this Ruling applies	6
Ruling	7
Scheme	8

What this Ruling is about

1. This Ruling sets out the income tax consequences for employees of Silk Logistics Holdings Limited (Silk) or a 'subsidiary' (as defined in the *Corporations Act 2001*) of Silk (collectively, the Silk Group) who participated in the Silk Logistics Holdings Limited Tax Exempt Share Plan (Plan) to acquire ordinary shares in Silk (Tax Exempt Shares) which were subsequently disposed of on 18 August 2025 pursuant to a scheme of arrangement.
2. Details of this scheme are set out in paragraphs 8 to 24 of this Ruling.
3. All further legislative references in this Ruling are to the *Income Tax Assessment Act 1997*, unless otherwise indicated.

Who this Ruling applies to

4. This Ruling applies to you if you:
 - acquired Tax Exempt Shares on 13 December 2022 or 2 February 2024 under the Plan, which you held at all times until 18 August 2025
 - were entitled to reduce the amount included in your assessable income in accordance with section 83A-35 (with the exception of the condition in subsection 83A-45(4) – minimum holding period) when you acquired the Tax Exempt Shares
 - were employed by the Silk Group at all times from the date you acquired the Tax Exempt Shares until 18 August 2025, and
 - were a 'resident of Australia' (as defined in subsection 6(1) of the *Income Tax Assessment Act 1936*) on 18 August 2025.

Status: **legally binding**

5. This Ruling does not apply to anyone who is subject to the taxation of financial arrangements rules in Division 230 in relation to the scheme outlined in paragraphs 8 to 24 of this Ruling.

Note: Division 230 will not apply to individuals unless they have made an election for it to apply.

When this Ruling applies

6. This Ruling applies from 1 July 2022 to 30 June 2026.

Ruling

7. The Commissioner will allow the minimum holding period to end at the earlier time of 18 August 2025 for the Tax Exempt Shares you acquired on 13 December 2022 or 2 February 2024 under the Plan (paragraph 83A-45(5)(a)).

Scheme

8. The following description of the scheme is based on information provided by the applicant. If the scheme is not carried out as described, this Ruling cannot be relied upon.

Relevant entities

Silk Logistics Holdings Limited

9. Silk is a resident of Australia which was listed on the Australian Securities Exchange on 9 July 2021. It was also the head company of the Silk income tax consolidated group.

10. Silk is a port-to-door logistics services provider that offers road transportation of containerised freight to and from several Australian ports, including at the ports where DP World Australia Limited (DP World) operates container terminals.

DP World Australia Limited

11. DP World is a resident of Australia.

12. DP World operates container terminals and provides container stevedoring services at each of the ports of Melbourne, Botany (Sydney), Brisbane and Fremantle.

Silk Logistics Holdings Limited Tax Exempt Share Plan

13. Silk established the Plan on 20 June 2022, in accordance with the Tax Exempt Share Plan Rules, as part of its incentive arrangements to assist in the reward, retention and motivation of the Silk Group's eligible employees.

Status: **legally binding**

14. On 13 December 2022 and 2 February 2024, you acquired Tax Exempt Shares, up to the value of \$1,000, that were subject to a holding lock period where you could not dispose of the Tax Exempt Shares until the earlier of:

- 3 years from the date the Tax Exempt Shares were granted to you, or
- the day after you ceased employment with the Silk Group.

15. The Tax Exempt Shares were granted to you for nil consideration and could not be forfeited.

16. The board of Silk has not exercised its discretion to waive or diminish the disposal restrictions with respect to the Tax Exempt Shares you acquired on 13 December 2022 or 2 February 2024.

17. No Tax Exempt Shares have been granted under the Plan since February 2024.

Scheme of arrangement

18. On 15 May 2024, Silk received a non-binding indicative offer from DP World to acquire 100% of the issued share capital of Silk.

19. On 4 September 2024, Silk received a subsequent non-binding offer from DP World.

20. On 9 November 2024, Silk and DP World entered into a Scheme Implementation Deed (SID) for the acquisition of 100% of the issued share capital of Silk by way of a scheme of arrangement with the Silk shareholders receiving a cash consideration of \$2.14 per share (less any dividends declared or paid to Silk shareholders on or before the date of implementation of the scheme).

21. On 11 November 2024, Silk announced that its board unanimously recommended that Silk shareholders vote in favour of the scheme of arrangement.

22. Under the terms of the SID, upon satisfaction of all conditions precedent, each Silk shareholder recorded on the Silk Share Register as at 11 August 2025 were required, on 18 August 2025, to transfer all Silk shares (including the Tax Exempt Shares) held by that Silk shareholder to DP World in return for receiving cash consideration.

23. All conditions precedent under the SID were satisfied, and the scheme was implemented on 18 August 2025.

Other matters

24. Silk did not enter into any formal discussions with any entity concerning a takeover or some other acquisition of all of its shares at any time prior to the offer of Tax Exempt Shares on 2 February 2024.

Commissioner of Taxation
10 September 2025

Status: **not legally binding**

References

Legislative references:

- ITAA 1936 6(1)
 - ITAA 1997 83A-35
 - ITAA 1997 83A-45(4)
 - ITAA 1997 83A-45(5)(a)
 - ITAA 1997 Div 230
 - Corporations Act 2001
-

ATO references

NO: 1-16MPT9E1

ISSN: 2205-5517

BSL: PG

ATOlaw topic: Income tax ~~ Assessable income ~~ Employee share schemes ~~ Minimum holding period

© **AUSTRALIAN TAXATION OFFICE FOR THE COMMONWEALTH OF AUSTRALIA**

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).