



Status: **legally binding**

Class Ruling

Brickworks Ltd – 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.

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What this Ruling is about

1. This Ruling sets out the income tax consequences for employees of Brickworks Ltd (Brickworks) or a wholly owned subsidiary (as defined in the *Corporations Act 2001*) of Brickworks (collectively, the Brickworks Group) who participated in the Brickworks Limited Exempt Employee Share Plan (Plan) to acquire ordinary shares in Brickworks (Plan Shares) which were subsequently disposed of on 23 September 2025 pursuant to a scheme of arrangement.
2. Details of this scheme are set out in paragraphs 10 to 29 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 Plan Shares under the Plan during the period from 16 June 2023 to 30 June 2024 (2023 Plan Shares) or from 11 June 2025 to 15 September 2025 (2025 Plan Shares), which you held at all times until 23 September 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 2023 or 2025 Plan Shares

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- were employed by the Brickworks Group at all times from the date you acquired the 2023 or 2025 Plan Shares until 23 September 2025
- were a 'resident of Australia' (as defined in subsection 6(1) of the *Income Tax Assessment Act 1936*) on 23 September 2025.

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 10 to 29 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

Minimum holding period satisfied – 2023 Plan Shares

7. The Commissioner will allow the minimum holding period to end at the earlier time of 23 September 2025 for the 2023 Plan Shares you acquired under the Plan (paragraph 83A-45(5)(a)).

Minimum holding period not satisfied – 2025 Plan Shares

8. The Commissioner will not allow the minimum holding period to end at the earlier time of 23 September 2025 for the 2025 Plan Shares you acquired under the Plan (paragraph 83A-45(5)(a)).

9. Therefore, your assessable income for the income year ending 30 June 2026 includes the discount given in relation to the 2025 Plan Shares you acquired under the Plan (section 83A-25) as you are not entitled to reduce that amount included in your assessable income (subsections 83A-35(1) and 83A-45(4)).

Scheme

10. 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

Brickworks Ltd

11. Brickworks is a 'resident of Australia' as defined in subsection 6(1) of the *Income Tax Assessment Act 1936* and was a publicly listed company on the Australian Securities Exchange (ASX) until it was delisted on 24 September 2025.

12. Brickworks' principal activities are the manufacture of building products throughout Australia and North America, development and investment activities to realise surplus manufacturing property, and participation in diversified investments as an equity holder.

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Washington H. Soul Pattinson and Company Limited

13. Washington H. Soul Pattinson and Company Limited (now registered as WHSP Holdings Ltd) (WHSP) was a publicly listed company on the ASX until it was delisted on 24 September 2025.

14. WHSP is an investment house with a diversified and uncorrelated portfolio of assets across multiple industries.

First Services Company Ltd

15. First Services Company Ltd (now registered as Washington H. Soul Pattinson and Company Limited) (Topco) is a newly incorporated Australian public company that was listed on the ASX on 15 September 2025.

Second Services Company Pty Ltd

16. Second Services Company Pty Ltd (Subco) is a newly incorporated Australian proprietary company that is a wholly owned subsidiary of Topco.

Brickworks Limited Exempt Employee Share Plan

17. Brickworks established the Plan in May 2002 as an employee share scheme for eligible employees of the Brickworks Group. The Plan is administered through the Brickworks Exempt Employee Share Plan Trust (Plan Trust) in accordance with the Brickworks Limited Exempt Employee Share Plan Trust Deed which sets out the plan rules.

18. The Plan Shares were granted to you through a salary sacrifice arrangement under which both you and your employer made contributions to the trustee of the Plan Trust, who acquired and held the Plan Shares for your benefit. The relevant contribution amount was deducted from your pre-tax salary over the relevant period.

19. The maximum value of the 2023 or 2025 Plan Shares granted to you under the Plan was limited to \$1,000.

20. The Plan Shares were subject to a restriction period where you could not dispose of the Plan Shares until the earlier of:

- 3 years from the date the Plan Shares were granted to you, or
- when you ceased employment with the Brickworks Group.

21. The Plan Shares were fully vested when granted to you and could not be forfeited.

22. The board of Brickworks (Board) has not previously exercised its discretion to waive or diminish the disposal restrictions for the Plan Shares, other than on or around 12 September 2025 when the Board exercised its discretion under the plan rules to take such actions as necessary to transfer legal title in the Plan Shares to the beneficial holders for the purpose of implementing the scheme of arrangement described in paragraphs 23 to 28 of this Ruling.

Scheme of arrangement

23. On 2 June 2025, Brickworks entered into a Combination Deed with WHSP, Topco and Subco for the implementation of a proposed merger, which involved the acquisition of

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shares in Brickworks and WHSP by Subco, in connection with the listing of Topco on the ASX via 2 separate but inter-conditional scheme of arrangements (together, the Proposed Transaction).

24. On 2 June 2025, Brickworks announced the Proposed Transaction to the ASX.

25. As part of the Proposed Transaction, upon satisfaction of all conditions precedent, Subco would acquire all of the ordinary shares in Brickworks, including the 2023 and 2025 Plan Shares currently held by the trustee of the Plan Trust under the Plan, by way of a court-ordered scheme of arrangement pursuant to Part 5.1 of the *Corporations Act 2001* (Brickworks Scheme).

26. On 4 August 2025, the Combination Booklet for the Brickworks Scheme was registered with the Australian Securities and Investments Commission and the Board unanimously recommended that Brickworks shareholders vote in favour of the Brickworks Scheme.

27. Under the Brickworks Scheme, Brickworks shareholders would be issued 0.82 Topco shares for each Brickworks share held as at 17 September 2025, being the scheme record date. In return, Brickworks shareholders would be required to transfer all of their Brickworks shares to Subco on the implementation date of the Brickworks Scheme.

28. All conditions precedent were satisfied and the Brickworks Scheme was implemented on 23 September 2025.

Other matters

29. Brickworks 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 the 2023 Plan Shares.

Commissioner of Taxation

8 October 2025

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References

Legislative references:

- ITAA 1936 6(1)
 - ITAA 1997 83A-25
 - ITAA 1997 83A-35
 - ITAA 1997 83A-35(1)
 - ITAA 1997 83A-45(4)
 - ITAA 1997 83A-45(5)(a)
 - ITAA 1997 Div 230
 - Corporations Act 2001 Pt 5.1
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ATO references

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