



Status: **legally binding**

Class Ruling

Equity Mates Media Pty Ltd – employee share scheme – disposal of shares under an off-market takeover

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 Equity Mates Media Pty Ltd (Equity Mates) and its subsidiaries (as defined in section 46 of the *Corporations Act 2001*) (collectively, the Equity Mates Group) who participated in the Equity Mates Media Pty Ltd Employee Share Option Plan (Plan) to acquire options in Equity Mates, which were then exercised, converted into ordinary shares in Equity Mates under the Plan and subsequently disposed of pursuant to an off-market takeover by Betashares Australia Holdings Pty Ltd (Betashares).
2. Details of this scheme are set out in paragraphs 8 to 25 of this Ruling.
3. All 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 options pursuant to the Plan on 17 November 2022, 31 January 2023, 6 March 2023, 28 March 2023, 1 January 2024, 31 January 2024, 29 March 2024, 20 May 2024, 5 July 2024, 10 September 2024, 13 January 2025 or 15 January 2025 (Options), which were exercised to acquire ordinary shares in Equity Mates under the Plan (Plan Shares) which you held at all times until the date you disposed of the Plan Shares pursuant to the takeover

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- were entitled to reduce the amount in your assessable income in accordance with section 83A-33 (with the exception of the condition in subsection 83A-45(4) – minimum holding period) when you acquired the Options and the Plan Shares
- were employed by the Equity Mates Group at all times from the date you acquired the Options, and
- were a ‘resident of Australia’ (as defined in subsection 6(1) of the *Income Tax Assessment Act 1936*) on the date you disposed of your Plan Shares pursuant to the takeover on 5 August 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 8 to 25 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

7. The Commissioner will allow the minimum holding period to end at the earlier time of 5 August 2025 in respect of the Plan Shares you acquired (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

Equity Mates Media Pty Ltd

9. Equity Mates is a ‘resident of Australia’ as defined in subsection 6(1) of the *Income Tax Assessment Act 1936* and was incorporated on 28 July 2019.

10. Equity Mates produces and distributes media content (including podcasts and video content) relating to the financial sector.

Betashares Australia Holdings Pty Ltd

11. Betashares was incorporated on 1 December 2020 and provides computer system designs and related services.

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Equity Mates Media Pty Ltd Employee Share Option Plan

12. On 1 January 2022, Equity Mates established and operated the Plan as an employee share scheme for eligible employees of the Equity Mates Group in accordance with the Equity Mates Media Pty Ltd Employee Share Option Plan Plan Rules. Eligible employees of Equity Mates were granted options to acquire ordinary shares in Equity Mates, which were subjected to terms of each eligible employee's individual offer letter and the Equity Mates Media Pty Ltd Employee Share Option Plan Plan Rules.

13. Offers by the board of Equity Mates to eligible employees may have had vesting conditions or other vesting events that were required to be satisfied before the options vested.

14. Prior to the takeover, some of the eligible employees of Equity Mates already held ordinary shares under the Plan following the exercise of options that had vested. Employees with unvested Options had vesting dates accelerated to enable those Options to be exercised and Plan Shares issued to those eligible employees prior to the takeover. The result was that all the shares in Equity Mates were acquired by Betashares under the takeover.

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

- 3 years from the date the Options were granted to you, or
- when you ceased employment with the Equity Mates Group.

16. The board of Equity Mates had not previously exercised its discretion to waive or diminish the 3-year disposal restriction period for options and shares under the Plan, other than in respect of this takeover.

17. No options had been granted pursuant to the Plan since 15 January 2025.

18. The Plan was terminated on completion of the takeover of Equity Mates by Betashares.

Off-market takeover offer

19. On 5 February 2025, Equity Mates was approached by Betashares Financial Group Pty Ltd, the ultimate parent company of Betashares, to engage in discussions regarding the potential takeover of Equity Mates.

20. On 6 February 2025, Equity Mates and Betashares Holdings Pty Ltd (a subsidiary of Betashares) entered into a confidentiality agreement in respect of the takeover discussions.

21. On 25 February 2025, Betashares Financial Group Pty Ltd presented Equity Mates with a non-binding indicative offer to acquire all shares in Equity Mates (including the Plan Shares) for an all-cash payment of \$8.5 million, being \$6.416 per share.

22. On or around 2 July 2025, a majority of shareholders (including holders of the Plan Shares) of Equity Mates approved of the proposed sale of all the shares in Equity Mates to Betashares. The shareholders (including holders of Plan Shares and unvested Options) of Equity Mates entered into an arrangement pursuant to the Share Sale and Purchase Deed for the sale of all the shares in Equity Mates to Betashares.

23. There were no options remaining at the time of completion of the takeover as they had all been vested and exercised for shares under the Plan.

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24. The takeover of Equity Mates by Betashares was completed on 5 August 2025 when Betashares acquired all the shares in Equity Mates.

Other matters

25. Equity Mates did not enter into any formal discussions with Betashares, or any other entities, concerning a takeover or some other acquisition of all of its shares at any time prior to the issue of the Options.

Commissioner of Taxation

17 December 2025

Status: **not legally binding**

References

Legislative references:

- | | |
|--------------------|----------------------------|
| - ITAA 1936 6(1) | - ITAA 1997 83A-45(4) |
| - ITAA 1997 83A-33 | - ITAA 1997 83A-45(5)(a) |
| | - ITAA 1997 Div 230 |
| | - Corporations Act 2001 46 |
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ATO references

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