



17 April 2025

Market Information
NZX Limited
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WELLINGTON

Company Announcements Office
ASX Limited
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AUSTRALIA

ATO Class Ruling obtained

On 20 March 2025 Tower Limited (**Tower**) implemented its capital return of approximately NZ\$45m to its shareholders, with 1 ordinary share for every 10 ordinary shares held by shareholders on 19 March 2025 (**Record Date**) being cancelled.

In relation to the capital return, Tower applied to the Australian Taxation Office (**ATO**) for a Class Ruling on behalf of its Australian tax resident shareholders (**Australian Shareholders**) to confirm that:

- no part of the payment received by the Australian Shareholders under the capital return will be treated as a dividend for Australian tax purposes;
- it will not make a determination under section 45A and section 45B of the *Income Tax Assessment Act 1936* to deem the capital return to be an unfranked dividend paid out of profits; and
- the share cancellation gives rise to a capital gains tax (**CGT**) event C2. The effect of CGT event C2 is that a capital gain arises to the extent that the capital proceeds from the cancellation exceeds the cost base of the share. Where the capital proceeds are less than the reduced cost base, a capital loss would arise.

That Class Ruling has now been obtained and a full copy of it is available on the ATO's website: [CR 2025/26 | Legal database \[ato.gov.au\]](#).

Australian Shareholders are encouraged to review the Class Ruling in full, in particular the requirements which Australian Shareholders must satisfy to be able to rely on the Class Ruling, which include that Tower shares must have been held on capital account on the Record Date.

If you are unsure as to the effect of the ATO Class Ruling on your tax position, you should seek independent taxation advice.

ENDS

This announcement has been authorised by Michael Stiassny, Chair.

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