

SUBMISSION

ASX - Shareholder
approval of
dilutive acquisitions and
changes in admission
status

15 December 2025

**The Association of Superannuation
Funds of Australia Limited**
Level 11, 77 Castlereagh Street
Sydney NSW 2000

PO Box 1485
Sydney NSW 2001

T +61 2 9264 9300
1800 812 798 (outside Sydney)

F 1300 926 484

W www.superannuation.asn.au

ABN 29 002 786 290 CAN 002 786 290

File: 2025/39

Mr Andrew Campion
General Manager, Investment Products and Strategy
ASX
39 Martin Place
Sydney NSW 2000
Sent via email: ListingsPolicy@asx.com.au

15 December 2025

Dear Mr Campion,

ASX - Shareholder approval of dilutive acquisitions and changes in admission status

The Association of Superannuation Funds of Australia (ASFA) is pleased to provide this submission to the Treasury in relation to the ASX's consultation on potential changes to the rules for shareholder approval of dilutive acquisitions and changes in admission status.¹

About ASFA

ASFA, the voice of super, has been operating since 1962 and is the peak policy, research and advocacy body for Australia's superannuation industry. ASFA represents the APRA regulated superannuation industry with over 100 organisations as members from corporate, industry, retail and public sector funds, and service providers. We develop policy through collaboration with our diverse membership base and use our deep technical expertise and research capabilities to assist in advancing outcomes for Australians.

We unite the superannuation community, supporting our members with research, advocacy, education and collaboration to help Australians enjoy a dignified retirement. We promote effective practice and advocate for efficiency, sustainability and trust in our world-class retirement income system.

ASFA's Opening Comments

Overall, ASFA supports the changes put forward in the consultation paper by the ASX.

We particularly wish to note that of primary importance are the following three proposals:

1. Shareholder approval for share issues for takeovers and mergers.²

- ASFA supports a reduction to the limit on issue of securities without approval.
- We recommend either:
 - The deletion of exceptions to the existing rule (which would see a 15% limit); or
 - Retention of the exceptions, with a reduced limit of 25%.

¹ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)).

² ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 14-8.

2. Shareholder approval for change of admission category to ASX Foreign Exempt Listing³

- ASFA supports the amendment of the Listing Rules to require security holder approval for a change from ASX Listing to ASX Foreign Exempt Listing, on the basis there can be material change in shareholder rights and governance expectations.
- Such approval should be required via Special Resolution.

3. Shareholder approval of voluntary delisting by a dual listed entity⁴

- ASFA supports the amendment of the Listing Rules to require security holder approval for the voluntary delisting of a dual listed entities where the ASX listing is the first listing (i.e. the approval requirement would not apply if the entity was first listed elsewhere and the ASX listing is secondary).
- Such approval should be required via Special Resolution.

ASFA's detailed responses to the consultation questions are outlined in **Attachment A**.

We look forward to continuing to work with the ASX on these matters as they progress.

If you have any questions on our recommendation or would like to discuss them further, please feel free to reach out to ASFA Policy Director, Sebastian Reinehr, via 0474 704 992 or sreinehr@superannuation.asn.au.

Yours sincerely



Julian Cabarrus
Head of Policy

³ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 7-9.

⁴ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 11-13.

Contents

About ASFA	1
Proposal 1 - Shareholder approval for a dual listed company to change to ASX Foreign Exempt Listing status	4
Proposal 2 - Shareholder approval for a dual listed company to delist from ASX	4
Proposal 3 - Shareholder approval for issues of shares under a regulated takeover or merger	5
Proposal 4 - Security holder approval for change to nature or scale of activities under listing rule 11.1.2	5

Attachment A - ASFA's Detailed Comments and Recommendations

ASFA's recommendations and comments are organised so as to respond to the issues raised by the ASX in the order in which they appear in the consultation, which is as follows:⁵

1. Shareholder approval for a dual listed company to change to ASX Foreign Exempt Listing status
2. Shareholder approval for a dual listed company to delist from ASX
3. Shareholder approval for issues of shares under a regulated takeover or merger
4. Shareholder approval for significant changes to the nature or scale of a listed company's activities

Proposal 1 - Shareholder approval for a dual listed company to change to ASX Foreign Exempt Listing status⁶

This proposal involves a potential new requirement that a dual listed company should seek shareholder approval if it wishes to change its admission status to be an ASX Foreign Exempt Listing.⁷

Recommendation 1 – ASFA supports this proposal, noting the following:

- An ASX listed entity moving from a Foreign Exempt Listing can impact shareholders rights and governance requirements, depending on the company's original listing market.
- Therefore, requiring shareholder approval for a change to ASX Foreign Exempt Listing is appropriate.
- The administrative burdens of requiring shareholder approval are minimal in comparison to the benefits, especially when considering that these matters can be dealt with expeditiously at Annual General Meetings (AGMs).

Proposal 2 - Shareholder approval for a dual listed company to delist from ASX⁸

This proposal involves a potential new requirement that a dual listed company should seek shareholder approval to delist from ASX even if it will continue to maintain its foreign listing.⁹

Recommendation 2 – ASFA supports the amendment of the Listing Rules to require security holder approval for the voluntary delisting of a dual listed entities where the ASX listing is the first listing (i.e. the approval requirement would not apply if the entity was first listed elsewhere and the ASX listing is secondary).

In making this recommendation, we note the following:

- For dual listed entities that delist from the ASX, shareholders could sell their securities on the other exchange.
- Depending on the requirements of the other market, this could materially impact shareholder rights and governance requirements, which would affect shareholder value.
- Therefore, it is appropriate that shareholders provide consent for the delisting.
- Such approval should be required via Special Resolution.

⁵ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 5-6.

⁶ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 7-11.

⁷ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 5.

⁸ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 11-14.

⁹ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* ([20 October 2025](#)), 5.

Proposal 3 - Shareholder approval for issues of shares under a regulated takeover or merger¹⁰

This proposal involves a potential change to reduce the limit on share issues without approval under exceptions 6 and 7 in Listing Rule 7.2.¹¹

Recommendation 3 - ASFA supports a reduction to the limit on issue of securities without approval. We recommend either:

1. The deletion of exceptions to the existing rule (which would see a 15% limit); or
2. Retention of the exceptions, with a reduced limit of 25%.

The James Hardie–Azek transaction,¹² along with others (such as Perpetual’s acquisition of Pental)¹³ showed how the current Listing Rules can allow an ASX-listed company to significantly dilute existing shareholders without their vote.

This is despite the fact that the Rules that issues exceeding 15% should be subject to approval.

This highlights the need for greater direct accountability to shareholders when companies undertake takeovers or mergers involving substantial equity issuances.

ASFA notes the ASX’s initial position that:

1. The ASX supports keeping the current 100% limit on exceptions 6 and 7 for entities that are eligible for the additional 10% placement capacity in Listing Rule 7.1A.
2. That is, entities that are not in the S&P/ASX 300 and that have a market capitalisation of no more than \$300 million.
3. For entities that are in the S&P/ASX 300 or that have a market capitalisation of more than \$300 million, ASX’s initial position is that it would support a reduction in the limit from 100% to 25% of ordinary securities on issue at the date of announcement of the transaction.

Proposal 4 - Security holder approval for change to nature or scale of activities under listing rule 11.1.2¹⁴

This proposal explores the concept of whether or not shareholder approval might be required for any significant acquisition regardless of whether it involves an issue of shares.¹⁵

This includes whether any such changes that this might be achieved through changes to Listing Rule 11.1, which applies to significant changes to the nature or scale of a listed company’s activities.¹⁶

Recommendation 4 - ASFA supports the ASX’s proposal not to amend Listing Rule 11.1 at this time, noting:

- The operation of Listing Rule 11, as well as several other Listing Rules, warrants further consideration in the future.
- We encourage ASX to consider introducing a process for the periodic review of the Listing Rules.

¹⁰ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* (20 October 2025), 14-18.

¹¹ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* (20 October 2025), 5.

¹² Simon Evans, 'James Hardie off to NYSE after months of anger over Azek deal', *Australian Financial Review* (28 June 2025).

¹³ Aleks Vickovich, 'A \$200 billion wealth giant is born as Perpetual completes Pental takeover', *Australian Financial Review* (23 January 2023).

¹⁴ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* (20 October 2025), 21-3.

¹⁵ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* (20 October 2025), 6.

¹⁶ ASX, Consultation Paper on *Shareholder approval of Dilutive Acquisitions and Changes in admission Status* (20 October 2025), 6.