

**International Comparative Legal Guides**

# **Mergers & Acquisitions 2026**

A practical cross-border resource to inform legal minds

**20<sup>th</sup> Edition**

Contributing Editors:

**Lorenzo Corte & Denis Klimentchenko**

Skadden, Arps, Slate, Meagher & Flom (UK) LLP

**iclg**

# Expert Analysis Chapter

1

## 2026 M&A Outlook: Legal Trends, Risks and Opportunities

Lorenzo Corte, Denis Klimentchenko &amp; Billy Zhao, Skadden, Arps, Slate, Meagher &amp; Flom (UK) LLP

## Q&A Chapters

4

### Argentina

P. Eugenio Aramburu,  
Pérez Alati, Grondona, Benites & Arntsen

11

### Austria

Christian Herbst, Sascha Hödl & Sascha Schulz,  
Schoenherr

22

### Belgium

Luc Wynant &amp; Koen Hoornaert, Van Olmen &amp; Wynant

30

### Brazil

Marcelo Vieira von Adamek, André Nunes Conti &  
Camila Bovolato, Advocacia von Adamek

39

### Bulgaria

Katerina Kaloyanova-Toshkova & Greta Karamiteva,  
Schoenherr

50

### Canada

Markus Viirland & Richard Turner,  
Blake, Cassels & Graydon LLP

60

### Cayman Islands

Suzanne Correy, Louise Cowley & Olivia Sutherland,  
Maples Group

68

### Costa Rica

Claudio A. Donato, Carolina Retana Herrera &  
Sharon Carmona Mora, Zurcher Odio & Raven

74

### Croatia

Zoran Vukić, Iva Sunko &amp; Ema Vukić, Vukić and Partners

82

### Cyprus

Marinella Kilikitas, Kilikitas &amp; Co Law

93

### Denmark

David Moalem, Emil Steenberg &  
Esben Moesgaard Ludvigsen, Bech-Bruun

101

### Finland

Marcus Kevin, Jan Långstedt, Caspar Friberg &  
Lumia Puhakainen, MK-Law Attorneys Ltd

109

### France

Julien Koch &amp; Chloé Canal, Vivien &amp; Associés

117

### Germany

Günter Seulen & Till Liebau,  
Oppenhoff & Partner Rechtsanwälte Steuerberater mbB

126

### Greece

Dafni Sfyri, Konstantina Daskalopoulou,  
Archontoula Tsogia & Anna Virginia Poulimenou,  
Psarakis & Kefalas

134

### Ireland

Inez Cullen &amp; Keelin Gavagan, Philip Lee LLP

144

### Japan

Tomohiro Takagi & Shuntaro Shimizu,  
Nishimura & Asahi (Gaikokuho Kyodo Jigyo)

154

### Liechtenstein

Vivianne Auer & Lukas-Florian Gilhofer,  
Ospelt & Partner Attorneys at Law Ltd.

161

### Luxembourg

Marcus Peter &amp; Kate Yu Rao, GSK Stockmann

169

### Malaysia

Wan May Leong, Wai Kin Leo, Wan Yi Lim &  
Yuan Jie Chew, WM Leong & Co (in association with  
Nishimura & Asahi)

180

### Montenegro

Slaven Moravčević & Marija Marinović,  
Moravčević Vojnović i Partneri in cooperation  
with Schoenherr

188

### Netherlands

Alexander J. Kaarls, Willem J.T. Liedenbaum &  
Kasper P.W. van der Sanden, Houthoff

198

### New Zealand

Cath Shirley-Brown &amp; David Raudkivi, Russell McVeagh

207

### Norway

Ole Kristian Aabø-Evensen,  
Aabø-Evensen & Co Advokatfirma

224

### Poland

C. David DeBenedetti, Katarzyna Jakubowska-Kaleta,  
Krystian Chmielewski & Mateusz Demianiuk,  
DeBenedetti Majewski Szcześniak Kancelaria  
Prawnicza Sp.K.

232

### Serbia

Matija Vojnović & Vojimir Kurtić,  
Moravčević Vojnović and Partners in cooperation  
with Schoenherr

240

### Singapore

Marcus Chow &amp; Karen Ho, Bird &amp; Bird ATMD LLP

249

### Slovenia

Vid Kobe &amp; Bojan Brežan, Schoenherr Attorneys at Law

260

### South Africa

Benjamin Meadows, Jason Goodison & Randhir Naicker,  
Cox Yeats

**269** **Spain**  
Ferran Escayola & Elisabet Terradellas Serra, Garrigues

**277** **Switzerland**  
Mariel Hoch & Dominic Leu, Bär & Karrer

**286** **Türkiye**  
İrem Soyman Alevok, Serhat Veyisoğlu, Emre Neidim & Ezginaz Çalışır, Çukur & Partners Law Firm

**294** **United Arab Emirates**  
Anton Konnov, Carla Saliba & Pallavi Satpute, Al Tamimi & Company

**303** **United Kingdom**  
Harry Thimont, Hayley Gow & Jade Jack, Ashurst LLP

**311** **USA**  
Ann Beth Stebbins & Thad Hartmann, Skadden, Arps, Slate, Meagher & Flom LLP

**331** **Zimbabwe**  
Simbarashe Absolom Murondoti & Shepherd Machigere, Absolom & Shepherd Attorneys



# Cayman Islands



Suzanne  
Correy



Louise  
Cowley



Olivia  
Sutherland

Maples Group

## 1 Relevant Authorities and Legislation

### 1.1 What regulates M&A?

The primary sources of regulation of M&A in the Cayman Islands are the Companies Act (As Revised) of the Cayman Islands (the “**Companies Act**”) and common law.

Part XVI of the Companies Act facilitates mergers and consolidations between one or more companies, provided that at least one constituent company is incorporated under the Companies Act. The Limited Liability Companies Act (As Revised) of the Cayman Islands (the “**LLC Act**”) also provides for a similar framework for Cayman Islands limited liability companies.

In addition:

- mergers, amalgamations and reconstructions by way of a scheme of arrangement approved by the requisite majorities of shareholders and creditors and by an order of the Cayman Islands court under section 86 or 87 of the Companies Act are still available for complex mergers (and are mirrored in the LLC Act); and
- section 88 of the Companies Act provides a limited minority squeeze-out procedure (and, again, is mirrored in the LLC Act). There is no prescriptive set of legal principles specifically relevant to “going private” and other acquisition transactions. Rather, broad common law and fiduciary principles will apply.

While there are no specific statutes or government regulations concerning the conduct of M&A transactions, where the target company’s securities are listed on the Cayman Islands Stock Exchange (“**CSX**”), the CSX Code on Takeovers and Mergers and Rules Governing Substantial Acquisitions of Shares (the “**Code**”), which exists principally to ensure fair and equal treatment of all shareholders, may apply.

### 1.2 Are there different rules for different types of company?

Except to the extent described above with respect to companies listed on the CSX, there are no different rules for different types of company.

### 1.3 Are there special rules for foreign buyers?

There are no foreign investment restrictions or exchange control legislation in the Cayman Islands. However, any company with an established physical presence in the Cayman Islands must be structured so as to comply with local licensing

laws, including with respect to ownership. Any company engaging in business locally is required to be licensed under the Trade and Business Licensing Act (As Revised) of the Cayman Islands and the applicant must either be beneficially owned and controlled at least 60% by persons of Caymanian Status, or hold a licence under the Local Companies (Control) Act (As Revised) of the Cayman Islands. However, foreign investment, if considered beneficial to the Cayman Islands’ economy, is generally encouraged.

### 1.4 Are there any special sector-related rules?

There are change-of-control rules applicable to entities regulated by the Cayman Islands Monetary Authority (“**CIMA**”) under the Banks and Trust Companies Act (As Revised) of the Cayman Islands, the Insurance Act (As Revised) of the Cayman Islands or (with respect to licensed mutual fund administrators) the Mutual Funds Act (As Revised) of the Cayman Islands. In addition, ownership and control restrictions apply to certain entities regulated by the Information and Communications Technology Act (As Revised) of the Cayman Islands.

### 1.5 What are the principal sources of liability?

Pursuant to common law rules, the directors of Cayman Islands companies owe fiduciary duties (generally described as being those of loyalty, honesty and good faith) to the company. While it is common for directors of Cayman Islands companies to be indemnified for certain breaches of these duties, as a matter of public policy, it is not possible for directors to be indemnified for conduct amounting to actual fraud or wilful default or wilful neglect.

Civil liability in tort may arise for negligent misstatement or fraudulent misrepresentation in an information memorandum or proxy statement. In addition, the Contracts Act (As Revised) of the Cayman Islands gives certain statutory rights to damages in respect of misrepresentation. There are certain criminal sanctions under the Penal Code (As Revised) of the Cayman Islands for deceptive actions, including for any officer of a company (or person purporting to act as such) with intent to deceive members or creditors of the company about its affairs, who publishes or concurs in publishing a written statement or account that, to their knowledge, is or may be misleading, false or deceptive in a material particular.

Any disposition of property made at an undervalue with the intent to defraud its creditors shall be voidable: (i) at the instance of the company’s official liquidator; or (ii) at the instance of a creditor thereby prejudiced.

If the consideration is to be shares in a Cayman Islands company, the Companies Act prohibits an exempted company that is not listed on the CSX from making any invitation to the public in the Cayman Islands to subscribe for any of its securities.

## 2 Mechanics of Acquisition

### 2.1 What alternative means of acquisition are there?

Statutory mergers are the most common method of structuring an acquisition or business combination. In certain cases, however, the statutory merger regime may not be suitable, and alternative options, such as contractual equity or asset acquisition, are appropriate. The threshold for a statutory merger (subject to the relevant constitutional documents of the company) requires only a special resolution passed in accordance with the articles of association (typically, a two-thirds majority of those shareholders attending and voting (in person or by proxy) at the relevant meeting or by unanimous written resolution). Dissenters in a merger have the right to be paid, in cash, the fair value of their shares and may compel the company to institute court proceedings to determine that fair value, under section 238 of the Companies Act. In acquisitions of listed companies by way of a merger, the risk of a dissent by merger arbitrageurs needs to be factored. Although section 239 of the Companies Act does disapply dissent rights from certain transactions where the consideration is shares in another listed company, particular care is required in such transactions.

Schemes of arrangement under section 86 or 87 of the Companies Act are appropriate in certain circumstances, such as where a capital reduction is required as part of the acquisition structure.

In a tender offer, private contractual acquisition, or public takeover, where control of the majority of the voting equity is acquired, the statutory squeeze-out remains available where the relevant statutory thresholds are met. Where a bidder has acquired 90% or more of the shares in a Cayman Islands company, it can compel the acquisition of the shares of the remaining minority shareholders, and thereby become the sole shareholder. Such a “squeeze-out” requires the acceptance of the offer by holders of no less than 90% in value of the shares to which the offer relates, excluding shares held or contracted to be acquired prior to the date of the offer. Shares held by the bidder or its affiliates are typically not counted for purposes of the 90% requirement. Dissenters have limited rights to object to the acquisition, and in the case of a tender offer that is not on an exclusively cash basis, dissenters have no right to compel a cash alternative.

Contractual asset acquisitions, where the target ceases doing business and is liquidated after the consummation of the sale, are becoming less popular given the flexibility and ease of use of the statutory merger regime, but remain a useful option.

### 2.2 What advisers do the parties need?

Parties should engage Cayman Islands counsel alongside onshore legal advisers. Generally, auditors, tax and financial advisers are also involved in deal structuring.

### 2.3 How long does it take?

Depending on the complexity of the transaction, the structure and regulatory status of the target, and the method employed,

this can take anywhere from a matter of weeks to a number of months. For example, straightforward mergers of Cayman Islands companies, where the shareholder base is relatively limited, and where there are no secured creditors and no applicable public listing, may be accomplished in a few weeks. Where the target company is listed (either in the Cayman Islands or elsewhere) or the merger is a cross-border transaction, a longer deal time is required.

Schemes of arrangements can, depending on their complexity and given the requirements for court approval, run for many months, as can complex merger transactions.

### 2.4 What are the main hurdles?

Both a statutory merger and a squeeze-out transaction provide for certain dissent rights, which, in the merger context, essentially provides for dissenting shareholders to make an application to the court for the determination of the fair value of their shares. Similar considerations apply for statutory squeeze-outs, although the right to dissent from a statutory squeeze-out is very rarely invoked, and the process is less well-developed than merger dissent. Further, where there is a tender offer that is not on an exclusively cash basis, dissenters have no right to compel a cash alternative. For schemes of arrangement, the key challenge is achieving the high approval majority required of each class of shareholders.

### 2.5 How much flexibility is there over deal terms and price?

Parties are generally free to contract as they wish as to terms and price, subject to the directors of a Cayman Islands company discharging their fiduciary duties, including the duty to act *bona fide* in the best interests of the company.

### 2.6 What differences are there between offering cash and other consideration?

Again, parties are generally free to contract as they wish with regard to terms and price. However, in the context of a statutory merger, where dissenters have the right to be paid in cash the fair value of their shares under section 238 of the Companies Act, a share-for-share deal introduces the complexity of how the shares will be valued for the purposes of fair value, as well as the need to fund any cash consideration to be ultimately paid to dissenters. Transactions under section 239 (which disapplies dissent rights) require particular care.

### 2.7 Do the same terms have to be offered to all shareholders?

Where an acquisition is structured by way of a statutory merger or scheme of arrangement, differing consideration can be paid to shareholders. For tender offers utilising a statutory squeeze-out, the same “offer” must be made to all shareholders.

### 2.8 Are there obligations to purchase other classes of target securities?

There are no statutory or common law obligations to purchase other classes of target securities.

### 2.9 Are there any limits on agreeing terms with employees?

There are no such limits applicable under Cayman Islands law.

### 2.10 What role do employees, pension trustees and other stakeholders play?

Aside from a general consideration with respect to the relevant employment contracts, there are no employee or pension-specific provisions applicable to a statutory merger, save that where the surviving company is a Cayman Islands company, it assumes all contracts, obligations, claims, debts and liabilities of each of the other constituent companies, including any employment liabilities. Secured creditor consent to a statutory merger is required.

For a scheme of arrangement, again, there are no specific employee or pension-specific provisions applicable, but where the rights of creditors are to be affected, their consent will be required.

Employee, pension or creditor consideration will not be relevant to a tender offer or statutory squeeze-out, or to an asset acquisition.

### 2.11 What documentation is needed?

While not strictly prescribed by the Companies Act, any complex merger will require some form of disclosure statement, whether or not required by applicable onshore listing rules or regulation. The Companies Act requires each Cayman Islands constituent company to enter into a written plan of merger, setting out certain prescribed information and, for more complex transactions, this is usually accompanied by a long-form merger or framework agreement.

For schemes of arrangement, alongside the applicable court documents, the scheme circular must be provided to the scheme participants, including sufficient information so as to allow them to make an informed decision in relation to the merits of the proposed scheme.

For a tender offer, there is no Cayman Islands prescribed documentation, but again, onshore listing rules or regulation may be applicable. For a statutory squeeze-out, the Companies Act requires that notice be given to dissenting shareholders.

For an asset acquisition, there are no specific documentation requirements, and the parties are free to contract as they see fit.

### 2.12 Are there any special disclosure requirements?

For schemes of arrangement, the scheme circular must be provided to the scheme participants and include sufficient information so as to allow them to make an informed decision in relation to the merits of the proposed scheme. For statutory mergers, the plan of merger must contain certain limited prescribed information and be approved by a special resolution of the members of each Cayman Islands constituent company.

### 2.13 What are the key costs?

The key costs will be service provider fees; government filing fees will generally be minimal and Cayman Islands stamp duty

is only payable on documents that are executed in, or subsequently brought to, the Cayman Islands. Additional costs will also be incurred if the target is obliged to petition the Cayman Islands court to determine the fair value of the shares of the dissenting shareholders. For schemes of arrangement, court fees will also be incurred.

### 2.14 What consents are needed?

Other than those as set out at question 1.4 above, there are generally no authorisations, consents, approvals, licences, validations or exemptions required by law from any governmental authorities or agencies or other official bodies in the Cayman Islands in connection with M&A transactions.

Absent any contractual consents other than the consents discussed at question 1.4 above, for a statutory merger, the consent of any secured creditor is required. While the merger documents are required to be filed with the Registrar of Companies, upon the satisfaction of the statutory requirements, the plan of merger shall be registered – there is no discretion to refuse registration.

A scheme of arrangement is subject to the sanction of the court, although the court's principal role in the scheme is to ensure procedural fairness and not to assess the commercial benefits of the proposal. Any shareholders or creditors who object to the scheme are entitled to attend the relevant court hearing to object; however, an objection solely on the grounds that it is commercially a "bad deal" is usually unlikely to succeed if the scheme has the support of the requisite majorities.

### 2.15 What levels of approval or acceptance are needed to obtain control?

Absent any special thresholds or consent required by the constitutional documents of a Cayman Islands company and the consents discussed at question 1.4 above, for a statutory merger, shareholder approval by special resolution (typically a two-thirds majority of those shareholders attending and voting (in person or by proxy) at the relevant meeting or by unanimous written resolution) is required.

A scheme of arrangement will require the approval of each of the relevant class(es) of members whose rights are to be subject to the scheme, and the majority that must be achieved for approval of each class of members is 75% by value of those shareholders who, being entitled to do so, attend and vote (in person or by proxy) at the relevant meeting.

### 2.16 When does cash consideration need to be committed and available?

There are no Cayman Islands legal considerations relevant to determining when cash consideration needs to be committed and available.

## 3 Friendly or Hostile

### 3.1 Is there a choice?

Both a statutory merger and a scheme of arrangement can never be "hostile" insofar as they require the consent of the target. The squeeze-out procedure is the only mechanic available in the context of a hostile transaction.

The Cayman Islands does not have any applicable takeover legislation, or competition or anti-trust legislation. The constitutional documents of Cayman Islands companies that are publicly listed may contain certain anti-takeover or “poison pill provisions”, which may make a hostile takeover more difficult to consummate, or give the target superior bargaining power.

In order to comply with their fiduciary duties, the directors of a Cayman Islands target will need to give due consideration to any *bona fide* offer, even if it is unsolicited, to determine whether the acceptance of such an offer is in the best interests of the company.

### 3.2 Are there rules about an approach to the target?

There are no applicable rules in the Cayman Islands.

### 3.3 How relevant is the target board?

The directors of a Cayman Islands company will be integral in consummating a merger or acquisition, whether by statutory merger, scheme of arrangement, equity acquisition or asset acquisition.

In the context of a statutory merger or an asset acquisition, the directors will be required to approve the terms of the transaction on behalf of the company, and for a scheme of arrangement, the company must consent to the scheme, which by necessity, will involve the consent of the directors. The usual position for a Cayman Islands company (other than a listed company) is that the transfer of shares is subject to the consent of the directors, meaning that the directors will also generally be able to control an equity acquisition.

However, the directors of a Cayman Islands company will, in making decisions on a proposed takeover, need to act consistently with their fiduciary duties, including (i) by acting *bona fide* in the best interests of the company as whole, and (ii) by not allowing their personal interests to conflict with their duties to the company.

Directors of a Cayman Islands company have a strict duty to avoid a conflict of interest. However, the constitutional documents commonly permit voting by interested directors if their interests are disclosed, without relaxing their overriding duty to act *bona fide* in the best interests of the company. Listed targets sometimes form independent committees, but this does not provide the same “safe harbour” or “roadmap protection” that it may offer in other jurisdictions.

### 3.4 Does the choice affect process?

There is no statutory mechanism to consummate an unsolicited, “hostile” acquisition. The cooperation of the target company is required for a statutory merger, scheme of arrangement or asset acquisition but there may be circumstances where the bidder could proceed by tender offer.

## 4 Information

### 4.1 What information is available to a buyer?

There is very limited publicly available information in the Cayman Islands, essentially limited to the company name, the location of its registered office and the names of its current directors and officers. If the target company is listed,

additional information may be available (for example, any SEC filings). A search of the court registers in the Cayman Islands will disclose any Originating Process pending before the Grand Court of the Cayman Islands, in which the company is identified as a defendant or respondent.

### 4.2 Is negotiation confidential and is access restricted?

Yes, negotiation is confidential and access is restricted.

### 4.3 When is an announcement required and what will become public?

There is no Cayman Islands regulation relating to the making or content of any announcement.

### 4.4 What if the information is wrong or changes?

See question 4.3 above.

## 5 Stakebuilding

### 5.1 Can shares be bought outside the offer process?

Yes, subject to the general caveat that, where they are not listed on a recognised stock exchange, transfers of shares in a Cayman Islands company are usually subject to the consent of the directors of the company.

### 5.2 Can derivatives be bought outside the offer process?

There are no Cayman Islands restrictions in this regard.

### 5.3 What are the disclosure triggers for shares and derivatives stakebuilding before the offer and during the offer period?

There are no stakebuilding rules applicable under Cayman Islands law.

### 5.4 What are the limitations and consequences?

There are no limitations or consequences.

## 6 Deal Protection

### 6.1 Are break fees available?

There is no specific restriction on break fees under Cayman Islands law, although directors of a Cayman Islands company will need to give careful consideration to the break fee provisions in approving any contract on behalf of the company, to ensure that they comply with their fiduciary and other duties, including the duty to act *bona fide* in the best interests of the company.

### 6.2 Can the target agree not to shop the company or its assets?

Yes, they can, subject to the directors of the company complying with their fiduciary and other duties.

### 6.3 Can the target agree to issue shares or sell assets?

Yes, they can, again subject to the directors of the company complying with their fiduciary and other duties, including exercising their powers and discretions (for example, to issue shares) for a proper purpose, and not to frustrate, or protect, a particular deal.

### 6.4 What commitments are available to tie up a deal?

“No shop” and lock-up agreements are, in principle, acceptable under Cayman Islands law, as are voting agreements whereby key shareholders agree to vote in favour of a transaction.

### 6.5 Is the use of transaction insurance with respect to warranties and indemnities available / common in public company transactions?

Warranty and indemnity (“W&I”) insurance is available for transactions involving Cayman Islands companies. The use of such insurance is becoming more common, particularly for larger, more complex, cross-border or take-private transactions.

## 7 Bidder Protection

### 7.1 What deal conditions are permitted and is their invocation restricted?

The deal conditions described at section 6 above are generally permitted, subject to the compliance by the directors of the relevant company with their fiduciary and other duties.

### 7.2 What control does the bidder have over the target during the process?

The bidder will not generally gain “control” of the target until closing of the relevant transaction, but it is not uncommon for deal documentation to include restrictions on the conduct of the target’s business; for example, limiting it to the “ordinary course of business”. Alternatively, the transaction documentation may provide for restrictions or termination in the event of material changes in circumstances.

### 7.3 When does control pass to the bidder?

There is no statutory definition of “control” in the Cayman Islands. Typically, shareholders of a Cayman Islands company can appoint and remove directors by ordinary resolution (a simple majority of those shareholders attending and voting (in person or by proxy) at the relevant meeting or by unanimous written resolution). The constitutional documents of a Cayman Islands company may provide for staggered boards, removal for cause only or a higher voting threshold, which will result in effective control of the target being difficult to achieve.

### 7.4 How can the bidder get 100% control?

It is possible to achieve 100% control contractually under a statutory merger, equity acquisition, or asset acquisition, or upon the terms of a stakeholder and court-approved scheme of arrangement, each as described in section 2 above. 100% control may be able to be compelled under a statutory merger by the bidder availing themselves of the statutory squeeze-out provisions, again as described in section 2 above. A dissent under section 238 does not impinge on the percentage control assumed in the merger.

## 8 Target Defences

### 8.1 What can the target do to resist change of control?

To the extent that the target’s constitutional documents do not include anti-takeover provisions or “poison pill”-type provisions, such as staggered boards or limited director removal rights, the directors of the target will be limited in their ability to resist a change of control by their fiduciary duties to the company – the directors will be obliged to consider the terms of the acquisition in good faith and act *bona fide* in the best interests of the company as a whole in relation to any acquisition proposal. In addition, if the target is listed on the CSX, the Code provides that at no time after a *bona fide* offer has been communicated to the board of the offeree company, or after the board of the offeree company has reason to believe that such an offer might be imminent, may any action be taken by the board of the offeree company, without the approval of the shareholders in the general meeting, which could effectively result in any *bona fide* offer being frustrated or in the shareholders being denied an opportunity to decide on its merits.

### 8.2 Is it a fair fight?

The balance of the Cayman Islands M&A regime is arguably weighted slightly in favour of the target, particularly given the usual discretion given to the directors of a target to approve the commercial terms of a particular transaction or a transfer of shares (noting, however, that the director must exercise such discretion for a proper purpose). The statutory and common law principles applying to acquisitions are focused on fairness and reasonableness, and the duties of the directors of any Cayman Islands target will be to ensure the best outcome for the shareholders of the company as a whole. In agreeing to any deal mechanics that seek to “rebalance the playing field”, directors of a Cayman Islands target will need to keep their fiduciary duties front of mind.

## 9 Other Useful Facts

### 9.1 What are the major influences on the success of an acquisition?

Deals offering a premium to market value and with market standard terms and conditions will have a greater prospect of success. The cooperation of the target’s board and strategic shareholders will also be factors in achieving success.

## 9.2 What happens if it fails?

There is no restriction on a bidder making a new offer upon failure to consummate an initial bid.

## 9.3 Is the use of special committees common and when are they relevant?

As discussed in question 3.3 above, it is not unusual for the directors of a listed company to elect to establish an independent committee of directors who are not interested or involved in the transaction or the management of the company to consider takeover offers. While Cayman Islands law does not provide for “safe harbour” protections, the formation of a special committee of uninterested directors is particularly helpful where certain directors have a conflict of interest in the proposed transaction, for example, in the case of an management buyout transaction or where certain directors are affiliated with a key shareholder whose interests are not aligned with other shareholders.

## 10 Updates

### 10.1 Please provide a summary of any relevant new law or practices in M&A in your jurisdiction.

#### Changes to the Companies Act

The Companies (Amendment) Act 2024 introduces several helpful amendments to the Companies Act of the Cayman Islands, which came into effect on 1 January 2026, including the following:

- (a) **Capital reductions:** Out-of-court capital reductions by special resolution supported by a director solvency statement, providing a faster route to eliminate losses, return capital or facilitate post-closing reorganisations, without court sanction (although the court-approved route remains available).
- (b) **Tender offers:** The amendments provide welcome clarity on the process of compulsory acquisition of shares of minority dissenting shareholders in a tender offer.
- (c) **Re-registration and conversions:** The expansion of the “transfer by continuation” regime, allowing bodies corporate formed in other jurisdictions without share capital to register as exempted companies in the Cayman Islands. There are also new procedures enabling (i) exempted companies to re-register as ordinary resident companies, and (ii) limited liability companies to convert to exempted companies.

#### Restructuring reforms

Reforms to the Cayman Islands restructuring laws mean that debtors seeking to restructure their debt in the Cayman Islands, with the protection of a stay on unsecured creditor action, can now do so without needing to file a winding-up petition. While the Cayman Islands has always been receptive to international restructurings, prior to the reforms, debtors seeking the protection of a restructuring stay in the Cayman Islands had to file a winding-up petition and seek the appointment of provisional liquidators. Although the old regime was effective in practice, filing a winding-up petition in order to restructure was counterintuitive and unpalatable for some debtors. The newer regime provides for a standalone global restructuring stay on unsecured creditor action, outside the winding-up procedure. A debtor can apply to the Cayman Islands court for the

appointment of restructuring officers who, while the company’s management will ordinarily be left in control of the company, will help facilitate a restructuring. A global stay will arise immediately upon filing the application, similar to a Chapter 11 stay, and the restructuring takes place within the breathing space created by the stay. How the restructuring is implemented is flexible and could involve a consensual deal with creditors, a Cayman Islands scheme of arrangement or a restructuring proceeding in another jurisdiction. The restructuring moratorium does not change important creditor protections under Cayman Islands law. There remains no stay in any Cayman Islands insolvency or restructuring proceeding on the enforcement of security by secured creditors.

#### Dissent rights

From 2016 through to 2025, further petitions under section 238 and related decisions have been heard in the Cayman Islands. These decisions provide additional guidance, among other things, as to:

- (a) how the “fair value” of a dissenter’s shares will be determined, including that, as a matter of law, a “minority discount” should be applied, if required;
- (b) when the unaffected market price of the target’s stock (duly adjusted to the valuation date) can be the best evidence of fair value;
- (c) in what circumstances can transaction price be the best evidence of fair value;
- (d) that dissent rights also apply to “short form” mergers where the target is a subsidiary of the bidder;
- (e) the appropriate rate of interest on any fair value judgment;
- (f) the appropriate interim payment to be paid – being the irreducible minimum amount that could safely be assumed the dissenters would receive in any event without venturing into disputed issues of fact or valuation;
- (g) the appropriate approach to be adopted when assessing the reliability of individual valuation methodologies, and the comparative reliability of valuation methodologies under consideration; and
- (h) liability for the costs of the petition proceedings.

#### Economic substance

The International Tax Co-operation (Economic Substance) Act (As Revised) of the Cayman Islands (the “**ES Act**”) was introduced in response to global OECD Base Erosion and Profit Shifting (“**BEPS**”) standards regarding geographically mobile activities, reflecting the Cayman Islands’ ongoing adherence to global standards as one of the member countries committed to the OECD’s BEPS Inclusive Framework.

The ES Act contains certain reporting and economic substance requirements for “relevant entities” conducting “relevant activities” (each as defined in the ES Act). All entities having separate legal personality and certain partnerships registered in the Cayman Islands (including those registered as a foreign entity) are required to determine whether they are a relevant entity conducting a relevant activity and to notify the applicable Cayman Islands Registrar of their classification and status under the ES Act prior to the filing of their annual return with the relevant Registrar. An entity will not be a relevant entity if it is an investment fund, a domestic company, a local partnership or tax resident outside of the Cayman Islands.

#### Beneficial Ownership Transparency Act

The Beneficial Ownership Transparency Act (“**BOTA**”) significantly amended the existing Cayman Islands beneficial

ownership regime. While the regime brought into scope a number of entities not previously impacted by the beneficial ownership regime (such as exempted limited partnerships, limited partnerships and foundation companies), BOTA also provides for alternative routes to compliance for listed vehicles and their subsidiaries and CIMA registered investment funds and other regulated entities, which do not require the filing of beneficial ownership registers.

#### **Special Purpose Acquisition Companies (“SPACs”)**

After the post-2021 reset, the Cayman Islands retains its position as the leading SPAC domicile. The years 2024 and 2025 have seen more term extensions, sponsor transitions and a steady flow of de-SPAC combinations, with Cayman entities often preferred for litigation risk management and structuring flexibility.



**Suzanne Correy** is a partner of Maples and Calder's Corporate team and co-head of the Latin American practice and is based in the Maples Group's Cayman Islands office. She has extensive experience in all aspects of corporate work, including joint ventures, initial public offerings and M&A, and also advises on a wide variety of structured finance, capital markets and investment fund transactions. Suzanne maintains a strong focus on public company work, advising clients through all stages of their growth, from start-up to IPO and beyond. Through her Latin American practice, Suzanne advises clients both originating from and investing into the region. She has also advised telecommunications clients and hardware companies on Cayman Islands licensing and regulatory issues.

**Maples Group**

PO Box 309, Ugland House  
South Church Street, George Town  
Grand Cayman, KY1-1104  
Cayman Islands

Tel: +1 345 814 5434  
Email: [suzanne.correy@maples.com](mailto:suzanne.correy@maples.com)  
LinkedIn: [www.linkedin.com/in/suzanne-correy-5897233](http://www.linkedin.com/in/suzanne-correy-5897233)



**Louise Cowley** is a partner of Maples and Calder's Corporate team in the Maples Group's Cayman Islands office. She has extensive experience in a broad range of corporate and investment fund structures, including private equity and hedge funds. Louise advises financial institutions, private equity sponsors and public and private businesses on a range of corporate transactions, including corporate restructurings, IPOs, M&A and joint ventures. She also has expertise in advising on finance and secured lending and FinTech transactions.

**Maples Group**

PO Box 309, Ugland House  
South Church Street, George Town  
Grand Cayman, KY1-1104  
Cayman Islands

Tel: +1 345 814 5109  
Email: [louise.cowley@maples.com](mailto:louise.cowley@maples.com)  
LinkedIn: [www.linkedin.com/in/louise-cowley-818482b0](http://www.linkedin.com/in/louise-cowley-818482b0)



**Olivia Sutherland** is an associate in Maples and Calder's Corporate team in the Maples Group's Cayman Islands office. She has experience in all aspects of corporate and commercial work, including advising on mergers and acquisitions, IPOs, formation and restructuring of all types of investment funds, joint ventures, corporate restructures and general regulatory aspects.

**Maples Group**

PO Box 309, Ugland House  
South Church Street, George Town  
Grand Cayman, KY1-1104  
Cayman Islands

Tel: +1 345 814 4460  
Email: [olivia.sutherland@maples.com](mailto:olivia.sutherland@maples.com)  
LinkedIn: [www.linkedin.com/in/olivia-sutherland-05b57449](http://www.linkedin.com/in/olivia-sutherland-05b57449)

The Maples Group, through its leading international law firm, Maples and Calder, advises global financial, institutional, business and private clients on the laws of the British Virgin Islands, the Cayman Islands, Ireland, Jersey and Luxembourg. With offices in key jurisdictions around the world, the Maples Group has specific strengths in areas of corporate commercial, finance, investment funds, litigation and trusts. Maintaining relationships with leading legal counsel, the Group leverages this local expertise to deliver an integrated service offering for global business initiatives. For more information, please visit: <https://www.maples.com/services/legal-services>.

[www.maples.com](http://www.maples.com)



MAPLES GROUP



The **International Comparative Legal Guides** (ICLG) series brings key cross-border insights to legal practitioners worldwide, covering 59 practice areas.

**Mergers & Acquisitions 2026** features one expert analysis chapter and 36 Q&A jurisdiction chapters covering key issues, including:

- Relevant Authorities and Legislation
- Mechanics of Acquisition
- Friendly or Hostile
- Information
- Stakebuilding
- Deal Protection
- Bidder Protection
- Target Defences
- Legislation and Practice Updates