CORPORATE
Newsletter

CORPORATE RESTRUCTURING:

strategy, efficiency, and value in the corporate environment

›››

H·N

In times of economic stagnation or strategic expansion, corporate transactions — merger, spin-off, acquisition, and transformation — become essential instruments for cost reduction, operational efficiency, and market repositioning.

›››

LEGAL AND REGULATORY PARTICULARITIES

Each type of transaction has its own legal and regulatory particularities, requiring meticulous planning and specialized advisory services.

- **Transformation (Art. 221 of Law No. 6,404/1976)**: occurs when a company changes its corporate form without dissolution or incorporation of a new legal entity. A notable example is B3, which transitioned from a non-profit civil association into a publicly traded company, enabling investor participation and enhanced corporate governance.

- **Incorporation (Art. 227 of Law No. 6,404/1976)**: occurs when one or more companies are absorbed by an existing entity, expanding its portfolio and optimizing resources.

›››

LEGAL AND REGULATORY PARTICULARITIES

- **Merger**
  (Art. 228 of Law No. 6,404/1976):
  represents the combination of two or more companies into a new entity — as in the case of BM&F and Bovespa, which merged to create a more competitive and global structure.

- **Spin-off**
  (Art. 229 of Law No. 6,404/1976):
  this is a transaction in which the assets or operations of a company are transferred to another company created for that purpose. When the transfer involves the entirety of the assets/operations, the spin-off results in the dissolution of the original company (total spin-off); when the transfer is only partial, it results merely in the division of the original company (partial spin-off).

›››

In any of these operations, **the valuation report** (Arts. 8 and 226, para. 3, of Law No. 6,404/1976) **plays a central role in ensuring transparency, fairness, and managerial accountability** (Art. 5 of CVM Resolution No. 78). The CVM (Brazilian Securities and Exchange Commission) may also authorize alternative valuation criteria or waive certain formalities upon technical justification — reinforcing its flexible and adaptive regulatory role.

›››

PUBLICLY TRADED COMPANIES

When these transactions involve publicly traded companies (Art. 223 of of Law No. 6,404/1976), the resulting entities must also adopt this status, complying with disclosure rules for material facts (Annex A of CVM Resolution No. 78) and minority shareholder protection mechanisms, including tag along rights and mandatory public offering (OPA).

Such operations **require not only a deep understanding of corporate and securities law, but also a strategic vision**: understanding how each structure affects governance, market value, and asset liquidity is what distinguishes a formal reorganization from a successful restructuring.

At H•Naves, we assist companies and investors in every stage of corporate transactions — from legal and economic diagnosis to negotiation and registration — ensuring legal certainty, regulatory efficiency, and value maximization. Contact our team to discover how corporate restructuring can strengthen your company's sustainability and long-term growth.

H·NAVES