

Five Key Themes Businesses Should Be Aware of in 2027

As businesses look ahead to 2027, the M&A market is expected to be more active, but also more complex. The companies best placed to succeed will be those that are prepared to transact through uncertainty, plan earlier and use technology and deal structures strategically rather than defensively. Below are five key themes that our experts shared at our recent M&A 26/27 - State of the market and beyond event on 17 September.



Geopolitical volatility will remain a core business risk. Businesses should expect volatility to remain a permanent feature of the operating environment in 2027. This is likely to reinforce the need for diversification across markets, supply chains, funding sources, data locations and investment corridors, while also increasing the importance of national security considerations in strategic planning and deal feasibility.



M&A confidence will matter as much as market conditions. Financing markets are expected to remain open for good-quality assets, with private credit continuing to play an important role, particularly in the mid-market. The bigger question for boards will be whether they are willing to act despite uncertainty. Businesses that wait for a clear moment of stability may risk falling behind competitors that are prepared to move earlier.



Strategic rationale will drive deal activity. M&A in 2027 is likely to be shaped less by financial engineering and more by long-term strategic positioning. Companies will increasingly use transactions to access technology, data, scale, capability and growth corridors that may be difficult to build organically, while also reviewing portfolios and selling non-core assets to unlock value.



Deal structures will become more sophisticated. Minority investments, joint ventures, licensing arrangements, earn-outs, contingent consideration and carve-outs are expected to remain prominent as parties look for more flexible ways to achieve strategic goals and bridge valuation gaps. These structures can be highly effective, but they require early planning around governance, alignment, exit rights, integration and dispute risk.



Regulatory and AI-related risks will require earlier preparation. Regulatory complexity is expected to continue increasing, with longer timelines, more active foreign investment regimes, pull-in powers and a greater need to manage divergent approaches across jurisdictions. At the same time, AI will become more embedded in deal execution and regulatory review, making document discipline, legal privilege, confidentiality and human judgement even more important.



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