i-watch
INVESTMENT WATCH
by The Manufacturers Life Insurance Company

Notice

i-Watch Rating System:

- No concern(s)
- Moderate concern(s) requiring frequent and close monitoring
- Serious concern(s) that require a full review and may lead to removal from the fund platform

Date January 12, 2026

Fund Manager Montrusco Bolton Investment Inc.

i-Watch Status **Increased Scrutiny**

Product(s) Impacted:
Manulife Montrusco Bolton Canadian Small Cap Equity (The Fund)

Summary

- On January 8, 2026, Montrusco Bolton Investment Inc. ('MBI') announced an ownership change that will result in the firm's management and employee shareholders assuming the majority control of the firm.
- Affiliated Managers Group Inc. ('AMG') and Fonds de solidarité FTQ ('FSTQ'), who had been shareholders since 2010, will sell their shares completely.
- Walter Global Asset Management ('Walter GAM'), a Montreal-based private equity firm, will acquire minority ownership of MBI and become a sole external shareholder.
- The transaction is expected to close in Q1 of 2026.
- The Fund remains on the Closely Monitored List.

Impact

Firm ownership

AMG and FSTQ had been shareholders of MBI for more than a decade, and combined, they had maintained majority ownership of the firm. While the management and employees have gradually increased their shares over the past few years, they controlled 48% of shares with AMG and FSTQ controlling 33% and 19% respectively prior to the transaction.

Following the transaction, the management and employee shareholders will become the majority owner with 55% of controlling shares, and Walter GAM will become the sole minority owner with 45% of shares, simplifying the firm's ownership structure.

The transaction will be facilitated through bank loans and capital from Walter GAM, and there is no cash payment to the employee shareholders.

Closing Remarks

GMR has discussed the transaction with the management of both MBI and Walter GAM. We are of the view that regaining the majority ownership is a positive development for MBI as it provides the management with autonomy and flexibility to pursue future growth opportunities.

GMR is also familiar with Walter GAM and their investment philosophy of being a long-term minority shareholder. We do not expect their ownership to have a material impact on the day-to-day operation of the firm.

The Montrusco Bolton Canadian Small Cap Equity Fund was placed on the Closely Monitored List in Q3 of 2025 due to the departure of Co-PM Kimberly Cheong. We will continue to closely monitor the Fund in terms of the Canadian Equity Team's overall resources.

The transaction of firm ownership will also be monitored to ensure there is no negative impact on the day-to-day management of the firm as well as on key investment personnels across the firm.

Manulife

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