

Sujet traité : Le contrôle de Fiera est remis en question alors que le Mouvement Desjardins planifie sa vente / Control of Fiera Is Thrown Into Doubt as Desjardins Group Plans Sale

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Control of Fiera Is Thrown Into Doubt as Desjardins Group Plans Sale

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Fiera Founder Seeks New Partner as Desjardins Group Plans Stake Sale

- Quebec financial institution intends to sell its 7% of firm
- Management 'considering making an offer' for minority stake

By Mathieu Dion

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One the largest shareholders in Canadian fund manager Fiera Capital Corp. wants out, raising questions about whether Chairman and Chief Executive Officer Jean-Guy Desjardins will be able to keep control of the firm.

Desjardins Financial, an affiliate of one of Quebec's largest financial institutions, wishes to sell its entire stake in a limited partnership that controls the money manager, Montreal-based Fiera said Wednesday.

Fiera shares fell nearly 4% to C\$7.30 as of 10:21 a.m. in Toronto.

The limited partnership holds just over 20% of Fiera's shares, and as long as it maintains that ownership level, it has special voting rights to choose two-thirds of the board. Desjardins Financial holds a nearly 7% stake in Fiera Capital via that unusual structure.

In effect, the current setup gives Jean-Guy Desjardins control of the firm and insulates it from activist investors. But if the partnership drops below 20% for 90 days, its supervoting rights would end, and the company would move to a structure in which all shares have equal weight in choosing directors.

Desjardins Financial's decision to sell leaves Jean-Guy Desjardins with a choice — find someone else quickly to buy the minority stake and keep the limited partnership intact, or risk losing control of the company.

"Senior management of the company is currently considering making an offer, together with a financial partner" for Desjardins Financial's stake, Fiera said.

“Today's news is potentially negative in that a significant shareholder is seeking to exit their position as it is also unclear what implications this may have for assets that Fiera manages on behalf of Desjardins,” RBC Capital Markets analyst Geoffrey Kwan said in a note to clients.

Fiera offers a wide variety of strategies in public and private markets, ranging from real estate to credit. Fiera Capital had C\$162 billion (\$118 billion) under management as of the end of last year, most of it in Canada and the US.

Read More: [Fiera CEO's Stock Purchase Highlights Narrow Hold on Control](#)

Fiera has been roiled in recent years by a management shuffle and the departure of star equity manager Nadim Rizk, who started his own firm, PineStone Asset Management. Rizk continues to manage more than a quarter of Fiera's assets, but some clients have pulled money out of Fiera to establish a direct relationship with PineStone instead.

Jean-Guy Desjardins stepped down as CEO at the beginning of 2022, only to return a year later at the age of 78 after a succession plan involving Jean-Philippe Lemay failed.

The company's share price has fallen about 40% over the past five years, but it pays a rich dividend. The dividend yield is currently 11.8%, an indication that many investors believe the high payout isn't sustainable.