

Aimia Inc.

Aimia Announces Corporate Transformation

(All figures referenced in Canadian dollars, except where noted)

- **Investment holding company strategy established to drive future growth**
- **Aimia Director Philip Mittleman appointed CEO of Aimia to lead execution of new strategy**
- **Lean operating structure with corporate expenses reduced year-over-year from \$27 million to \$15 million annualized**
- **Aimia Loyalty Solutions ("LS", consisting of Aimia's ILS and ISS businesses) to merge with Ontario-based Kognitiv Corporation ("Kognitiv") to form a visionary leader in global loyalty market; Aimia to retain 49% ownership of newly merged private entity at \$525 million valuation; Merger reduces Aimia's full time employee count from 450 to 20**
- **Newly merged entity to receive \$35 million in 12% convertible preferred share funding: \$21 million from Aimia and \$14 million from Kognitiv's investors**
- **Aimia to acquire 100% of Mittleman Brothers LLC in accretive transaction to create an investment management platform, and obtain key management skills and expertise. Christopher Mittleman to become Chief Investment Officer and join Aimia's Board of Directors upon closing of the transaction**

TORONTO, April 29, 2020 /CNW Telbec/ -

AIMIA'S NEW CORPORATE STRATEGY LEVERAGES EXISTING INVESTMENTS AS WELL AS CASH AND TAX ASSETS

The recently reconstituted board of directors of Aimia (AIM: TSX) formed an ad hoc Strategic Review Committee, chaired by David Rosenkrantz and including Karen Basian, Charles Frischer and Sandra Hanington, to explore and review strategic alternatives to create lasting shareholder value. The result of that process is a decision by the Board of Directors to focus on long-term investments in public and private companies, on a global basis, through controlling or minority stakes. The targeted companies will exhibit durable economic advantages, evidenced by a well-established track record of substantial free cash flow generation over complete business cycles, guided by strong, experienced management teams. Aimia is now positioned to invest wherever a suitable opportunity can be identified, in any sector. In addition, Aimia will consider investments that may efficiently utilize the Company's approximately \$700 million in operating and capital loss carryforwards to further enhance stakeholder value.

PHILIP MITTLEMAN APPOINTED CEO

In light of the different skills required by the change in strategy, the board of directors has appointed Philip Mittleman as interim Chief Executive Officer and Jeremy Rabe has stepped down, effective immediately. It is expected that the appointment will be made permanent upon closing of the Mittleman Brothers LLC transaction. Charles Frischer, chair of the board of directors said "At this exciting stage in Aimia's transformation, we are very pleased to have Phil step up to lead the organization. Phil's deep commitment to Aimia has been demonstrated over the past years through his role as both an investor and a director and he has been instrumental in protecting shareholder value and creating opportunities for growth and we look forward to his further contributions as CEO."

Philip Mittleman commented, "I am extremely proud to join Aimia's management team, and of the work this reconstituted board has achieved in such a short time. We have significantly cut costs and right-sized the corporate expenses, while immediately moving to catalyze stakeholder value in our operating subsidiaries, and refresh and improve our relationships with key partners. We have announced a new corporate strategy, overseen by new management and a new board of directors with long track records of creating stakeholder value and I am committed to its successful execution."

LOYALTY SOLUTIONS TO MERGE WITH KOGNITIV CORPORATION

Aimia has signed a binding letter agreement to merge its Loyalty Solutions business, which includes Intelligent Shopper Solutions (ISS) and the Air Miles Middle East program, with Kognitiv Corporation, an innovator in loyalty peer-to-peer trading and

collaborative commerce, with over \$1.3 billion in transactions on its peer-to-peer platform in the past fiscal year, allowing asset owners to connect to more than 20 loyalty partners. This transaction is anticipated to close on or about May 29.

The newly merged entity, to be known as Kognitiv, will receive a total of \$35 million in funding in the form of 12% convertible preferred equity: \$21 million from Aimia and \$14 million from Kognitiv's investors, at a combined post-money and post-merger equity valuation of \$525 million, of which Aimia's initial stake will be 49%. Upon closing, Aimia will appoint two board members to Kognitiv's board, and an Integration Committee will be formed consisting of Karen Basian (Chair), Peter Schwartz and Philip Mittleman. An investor presentation has been filed on SEDAR and will be made available on Aimia's website.

Mr. Mittleman added, "We have completed a successful turnaround in the Loyalty Solutions business, which was poised to be EBITDA positive this year on a stand-alone basis. Aimia was presented with an exciting opportunity in Kognitiv, whose proprietary AI, peer-to-peer technology allows their partners to distribute and apply rewards via the Loyalty Capital Network to maximize yield and consumer lifetime value. The decision to merge the businesses, each gaining traction in different markets with strong cost and business synergies, represents an outstanding opportunity and highlights the significant value that has been created in the Loyalty Solutions business, while greatly simplifying Aimia's corporate structure. Kognitiv's extensive investment in technology will enhance and further enable the Loyalty Solutions platform, and represents a significant acceleration of our combined business models which are fully funded, with the potential to become EBITDA and cash flow positive in 2021, with accelerating growth in that period and beyond that far exceeds our previous internal guidance for our loyalty services division. Importantly, Kognitiv's management and board of directors bring an invaluable array of talent and business acumen to the newly merged entity. This transaction is structured similarly to our highly successful investment in Cardlytics (Nasdaq: CDLX), where Aimia contributed certain IP, international operating expertise and board presence along with funding, into an early-stage tech-forward company, which was subsequently brought public in an IPO. We believe this merged entity has the potential for a monetization event that would provide a similar positive outcome."

Peter Schwartz, Chairman and CEO of Kognitiv, commented, "Kognitiv Corporation is incredibly excited by this merger with Aimia Loyalty Solutions. While the world is gripped by this terrible pandemic, businesses are looking for partners who can accelerate their recovery when the time is right. Consumers are looking to the brands that they trust, and are loyal to, to provide them some relief as well. I strongly believe that the transformative business created by the merging of Aimia's rich loyalty heritage and Kognitiv's unique peer-to-peer collaborative business model can provide some of those answers for both customers and their consumers. Our transformative business will drive improved yield for our customers, richer rewards for their consumers and create a genuine personalized relationship between them that will truly deepen loyalty. We plan to redefine the loyalty market and, with this unique combination of expertise, customer relationships and unique business model, we're confident we can do just that."

Jefferies LLC served as financial advisor to Aimia Inc. and Kognitiv in connection with the transaction. The Board of Directors of Aimia has received a fairness opinion from Clarus Securities, which states that the consideration to be received by Aimia pursuant to the Transaction is fair, from a financial point of view, to the shareholders of Aimia.

LEAN, DEBT-FREE, CASH-RICH HOLDING COMPANY STRUCTURE

Aimia's reconstituted board has worked with management to significantly reduce corporate costs. As a result of decisions recently implemented, Aimia now has an annualized operating expense run-rate of \$15 million for 2020, as compared to \$27 million in 2019. This dramatically improved cost structure enables the company to administer and execute its core strategy as an investment holding company with no debt, and a much leaner operational structure. After completing the Loyalty Solutions merger, Aimia will own 49% of the newly merged Kognitiv, 49% of its joint venture with Aeroméxico (Premier Loyalty & Marketing ("PLM"), operating as Club Premier), 20% of its joint venture with AirAsia, BigLife, 100% of Mittleman Brothers LLC and retains over \$265 million in cash and liquid investments. The number of full time employees at Aimia will drop from 450 to 20, as operations shift to the newly merged Kognitiv business.

Charles Frischer, Chairman of the Board, commented, "This is an exciting day for Aimia stakeholders. We have assembled a world-class board of directors to execute our new strategy, each of whom has purchased Aimia stock in the open market, to oversee our new

management team's efforts to create significant value for Aimia's stakeholders. We have successfully executed major cost reductions and restructuring that allows us to move forward as a lean organization focused entirely on creating value. The Loyalty Solutions/Kognitiv merger is the first example of how we plan on unlocking value at Aimia and expect to help shepherd this exciting merger to what we hope will be a successful liquidity event. The MB acquisition provides accretive cash flow benefits, and allows Aimia to appoint Philip Mittleman, a highly capable CEO, to implement our new corporate strategy, and adds the expertise of Chris Mittleman in helping to identify targets for successful deployment of our cash."

AIMIA FORMS INVESTMENT COMMITTEE

As previously announced, Aimia's board of directors has formed an ad hoc Investment Committee consisting of Charles Frischer, Philip Mittleman, Michael Lehmann (Chairman), and Jordan Teramo to oversee the company's investments. Chris Mittleman will be added to this committee upon the closing of the Mittleman Brothers transaction. Members of the ad hoc Investment Committee are highly skilled in capital allocation with decades of experience as professional investment managers with discernible track records of success.

ACQUIRES INVESTMENT MANAGER MITTLEMAN BROTHERS, LLC

In an accretive transaction, Aimia has signed a definitive agreement to acquire Mittleman Brothers LLC ("MB"). Mittleman Brothers LLC owns Mittleman Investment Management, LLC ("MIM"), an SEC-registered investment adviser that provides discretionary portfolio management to institutional investors and high-net-worth individuals. Mittleman Brothers LLC is a well-respected value investor with a Composite track record that ranks in the top 1% of Informa Investment Solutions' PSN Global Equity Universe over the last 17-years ending 12/31/19*. The purchase price consists of US \$5 million in cash and 4 million shares of Aimia stock, of which 2,667,667 shares are held back for earnout and performance related targets, namely a significant increase in MIM's assets under management and/or Aimia's share price trading at a weighted average of C \$6.00/share or higher over a consecutive 20 day trading period. All shares received by Philip and Christopher Mittleman as consideration for the acquisition will be subject to five year lockup agreements. Christopher Mittleman will become Chief Investment Officer and will join Aimia's Board of Directors and its ad hoc investment committee upon closing of the transaction.

"The platform and expertise that the Mittleman Brothers acquisition brings to Aimia will give us additional capabilities that we need to execute our new strategy, supported by a successful ongoing business with a positive cash flow," stated Charles Frischer, "Our board of directors is particularly pleased by the high degree of alignment between the principles of the Mittleman Brothers team and our long-term, value creation approach."

The Strategic Review Committee, comprising independent directors, unanimously recommended that Aimia's Board of Directors approve the acquisition of MB. The committee obtained a fairness opinion from an independent investment dealer that the consideration to be paid by Aimia for MB is fair, from a financial point of view, to Aimia. Aimia's Board of Directors has unanimously approved the transaction with the conflicted directors abstaining. Aimia's acquisition of MB is subject to due diligence and customary closing conditions.

**Informa Investment Solutions' PSN is an investment manager database that serves as an objective, third-party supplier of information. Performance and peer group comparisons are represented gross of investment management fees. Rankings are not a guarantee of future results.*

About Aimia

Aimia Inc. (TSX: AIM) operates a loyalty solutions business, which is a well-recognized, global full-service provider of next-generation loyalty solutions for many of the world's leading brands in the retail, CPG, travel & hospitality, financial services and entertainment verticals.

Aimia is focused on growing earnings through its existing business and investments, including the Club Premier program in Mexico, which it jointly controls with Aeromexico through its investment in PLM, and an investment alongside Air Asia in travel technology

company BIGLIFE, the operator of BIG Loyalty.

For more information about Aimia, visit corp.aimia.com.

Forward-Looking Statements

This press release contains statements that constitute "forward-looking information" within the meaning of Canadian securities laws ("forward-looking statements"), which are based upon our current expectations, estimated, projections, assumptions and beliefs. All information that is not clearly historical in nature may constitute forward-looking statements. In some cases, forward-looking statements are typically identified by the use of terms such as "outlook", "guidance", "target", "forecast", "assumption" and other similar expressions or future or conditional terms such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and "should". Forward-looking statements in this presentation include, but are not limited to, statements with respect to our current and future plans, expectations and intentions, results, level of activity, performance, goals and achievements (including of our equity investments), the anticipated benefits of the proposed transactions with Kognitiv and Mittleman Brothers LLC, including expected revenue synergies, cost synergies and the pro forma financial impact on the combined businesses resulting therefrom, and the completion and timing of the transactions.

Forward-looking statements, by their nature, are based on assumptions and are subject to known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts projections and other forward-looking statement will not occur. The forward-looking statements in this press release speak only as of the date hereof and reflect several material factors, expectations and assumptions, including a number of economic and market assumptions, assumptions relating to the expected benefits to be realized from the transaction with Mittleman Brothers and synergies to be realized from the transaction with Kognitiv, as well as assumptions regarding currencies and the performance of the economies in which the company operates and market competition and tax laws applicable to the company's operations. The company cautions that the assumptions used to prepare the above guidance, although reasonable at the time they were made, may prove to be incorrect or inaccurate. In addition, the guidance does not reflect the potential impact of any non-recurring or other special items or of any new material commercial agreements, dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after April 29, 2020. The financial impact of these transactions and non-recurring and other special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we presently know about the risks affecting our business. Accordingly, our actual results could differ materially from our expectations as set forth in this presentation.

Undue reliance should not be placed on any forecasts, predictions or forward-looking statements as these may be affected by, among other things, changing external events and general uncertainties of the business and its corporate structure. Results indicated in forward-looking statements may differ materially from actual results for a number of reasons, including without limitation, failure of the proposed amalgamation of Aimia's Loyalty Solutions and ISS businesses (together, "Aimia Loyalty Solutions") with Kognitiv and the proposed acquisition of Mittleman Brothers LLC being completed on the contemplated terms and in a timely manner or at all, failure to realize the anticipated benefits from the transactions with Kognitiv and/or Mittleman Brothers, the execution of the strategic plan, investment risks, including in connection with how and when to deploy and invest Aimia's considerable cash and other liquid assets, investment partnerships risks, reliance on key personnel, market price and trading volume of the common shares and preferred shares, passive foreign investment company risk, industry competition, failure to protect intellectual property rights, technological disruptions and inability to use third-party software and outsourcing, regulatory matters - privacy, failure to safeguard databases, cyber security and consumer privacy, uncertainty of dividend declarations and/or payments on either common shares or preferred shares, tax losses, business and industry disruptions related to natural disasters, security issues and global health crises particularly as they might affect the airline, travel and hospitality sectors, airline industry changes and increased airline costs, foreign operations, interest rate and currency fluctuations, retail market/economic conditions, legal proceedings, audit by tax authorities, as well as the other factors identified throughout this news release and throughout Aimia's public disclosure records on file with the Canadian securities regulatory authorities. A discussion of the material risks applicable to us can be found in our current Management and Discussion and Analysis and Annual Information Form, each of which have been or will be filed on

SEDAR and can be accessed at www.sedar.com. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and we disclaim any intention and assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Certain of the information contained in this press release concerning economic trends and performance and market and industry data is based upon or derived from information provided by third party consultants and other industry or government sources. We neither guarantee the accuracy of such information nor have we independently verified the assumptions upon which projections of future trends and performance are based. This information and data is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market or industry data. As a result, readers should be aware that any such information and data set forth in this presentation, and estimates and beliefs based on such information and data, may not be reliable. This presentation includes third party logos and trademarks, which are the property of such third parties.

Unless otherwise indicated or the context otherwise requires, all references to "\$" and "dollars" in this presentation are to Canadian dollars.

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