



(All figures in millions of Canadian dollars unless otherwise noted)

AIMIA REPORTS FOURTH QUARTER 2020 RESULTS

Toronto, March 25, 2021 – Aimia Inc. (TSX: AIM) reported its financial results for the three months and year ended December 31, 2020.

Q4 2020 Highlights (with comparisons to Q4 2019 except as otherwise noted):

- Aimia's expenses declined by 20.3% to \$5.9 million.
- PLM generated net earnings of \$26.1 million, adjusted EBITDA of \$11.5 million, and cash flow from operating activities of \$25.1 million despite COVID-19 related decline in air travel.
- Aimia repurchased 1.4 million common shares under the normal course issuer bid (NCIB) for \$5.6 million at an average cost of \$3.92 after fees.
- Clear Media continued path towards privatization, reported Q4 2020 revenues slightly ahead of last year.
- The company generated a \$5.9 million tax-sheltered gain from tendering into the improved takeover bid for Village Roadshow.
- Aimia committed to an initial \$6.4 million (US\$5.0 million) investment in a special purpose vehicle created to pursue a leveraged buyout of a target company, with the option to increase its ownership to 25% of the target in the event the leveraged buyout is consummated.

Subsequent to the end of the quarter:

- PLM distributions resumed and Aimia received \$9.8 million (US\$7.9 million) in the first quarter of 2021.
- Aimia entered into a binding Memorandum of Understanding with AirAsia Group Berhad ("AirAsia") (AAGB.MK) to sell its 20% equity stake in AirAsia's loyalty company, BIGLIFE, for \$31.4 million (US\$25.0 million) to be satisfied by 85.86 million new publicly traded ordinary shares of AirAsia representing a gain of approximately \$13 million based on the carrying value of the investment at December 31, 2020 and at current AirAsia share pricing.
- Aimia participated in the second tranche of AirAsia's private placement, subscribing for 35.61 million new ordinary shares for \$9.4 million (US\$7.5 million) at RM0.865 per share.
- Kognitiv entered into a sales transaction and partnership agreement with industry leader IRI, in which IRI has acquired the Intelligent Shopper Solutions (ISS) business from Kognitiv, as well as formed an innovation and marketing partnership to explore new revenue-generating initiatives that leverages Kognitiv's collaborative commerce technology platform. The terms of the transaction were not disclosed.

Q4 2020 financial highlights – continuing operations, unless otherwise noted:

HIGHLIGHTS	Three Months Ended December 31,		
<i>(in millions of Canadian dollars, except per share amounts)</i>	2020	2019	YoY % Change
<u>Continuing operations</u> ⁽¹⁾			
Income	10.2	19.0	-46.3%
Expenses	5.9	7.4	-20.3%
Earnings before income taxes	4.3	11.6	-62.9%
Net earnings	3.0	9.9	-69.7%
Earnings per Common Share	-	0.24	**
Distributions received from PLM	-	4.8	**
Cash used in Operating Activities	(14.9)	(7.4)	**
<u>Consolidated</u>			
Net earnings	1.9	4.9	-61.2%
Earnings per Common Share	(0.01)	0.20	**
Cash used in Operating Activities	(12.5)	(12.1)	-3.3%

** Information not meaningful

1. Continuing operations refers to consolidated results excluding discontinued operations.

This quarterly earnings release should be read in conjunction with Aimia's consolidated financial statements and MD&A which can be accessed on SEDAR as well as the company's website.

Phil Mittleman, Chief Executive Officer, commented: "2020 was a transformative year for Aimia, as evidenced by the significant progress made in executing on our new strategy as a holding company and the many exciting developments in our various holdings. Our repurchase of 4.4 million shares under the company's NCIB, and management and director's purchases of over 1.4 million shares in the open market during a tumultuous year, demonstrate our unwavering confidence in Aimia's value and future prospects. 2021 is shaping up to be very promising, and we remain focused on delivering lasting value for Aimia stakeholders."

Segment Highlights for Q4 2020

With effect from Q2 2020, Aimia operates two reportable segments: Holdings and Investment Management.

The Holdings segment includes Aimia's equity-accounted investments in PLM, Kognitiv, BIGLIFE and fair-value investments in Clear Media Limited, a special purpose vehicle, and a portfolio of various public securities. Also included are holding company operating costs related to public company disclosure and Board costs, executive leadership, finance and administration.

The Investment Management segment consists of the discretionary portfolio management services provided to institutional investors and high net worth individuals, currently operated under Mittleman Investment Management, LLC.

Holdings segment results

During the fourth quarter of 2020, total income was \$9.8 million, down from \$19.0 million in the same quarter last year, mostly due to a lower share of net earnings of equity-accounted investments.

Expenses were \$4.8 million, down from \$7.4 million in the same quarter last year, driven mostly by reduced technology spend and other office expenses benefitting from \$1.5 million in technology and rent credits, lower severance and stock-based compensation and other compensation awards.

Investment Management segment results

During the fourth quarter of 2020, revenue from investment management fees were \$0.4 million and loss before income taxes was \$(0.7) million.

Assets under management were \$230.3 million (US\$180.2) million as of December 31, 2020, a 14.3% improvement over the prior quarter of \$201.4 million (US\$150.5) million due to strong performance in the MIM portfolio as a result of a rebound in its value-oriented investment strategy.

Equity-accounted Investment Performance Summary

PLM

Our 48.9% equity stake in PLM, owner and operator of Club Premier, the coalition loyalty program in Mexico that operates the Aeromexico frequent flyer program, delivered the following financial results for the three and twelve months ended December 31, 2020. A detailed analysis of its financial performance is available in the MD&A:

PLM operating metric (millions)	Q4	Q4	FY	FY
	2020	2019	2020	2019
Enrolled members	7.0	6.7	7.0	6.7
PLM financial metric (millions of Canadian dollars)	Q4	Q4	FY	FY
	2020	2019	2020	2019
Revenue	46.7	89.7	188.7	332.7
Net earnings	26.1	29.2	30.2	71.4
Gross Billings	48.5	94.7	197.5	363.1
Adjusted EBITDA ⁽¹⁾⁽²⁾	11.5	28.7	50.7	112.6
Cash from (used in) operating activities ⁽³⁾	25.1	12.7	(41.9)	113.4
Free Cash Flow ⁽¹⁾⁽³⁾	23.4	12.2	(44.1)	112.3
Cash and cash equivalents ⁽⁴⁾	85.3	114.3	85.3	114.3

1. A non-GAAP measurement. Non-GAAP financial measures are defined and reconciled to the most comparable IFRS measures in our MD&A. See caution regarding Non-GAAP financial measures in our earnings release.
2. Q4 2020 includes the impact of \$2.3 million (US\$1.7 million) provision on certain Aeromexico unsecured receivables and FY 2020 includes the impact of \$9.9 million (US\$7.3 million) provision on certain Aeromexico unsecured receivables.
3. FY 2020 includes the impact of \$69.3 million (US\$50.0 million) pre-payment of award tickets in Q2 2020.
4. As of December 31, 2020, PLM had a \$63.9 million (US\$50.0 million) intercompany loan balance excluding interest with Aeromexico and \$60.2 million (US\$47.1 million) pre-payment of award tickets. As of December 31, 2019, PLM had a \$111.1 million (US\$85.0 million) intercompany loan balance excluding interest with Aeromexico.

KOGNITIV

As of December 31, 2020, Aimia owned a 48.9% stake in Kognitiv, a B2B technology growth company that enables collaborative commerce for global clients across the financial services, media, telecom, hospitality and retail sectors. Clients including banks, major retailers, and loyalty program providers can now collaborate in safe, peer-to-peer networks with hotels, airlines and other industries with perishable inventory, to increase their yield on assets, significantly reduce distribution costs, and leverage zero-party data to create hyper-personalized offers that drive customer lifetime value.

The table below summarizes the performance of Kognitiv for the three and twelve months ended December 31, 2020. A detailed analysis of its performance is available in the MD&A:

Kognitiv (Millions of Canadian dollars)	Q4	Q4	FY	FY
	2020	2019	2020	2019
Revenue ⁽¹⁾	23.9	-	53.1	-
Net loss ⁽¹⁾	(14.2)	-	(22.9)	-
Adjusted EBITDA ⁽¹⁾⁽²⁾	(9.5)	-	(16.3)	-

1. Aimia closed the Kognitiv transaction on June 18, 2020. The above results for FY 2020 are from June 19, 2020 to December 31, 2020.
2. A non-GAAP measurement. Non-GAAP financial measures are defined and reconciled to the most comparable IFRS measures in our MD&A. See caution regarding Non-GAAP financial measures in our earnings release.

Transaction with IRI: As announced on March 18, 2021, Kognitiv entered into a sales transaction and partnership agreement with IRI, a global leader in innovative solutions and services for consumer, retail and media companies. IRI acquired Intelligent Shopper Solutions (ISS), a leading retail consumer insight provider that enables collaboration between retailers and suppliers, from Kognitiv for undisclosed terms.

Through the partnership agreement, IRI and ISS will explore opportunities for IRI's retailer clients to leverage Kognitiv's unique Platform-as-a-Service to scale their partnerships, connect peer-to-peer and deliver new value to consumers through hyper-personalized experiences within their ecosystem.

Leadership Team Update: Kognitiv announced the additions of a new President, Shawn Pearson, and CFO, Julia Wehmeyer, both of whom possess expertise in building commercial scale and high-performing teams, as well as capital market experience, positioning Kognitiv for a successful future.

BIGLIFE

On March 22, 2021, Aimia announced that it has entered into a binding Memorandum of Understanding with AirAsia to sell its 20% equity stake in AirAsia's loyalty company, BIGLIFE, for a consideration of \$31.4 million (US\$25.0 million) to be satisfied by 85.86 million new publicly traded ordinary shares of AirAsia (AAGB.MK), representing an approximate equity stake of 2.2% of AirAsia's existing issued shares. The transaction is subject to the execution of definitive documentation and AirAsia's shareholders' approval which is expected to occur before end of May 2021.

Subsequent to the end of the fourth quarter of 2020, Aimia participated in the second tranche of a private placement of new ordinary shares in AirAsia, subscribing for 35.61 million new ordinary shares for \$9.4 million (US\$7.5 million).

In total, Aimia will hold 121.47 million new ordinary shares for an approximate 3.1% equity stake in AirAsia upon completion of the BIGLIFE transaction.

Balance sheet

As of December 31, 2020, the company had cash and cash equivalents of \$146.1 million, no debt, and tax losses of \$713.9 million, of which \$399.5 were capital tax losses, and the remainder were operating tax losses in the U.S. (\$212.6 million), Canada (\$86.9 million), and the U.K. (\$14.9 million).

Aligned with the new corporate strategy, the company's investment committee will seek opportunities to deploy the company's cash towards the acquisition of free cash flow generative businesses in diverse industries.

Returns to Shareholders

Normal Course Issuer Bid (NCIB)

On June 8, 2020, Aimia announced the establishment of a NCIB to repurchase for cancellation up to 6.98 million common shares during the period from June 10, 2020 to no later than June 9, 2021.

During the fourth quarter of 2020, Aimia repurchased 1.4 million shares at an average cost per share after fees of \$3.92, for a total cost of \$5.6 million. On a full year basis, shares repurchased totalled 4.4 million shares at an average cost per share after fees of \$3.31, for a total cost of \$14.6 million.

With approximately 2.5 million shares remaining for repurchase under the NCIB, the company believes its shares are undervalued and opportunistic buybacks can deliver attractive returns to stakeholders.

Dividends

Dividends of \$3.2 million were paid on December 31, 2020 on the two series of outstanding preferred shares in respect of the fourth quarter of 2020. At the end of the fourth quarter of 2020, there were 9.4 million preferred shares outstanding comprised of 5.1 million Series 1 preferred shares and 4.3 million Series 3 preferred shares.

On March 19, 2021, the Board of Directors declared a quarterly dividend in respect of its two series of preferred shares for the first quarter of 2021. Dividends on the Series 1 and Series 3 preferred shares will be payable on March 31, 2021, to shareholders of record at the close of business on March 26, 2021.

Quarterly Conference Call and Audio Webcast Information

Aimia will host a conference call to discuss its fourth quarter 2020 financial results at 8:30 a.m. EST on March 25, 2021. The call will be webcast at:

https://produceredition.webcasts.com/starthere.jsp?ei=1414483&tp_key=3be62be68e

A slide presentation intended for simultaneous viewing with the conference call and an archived audio webcast will be available for 90 days following the original broadcast available at: <https://www.aimia.com/investor-relations/events-presentations/>

Aimia's fourth quarter 2020 Financial Statements, Management Discussion & Analysis, and Financial Highlights Presentation will be filed on SEDAR around 7:00 a.m. EST on March 25, 2021 available [here](#), as well as on the company's investor relations website accessible [here](#).

This earnings release was reviewed by Aimia's Audit Committee and was approved by the company's Board of Directors, on the Audit Committee's recommendation, prior to its release.

Appendix

The highlights for the years ended December 31, 2020, are as follows:

HIGHLIGHTS <i>(in millions of Canadian dollars, except per share amounts)</i>	Years Ended December 31,		
	2020	2019	YoY % Change
<u>Continuing operations</u>⁽¹⁾			
Income	14.3	127.3	-88.8%
Expenses	24.5	43.0	-43.0%
Earnings (loss) before income taxes	(10.2)	84.3	**
Net earnings (loss)	(15.1)	65.1	**
Earnings (loss) per Common Share	(0.30)	0.54	**
Distributions received from PLM	18.3	35.3	-48.2%
Cash used in Operating Activities	(31.4)	(21.0)	-49.5%
<u>Consolidated</u>			
Net earnings (loss)	(4.1)	1,112.4	**
Earnings (loss) per Common Share	(0.18)	8.80	**
Cash used in Operating Activities	(32.0)	(117.9)	72.9%

** Information not meaningful

1. Continuing operations refers to consolidated results excluding discontinued operations.

About Aimia

Aimia Inc. (TSX: AIM) is a holding company with a focus on long-term investments in public and private companies, on a global basis, through controlling or minority stakes.

The company operates an investment advisory business through its wholly-owned subsidiary Mittleman Investment Management, LLC, and owns a diversified portfolio of valuable investments including a 48.9% equity stake in PLM Premier, S.A.P.I. de C.V. (PLM), owner and operator of Club Premier, the coalition loyalty program in Mexico that operates the Aeromexico Frequent Flyer program, a 48.9% equity stake in Kognitiv, a B2B technology growth company enabling collaborative commerce, a 20.0% equity stake in BIGLIFE, the operator of BIG Rewards, one of the largest loyalty programs across Asia, a 10.85% stake in Clear Media Limited (100.HK), one of the largest outdoor advertising firms in China, as well as minority stakes in a portfolio of public company securities.

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

Non-GAAP Financial Measures

Following the Corporation strategic update, Aimia does not present Non-GAAP financial measures for its consolidated results. However, in order to complement the analysis of the financial performance of its investments, certain Non-GAAP measures are presented. A reconciliation to these investments' most comparable GAAP measure is provided in our MD&A section – "Non-GAAP Financial Measures for Investments".

PLM Adjusted EBITDA

Adjusted EBITDA for PLM ("PLM Adjusted EBITDA") is earnings before net financial income (expense) and net income tax expense adjusted to exclude depreciation, amortization and impairment charges related to non-financial assets, as well as adjusted for certain factors particular to PLM, such as changes in deferred revenue and Future Redemption Costs. Change in deferred revenue is calculated as the difference between Gross Billings and revenue recognized, including recognition of Breakage. Future Redemption Costs represent management's estimated future cost of rewards in respect of Loyalty Units sold which remain outstanding and unbroken at the end of any given period. Future Redemption Costs are revalued at the end of any given period by taking into account the most recently determined average unit cost per Loyalty Unit redeemed for that period (cost of rewards / Loyalty Units redeemed) and applying it to the total Unbroken Loyalty Units outstanding at the end of that period. As a result, Future Redemption Costs and the change in Future Redemption Costs must be calculated at the end of any given period and for that period. The simple addition of sequential inter-period changes to arrive at a cumulative change for a particular period may result in inaccurate results depending on the fluctuation in the Average Cost of Rewards per Loyalty Unit redeemed for the period in question. PLM Adjusted EBITDA is not a measurement based on GAAP, is not considered an alternative to net earnings in measuring profitability, and is not comparable to similar measures used by other issuers. Aimia and PLM's management do not believe that PLM Adjusted EBITDA has an appropriate directly comparable GAAP measure. However, a reconciliation to earnings before net financial income (expense) and net income tax expense is provided in our MD&A section "Non-GAAP Financial Measures for Investments". PLM Adjusted EBITDA is used by Aimia and PLM's management to evaluate performance. Aimia and PLM's management believe PLM Adjusted EBITDA assists investors in comparing PLM's performance on a consistent basis without regard to depreciation and amortization and impairment charges related to non-financial assets, which are non-cash in nature and can vary significantly depending on accounting methods, and non-operating factors such as historical cost.

Kognitiv Adjusted EBITDA

Adjusted EBITDA for Kognitiv ("Kognitiv Adjusted EBITDA") is earnings before net financial income (expense) and net income tax expense adjusted to exclude depreciation, amortization, shared-based compensation, restructuring expenses, business acquisition related expenses and impairment charges related to non-financial assets. Adjusted EBITDA also includes distributions and dividends received or receivable from equity accounted investments. Kognitiv Adjusted EBITDA is not a measurement based on GAAP, is not considered an alternative to net earnings in measuring profitability, does not have a standardized meaning and is not comparable to similar measures used by other issuers. A reconciliation to earnings before net financial income (expense) and net income tax expense is provided in our MD&A section – "Non-GAAP Financial Measures for Investments". Kognitiv Adjusted EBITDA is used by Aimia and Kognitiv's management to evaluate performance. Aimia and Kognitiv's management believes Adjusted EBITDA assists investors in comparing Kognitiv's performance on a consistent basis excluding depreciation, amortization, impairment charges related to non-financial assets, share-based compensation, which are non-cash in nature and can vary significantly depending on accounting methods as well as non-operating factors such as historical cost. Aimia and Kognitiv's management believe that the inclusion of distributions and dividends received or receivable from equity-accounted investments in Adjusted EBITDA assists investors by adding a performance indicator representative of earnings from equity-accounted investments accessible to Kognitiv. Aimia and Kognitiv's management believes that the exclusion of restructuring and business acquisition related expenses assists investors by excluding expenses that are not representative of the run-rate cost structure of Kognitiv.

Forward-Looking Statements

Forward-looking statements are included in this press release. These forward-looking statements are identified by the use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “will”, “would” and “should”, and similar terms and phrases, including references to assumptions. Such statements may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions. Forward-looking statements, by their nature, are based on assumptions and are subject to important risks and uncertainties. Any forecasts, predictions or forward-looking statements cannot be relied upon due to, 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, 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, risks and uncertainties related to Aimia’s investment in PLM arising from Aeromexico’s Chapter 11 filings, 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, holding company liquidity risk, investment partnerships risks, airline industry changes and increased airline costs, reliance on key personnel, market price and trading volume of the common shares and preferred shares, uncertainty of dividend declarations and/or payments on either common shares or preferred shares, passive foreign investment company risk, limitations on utilization of tax losses, technological disruptions and inability to use third-party software and outsourcing, regulatory matters related to privacy, foreign operations, interest rate and currency fluctuations, legal proceedings, audit by tax authorities, as well as the other factors identified throughout Aimia’s public disclosure records on file with the Canadian securities regulatory authorities. The forward-looking statements contained herein represent Aimia’s expectations as of March 24, 2021 and are subject to change after such date. However, Aimia disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

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