AIMIA

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three and six months ended June 30, 2023 and 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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Aimia Inc. (together with its direct and indirect subsidiaries, where the context requires, “Aimia” or the “Corporation”) was incorporated on May 5, 2008 under the laws of Canada.

The following management's discussion and analysis of financial condition and results of operations (the “MD&A”) presents a discussion of the financial condition and results of operations for Aimia. The MD&A is prepared as at August 10, 2023 and should be read in conjunction with the accompanying condensed interim consolidated financial statements of Aimia for the three and six months ended June 30, 2023 and the notes thereto, the audited consolidated financial statements of Aimia for the year ended December 31, 2022 and the notes thereto, and the Annual Information Form dated March 15, 2023. The earnings and cash flows of Aimia are affected by certain risks. For a description of those risks, please refer to the *Risks and uncertainties affecting the business* *section.*

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains statements that constitute "forward-looking information" within the meaning of Canadian securities laws ("forward-looking statements"), which are based upon our current expectations, estimates, projections, assumptions and beliefs. All information that is not clearly historical in nature may constitute forward-looking statements. Forward-looking statements are typically identified by the use of terms or 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.

Forward-looking statements in this MD&A include, but are not limited to, statements with respect to Aimia's current and future strategic initiatives, investment opportunities and use of cash; Aimia’s ability to source and execute on acquisitions on terms acceptable to it; the partnership with Paladin, including the Paladin’s options and crystallization events; the Bozzetto related financing (including any drawdowns under the credit facilities); the put option granted to Bozzetto’s management; the deferred consideration in connection with the acquisition of Tufropes to cover working capital adjustments and potential claims related to the transition services agreement with the sellers; the notes Aimia holds in Kognitiv; Kognitiv’s investment and partnership opportunities to optimize alternative travel assets; the series of initiatives undertaken by Kognitiv to reduce costs and drive efficiency; Kognitiv’s growth initiatives; the growth of Kognitiv’s EBITDA; the ability of Kognitiv to secure additional sources of financing as necessary; the A&R Note with respect to TRADE X; the sale of a certain TRADE X subsidiary; the warrants granted by TRADE X to Aimia; the bridge loan made by Aimia to TRADE X; the growth of TRADE X; the ability of Capital A to comply with any part of its obligations to regularize its condition within the timeframes permitted by Bursa Securities, including the submission of its regularization plan to address its financial condition; the impacts of COVID-19 on Clear Media and their mitigation by Clear Media; the future developments regarding the wind down of Mittleman Investment Management (and of Precog Capital Partners L.P.); Aimia’s annualized holding company cash expenses going forward; the outcome of the contested matters with the CRA and Revenu Québec and other litigated matters; the indemnification obligations in connection with the PLM transaction; payment of dividends.

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 forward-looking statement will not occur. The forward-looking statements in this MD&A speak only as of the date hereof and reflect several material factors, expectations and assumptions. While Aimia considers these factors, expectations and assumptions to be *reasonable, actual events or results could differ materially from the results, predictions, forecasts, conclusions or projections expressed or implied in the forward-looking statements. Undue reliance should not be placed on any predictions or forward-looking statements as these may be affected by, among other things, changing external events and general uncertainties of the business. A discussion of the material risks applicable to us can be found in the section entitled Risks and uncertainties affecting the business of this MD&A. Aimia cautions that the list of risk factors included in this Management Discussion and Analysis is not exhaustive. 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 assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THIS MD&A CONTAINS THE FOLLOWING SECTIONS:

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Aimia was incorporated on May 5, 2008 under the *Canada Business Corporations Act*. The registered and head office of Aimia is located at 176 Yonge Street, 6th floor, Toronto, Ontario, M5C 2L7.

The Corporation is a holding company with a focus on making long-term investments in public and private companies, on a global basis, through controlling or minority stakes.The Corporation targets companies with durable economic advantages evidenced by a track record of substantial free cash flow generation over complete business cycles, strong growth prospects, and guided by strong, experienced management teams. Headquartered in Toronto, Canada, Aimia is positioned to invest in any sector, wherever a suitable opportunity can be identified worldwide. In addition, the Corporation seeks investments that may efficiently utilize the company's operating and capital loss carry-forwards to further enhance stakeholder value.

On May 9, 2023, Aimia completed the acquisition of a 93.94% interest in Giovanni Bozzetto S.p.A. ("Bozzetto"), a provider of specialty sustainable chemicals, offering sustainable textile, water and dispersion chemical solutions with applications in several end-markets including the textile, home and personal care, plasterboard and agrochemical markets. Refer to the *Q2 2023 Highlights* section for complete details on the Bozzetto acquisition.

The company also owns a portfolio of investments which include: 100% ownership of Tufropes which was acquired on March 17, 2023, a global leader in the manufacturing of high performance synthetic fiber ropes and netting solutions for global aquaculture, maritime, and other various industrial customers, a 10.85% stake in Clear Media Limited, one of the largest outdoor advertising firms in China, a 48.9% equity stake in Kognitiv, a B2B global SaaS company inspiring customer loyalty through data-driven personalization, a 11.9% equity stake in TRADE X, a global B2B cross-border automotive trading platform as well as a wholly owned investment advisory business, Mittleman Investment Management, LLC. The Corporation has decided to wind down the operations of MIM starting April 14, 2023.

On July 11, 2023, Aimia announced that its Tufropes business had acquired Cortland Industrial, LLC ("Cortland") from Enerpac Tool Group Corp. Cortland is a leading global designer, manufacturer, and supplier of technology-driven synthetic ropes, slings and tethers to the Aerospace & Defense, Marine, Renewables, and other diversified industrial end markets. Refer to the *Q2 2023 Highlights* section for more details.

Segmented Information

Aimia, through its own operations and those of its subsidiaries, operates three reportable and operating segments, namely, Bozzetto, Tufropes and Holdings. Following the Bozzetto and Tufropes acquisitions and the decision to wind-down the operations of MIM starting April 14, 2023, the Corporation now reports the results of MIM, which were previously reported as a separate segment in the previous year, under the Holdings segment. As a result of those changes, the comparative information has been restated to conform with the new segmentation.

Bozzetto

The Bozzetto segment includes the results of Bozzetto from its acquisition on May 9, 2023, as well as other expenses that relate to its acquisition, including transaction costs, the Paladin option expense and the Paladin carried interest expense. Bozzetto is a provider of specialty sustainable chemicals, offering sustainable textile, water and dispersion

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

chemical solutions with applications in several end-markets including the textile, home and personal care, plasterboard and agrochemical markets.

Tufropes

The Tufropes segment includes the results of Tufropes from its acquisition on March 17, 2023 as well as other expenses that relate to its acquisition, including transaction costs, the Paladin option expense and the Paladin carried interest expense. Tufropes is a global manufacturer of high-performance synthetic fiber ropes and netting solutions for the aquaculture and maritime sectors, as well as other diversified industrial end markets.

Holdings

The Holdings segment includes Aimia's investments in Clear Media Limited, Kognitiv, TRADE X, MIM as well as minority investments in various public company securities and limited partnerships. Holdings also includes central operating costs, including costs related to public company disclosure and Board costs, executive leadership, legal, finance and administration. Prior to its disposal on July 15, 2022, the results associated with Aimia's 48.9% investment in PLM were included in the Holdings segment.

SUBSIDIARIES AND INVESTMENTS IN PRIVATE EQUITY INSTRUMENTS, ASSOCIATES AND JOINT ARRANGEMENTS

The table below summarizes Aimia's main subsidiaries and investments in private equity instruments, associates and joint arrangements at June 30, 2023:

Name	Nature of business	Nature of investment	Reporting segment	Place of business	% of ownership interest	Measurement method
Bozzetto	Specialty sustainable chemicals	Subsidiaries	Bozzetto	Worldwide	93.94 [(a)]	Consolidation
Tufropes	Synthetic fiber ropes and netting solutions	Subsidiaries	Tufropes	Worldwide	100 [(b)]	Consolidation
Kognitiv	B2B Loyalty	Associate	Holdings	Worldwide	48.9	Equity [(d)]
Clear Media Limited [(c)]	Outdoor advertising	Equity instrument	Holdings	China	10.85	Fair value
TRADE X	B2B automotive cross-border trading platform	Equity instruments and convertible note	Holdings	Worldwide	11.9	Fair value

(a) Bozzetto's executive management owns 6.06% of Bozzetto. Moreover, Paladin collaborated with Aimia on this acquisition. Within one year of closing, Paladin has the option to purchase a minimum of 10.0% and a maximum of 19.9% of Aimia's investment in Bozzetto. Paladin is also entitled to a carried interest of up to 20% after a 8% preferred return to Aimia. Refer to the *Q2 2023 Highlights* section for more details.

(b) Paladin collaborated with Aimia on this acquisition. Within one year of the Bozzetto acquisition closing date (originally the Tufropes acquisition closing date), Paladin has the option to purchase a minimum of 10.0% and a maximum of 19.9% of Tufropes. Paladin is also entitled to a carried interest of up to 20% after a 8% preferred return to Aimia. Refer to the *Other 2023 Highlights* section for more details.

(c) Following the acceptance of the share alternative by the Corporation and the privatization of Clear Media Limited, Aimia has a 10.85% stake in Ever Harmonic Global Limited., which wholly-owns Clear Media.

(d) The Corporation also has an investment in a secured subordinated convertible note of Kognitiv. The investment in the convertible notes is measured at fair value.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Q2 2023 HIGHLIGHTS

BUSINESS ACQUISITION - BOZZETTO

On March 6, 2023, Aimia announced that it had signed a definitive agreement to acquire substantially all of the issued and outstanding shares of Giovanni Bozzetto S.p.A. ("Bozzetto") from Chequers Capital and other minority shareholders. Bozzetto is a provider of specialty chemicals, manufacturing proprietary chemicals to service its core textile, water solutions, and dispersion end markets.

The transaction closed on May 9, 2023. The purchase consideration for the 93.94% equity stake acquired by Aimia was approximately $257.8 million (€175.5 million) payable at closing in cash. Bozzetto's executive management team purchased the remaining equity stake, representing 6.06%, for $16.6 million (€11.3 million).

The Corporation financed the purchase consideration on the acquisition closing date as well as the costs of the acquisition of $12.4 million (€8.4 million) and the repayment of Bozzetto's previous senior debt of $83.9 million (€57.1 million) using a combination of cash on hand and an amount drawn from a new financing at the subsidiary level in the amount of $139.5 million (€95.0 million). The transaction costs paid are recorded in selling, general and administrative expenses in the consolidated statements of operations.

Pursuant to the terms and conditions of Bozzetto's previous senior facilities agreement, the carrying out of the acquisition by the Corporation was determined to constitute a change of control of Bozzetto and, consequently, Bozzetto was required to repay to the lenders any outstanding amount of the loan granted under these senior facilities agreement. The repayment amounted to $83.9 million (€57.1 million) as of the acquisition date and was made using proceeds from the new financing and cash on hand.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Q2 2023 HIGHLIGHTS (continued)

Purchase price allocation

Given the timing of the closing of the acquisition, the initial accounting for the business combination is incomplete at this time. As permitted under IFRS 3, a provisional estimate of the purchase price allocation and fair values of tangible and intangible assets as well as goodwill was performed as of June 30, 2023.

Purchase price	
(in millions of Canadian dollars)	
Total Consideration fair value to allocate	**257.8**
Provisional recognized amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	38.4
Restricted cash	1.8
Accounts receivable	77.7
Income tax receivable	0.7
Inventories	43.0
Prepaid expenses	1.5
Other current assets	2.6
Equity-accounted investments	3.4
Property, Plant and Equipment	69.7
Other non-current assets	7.6
Accounts payable and accrued liabilities	(60.3)
Income tax payable	(3.5)
Lease liabilities	(6.9)
Current portion of long-term debt	(14.1)
Long-term debt	(69.2)
Post-employment benefit plan	(10.9)
Other non-current liabilities	(18.3)
Total provisional identifiable net assets (liabilities)	**63.2**
Provisional non-controlling interests [(a)]	(3.8)
Provisional goodwill and intangible assets [(b)]	198.4
Total	**257.8**

(a) The Corporation has recorded the non-controlling interests based on 6.06% of the identifiable net assets. The amount allocated to non-controlling interests is expected to increase when the purchase price allocation is finalized.

(b) The Corporation currently expects to recognize customer relationships and trade names as the main intangible assets upon the finalization of the purchase price allocation. Other intangibles could also be identified upon the finalization of the purchase price allocation.

External financing - Senior Loans

Aimia completed the Bozzetto related financing at the subsidiary level in the amount of $139.5 million (€95.0 million) at closing. The interest rate on the new senior facilities is based on the Euribor plus a margin which can vary between 3.25% and 4.75% based on Bozzetto's leverage ratio, as defined in the senior facilities agreement, and depending on how the facilities are drawn. The new financing was also subject to upfront financing fees of $6.8 million (€4.6 million) payable at closing, which were recorded as a reduction of the debt balance at inception and are amortized into

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Q2 2023 HIGHLIGHTS (continued)

earnings using the effective interest rate method. At closing of the acquisition, the cash proceeds drawn from this debt financing net of the financing costs were $132.7 million (€90.4 million). Other financing costs paid to third parties amounted to $1.3 million (€0.9 million) and were recorded as deferred financing costs.

Amounts available and drawn under the facilities as of the closing of the transaction were as follows:

	Available EUR	Drawn EUR	Drawn CAD	Maturity from drawdown
Facility A [(a)(f)]	47.5	47.5	**69.75**	5 years
Facility B [(b)(f)]	47.5	47.5	**69.75**	6 years
Capex A [(c)(f)]	12.5	—	**—**	5 years
Capex B [(d)(f)]	12.5	—	**—**	6 years
Revolver [(e)(f)]	10.0	—	**—**	5 years
Unamortized transaction costs	—	(5.5)	**(8.1)**	
Total long-term debt at issuance	**130.0**	**89.5**	**131.4**	

(a) Facility A currently bears interest at 7.825%, being the Euribor reference rate of 3.575% plus a margin of 4.25%. Facility A is subject to semi annual principal repayment starting June 2024 and semi-annual interest payments starting December 2023.

(b) Facility B currently bears interest at 8.325%, being the Euribor reference rate of 3.575% plus a margin of 4.75%. Facility B is subject to full principal repayment at the termination date in May 2029 and semi-annual interest payments starting December 2023.

(c) If drawn, Capex A will be subject to semi annual principal repayment and semi-annual interest payments as well as interest rates aligned with Facility A. Capex A is currently subject to a commitment fee of 1.4875%, based on 35% of the 4.25% margin, payable semi-annually starting December 2023.

(d) If drawn, Capex B will be subject to full principal repayment at the termination date and semi-annual interest repayments as well as interest rates aligned with Facility B. Capex B is currently subject to a commitment fee of 1.6625%, based on 35% of the 4.75% margin, payable semi annually starting December 2023.

(e) If drawn, the Revolver will be subject to interest rates aligned with Facility A. The Revolver is currently subject to a commitment fee of 1.4875%, payable semi-annually starting December 2023.

(f) Each of the Facilities and Revolver are also subject to annual mandatory prepayments based on Bozzetto's excess cash flow and leverage ratio, as defined in the senior facility agreements, starting in December 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Q2 2023 HIGHLIGHTS (continued)

Bozzetto management reinvestment

Bozzetto's executive management invested in the new investment structure an amount representing a minority equity position of 6.06%. Included in the Bozzetto executive management share structure, is a class of shares, which will provide enhanced returns to their holders should the value of the business achieve specified valuation thresholds in an exit scenario. The minimum threshold for Bozzetto's management to earn enhanced returns in such exit scenario represents a multiple of invested capital of 1.8x.

Liquidity option

A put option has been granted to Bozzetto's management in order to enable them to sell a portion of their ownership to Aimia at each of the 5th, 8th and 11th anniversary of the transaction if no exit scenario has occurred by those dates. The purchase price to be paid by Aimia upon the exercise of the option will be based on the fair value of Bozzetto at that time and shall be payable in cash only.

The redemption value of the ownership has therefore been accounted as a liability with the offset in Retained earnings (Deficit). The redemption value has been discounted using a discount rate of 8.1%. If the option ends up not being exercised, the amount presented as a liability will be reclassified back to Retained earnings (Deficit) in equity. At transaction date, a value of $6.9 million has been recorded for this liability and is presented in Other non-current liabilities. The exercise of this option by Bozzetto's management does not impact their entitlement to the enhanced returns described above.

Agreements with Paladin

Paladin collaborated with Aimia on this transaction. In connection thereto, upon closing of the transaction, Aimia and Paladin have entered into certain agreements on customary terms and conditions and providing for, among other things, minority governance rights, preferred return for Aimia, certain carry related rights to the benefit of Paladin, and an option for Paladin to acquire a minority equity position of Bozzetto within one year of closing.

Option to acquire minority equity in Bozzetto

Within one year of closing, Paladin will have the option, through an investment fund to be established and managed by Paladin, to purchase a minimum of 10% and a maximum of 19.9% of Aimia's equity in Bozzetto at its fully-loaded cost (i.e. Aimia's invested capital inclusive of pro-rata share of all aggregate transaction costs) plus an 8% per annum cost of capital charge.

The Corporation has recognized a non-cash expense of $4.3 million in regard to this option based on the fair value of the option at issuance. The expense has been recorded in the caption "Expense related to call option and carried interest" in the consolidated statements of operations and is reported as non-controlling interest in the consolidated statement of equity. In the event that Paladin does not exercise its option, the carrying amount of the option will be reclassified from non-controlling interest to "Retained earnings (deficit)".

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Q2 2023 HIGHLIGHTS (continued)

Carried Interest - Upon Crystallization

In the event that Aimia disposes of Bozzetto or a carried interest crystallization event occurs, for a period of 10 years after the closing date, Paladin will be entitled to certain carried interest distributions, in addition to any rights it would have under its equity ownership in the event that it exercised the Paladin Option described above. These distribution rights will commence only if and when Aimia has earned an 8% annual compound return on its investment. More specifically, in the event of a disposal or carried interest crystallization event, distribution of the proceeds attributable to Aimia and Paladin, which would be net of the Bozzetto's executive management enhanced returns described above, would be as follows:

i. Aimia is entitled to receive its initial investment at its fully-loaded cost (inclusive of all aggregate transaction costs);
ii. Next, Aimia is entitled to an 8% preferred return over its initial investments at its fully-loaded cost, compounded annually;
iii. Next, Paladin would receive each additional dollar until it received 25% of the preferred return received by Aimia (under ii above);
iv. Thereafter, any remaining funds shall accrue and be allocated 80% to Aimia and 20% to Paladin.

Carried Interest - Crystallization events

In each of year three to year five post-closing, Paladin shall have the right to require (during a specified period in each such year) that Aimia pay out Paladin's carried interest. In such case, Aimia shall either pay out in cash Paladin's carried interest based on the fair value of Bozzetto at such date or choose to trigger a sale process, provided that such sale process results in a minimum proceeds of 1.5x of Aimia's invested capital. If the sale process does not result in a transaction generating proceeds of 1.5x of Aimia's invested capital, then Aimia shall have no obligation to pay out Paladin's carried interest or complete the sale process for such year. In each of year six to year ten post-closing, Paladin shall have the right to require the payout of its carried interest following the same procedure described above, except that there shall be no minimum multiple of Aimia's invested capital threshold.

In each of year three to ten, Aimia shall have the right (during a specified period in each such year) to crystallize Paladin's carried interest based on the fair value of Bozzetto at such date, subject to a minimum valuation of 1.5x of Aimia's invested capital. In such case, Paladin can choose to receive either i) cash or ii) ownership interest in Bozzetto, but in case of ii), only to the extent the issuance of such ownership interest does not result in Aimia holding less than 80.1% of all of the issued and outstanding common shares of Bozzetto. After year ten, in the event the carry calculation does not result in a payout per the thresholds described above, Paladin shall no longer be entitled to any carried interest.

Aimia has recognized a non-cash expense of $12.9 million related to the carried interest based on the fair value of the carried interest as of June 30, 2023. The expense has been recorded in the caption "Income (expenses) related to carried interest, call option and fair value gain (loss) on contingent consideration" in the consolidated statements of operations and is reported as other long-term liability in the consolidated statement of financial position. The fair value has been estimated by considering the carried interest as a yearly-activable option (Bermuda call), using Monte Carlo simulations and linear regressions. This valuation technique involves generating multiple potential future price paths

Q2 2023 HIGHLIGHTS (continued)

and then estimating the option value based on those paths. The valuation also factored Aimia's right to crystallize the carried interest. The valuation technique requires the use of certain key unobservable assumptions, which includes:

- Volatility of 35%
- Credit spread of 4.4%.

A change in +/- 5% of the volatility would have resulted in a change of $1.4 million / ($1.5) million in the fair value of the carried interest.

Advisory services

The Corporation has also entered into an advisory services agreement with Paladin whereas Paladin will provide advisory services, including identifying M&A opportunities, to Bozzetto. The fees for these advisory services are estimated to be approximately $0.5 million per year and will be subject to revision annually based on certain performance criteria.

In the event that Paladin exercises its option to acquire a minority equity position in Bozzetto, the advisory services fees will be reduced based on Paladin's ownership percentage in Bozzetto.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OTHER 2023 HIGHLIGHTS

BUSINESS ACQUISITION - TUFROPES

On January 31, 2023, Aimia announced that it had signed definitive agreements to acquire all of the issued and outstanding shares of Tufropes Pvt Ltd. as well as substantially all the net assets of India Nets (together referred to as "Tufropes").

Tufropes is leading global manufacturer of high-performance synthetic fiber ropes and netting solutions for the aquaculture and maritime sectors, as well as other diversified industrial end markets. Aquaculture is among the fastest growing sectors within the food industry, and now supplies more than half the world's fish for human consumption. Tufropes boasts a product portfolio of over 35,000 individual SKUs and is uniquely positioned to capture an increasing share of these attractive end markets through its global sales network and its cost-efficient manufacturing facilities across India. Its revenue is geographically diverse, with its products sold in over 70 countries, with approximately 34% of revenues generated in Europe, 34% in Asia, 20% in the Americas and 12% in Australasia.

The purchase price for the acquisition amounted to $257.0 million (₹15,280.0 million) on a cash-free and debt-free basis, and was subject to customary adjustments related to net debt and working capital at closing. The transaction closed on March 17, 2023, for a purchase consideration of $238.2 million, net of a favorable final working capital adjustment of $18.8 million. Aimia incurred transaction costs of $14.0 million in regard to this transaction, which includes due diligence, stamp duties and other Indian related transfer fees as well as success fees. Of this total, $2.1 million was incurred in the year ended December 31, 2022. The transaction costs are recorded in Selling, general and administrative expenses in the consolidated statements of operations. Pursuant to the acquisition agreements, an amount of $7.6 million (₹458.4 million) of deferred consideration was placed in escrow to cover working capital adjustments and potential claims related to the transition services agreement with the sellers. The deferred consideration was scheduled to be released in equal parts three and six months after closing of the acquisition. The first release occurred during the three months ended June 30, 2023. As of June 30, 2023, no amount has been recorded in the interim consolidated financial statements in regard to the cash in escrow.

On June 30, 2023, Aimia had recorded an amount of $1.6 million in accounts receivable, representing the amount due to Aimia upon the finalization of the working capital adjustment. The amount was received by Aimia subsequent to quarter end and was funded directly by the sellers. The Corporation is currently evaluating financing options with an expectation to raise a modest level of debt at Tufropes within one year of closing.

Purchase price allocation

Given the timing of the closing of the acquisition of Tufropes, the initial accounting for the business combination is incomplete at this time. As permitted under IFRS 3, a provisional estimate of the purchase price allocation and fair values of tangible and intangible assets as well as goodwill was performed as of June 30, 2023.

OTHER 2023 HIGHLIGHTS (continued)

Purchase price	
(in millions of Canadian dollars)	
Base Consideration	257.0
Final working capital adjustment	(18.8)
Net consideration	238.2
Final cash and marketable securities acquired as well as other net debt adjustment	16.3
Total Consideration fair value to allocate [(b)]	**254.5**
Provisional recognized amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	0.5
Investment in marketable securities	16.2
Accounts receivable	15.3
Income tax receivable	0.5
Inventories	11.6
Other current assets	0.6
Property, Plant and Equipment	38.2
Accounts payable and accrued liabilities	(2.4)
Customer deposits	(0.4)
Other non-current liabilities	(1.5)
Total provisional identifiable net assets (liabilities)	**78.6**
Provisional goodwill and intangible assets [(a)]	175.9
Total	**254.5**

(a) The Corporation currently expects to recognize customer relationships and trade names intangible assets upon the finalization of the purchase price allocation.

(b) As of June 30, 2023, an amount of $1.6 million related to the finalization of the working capital and net debt adjustment was still to be received by the Corporation. The amount was received subsequent to the quarter.

Agreements with Paladin

Paladin Private Equity LLC ("Paladin") collaborated with Aimia on this transaction. Concurrently with closing of the transaction, Aimia and Paladin entered into certain agreements providing for, among other things, governance rights, preferred return for Aimia, carry related rights to the benefit of Paladin, and an option for Paladin to acquire a minority equity position of Tufropes.

Option to acquire minority equity in Tufropes

Within one year of closing, Paladin has the option, through an investment fund to be established and managed by Paladin, to purchase a minimum of 10% and a maximum of 19.9% of Tufropes' equity at its fully-loaded cost (i.e. Aimia's invested capital, net of debt, inclusive of pro-rata share of all aggregate transaction costs) plus an 8% per annum cost of capital charge.

The Corporation has recognized a non-cash expense of $2.8 million in regard to this option based on the fair value of the option at issuance. The expense has been recorded in the caption "Expense related to call option and carried interest" in the consolidated statements of operations and is reported as non-controlling interest in the consolidated statement of equity. In the event that Paladin does not exercise its option, the carrying amount of the option will be

OTHER 2023 HIGHLIGHTS (continued)

reclassified from non-controlling interest to "Retained earnings (deficit)". Concurrently with the closing of the Bozzetto acquisition on May 9, 2023, the period to exercise this option was extended to May 9, 2024.

Carried Interest - Upon Crystallization

In the event that Aimia disposes of Tufropes or a carried interest crystallization event occurs, for a period of 10 years after the closing date, Paladin will be entitled to certain carried interest distributions, in addition to any rights it would have under its equity ownership in the event that it exercised the Paladin Option described above. These distribution rights will commence only if and when Aimia has earned an 8% annual compound return on its investment. More specifically, in the event of a disposal or carried interest crystallization event, distribution of the proceeds to Aimia and Paladin would be as follows:

i. Aimia is entitled to receive its initial investment at its fully-loaded cost (inclusive of all aggregate transaction costs);
ii. Next, Aimia is entitled to an 8% preferred return over its initial investments at its fully-loaded cost, compounded annually;
iii. Next, Paladin would receive each additional dollar until it received 25% of the preferred return received by Aimia (under ii above);
iv. Thereafter, any remaining funds shall accrue and be allocated 80% to Aimia and 20% to Paladin.

Carried Interest - Crystallization events

In each of year three to year five post-closing, Paladin shall have the right to require (during a specified period in each such year) that Aimia pay out Paladin's carried interest. In such case, Aimia shall either pay out in cash Paladin's carried interest based on the fair value of Tufropes at such date or choose to trigger a sale process, provided that such sale process results in a minimum proceeds of 1.5x of Aimia's invested capital. If the sale process does not result in a transaction generating proceeds of 1.5x of Aimia's invested capital, then Aimia shall have no obligation to pay out Paladin's carried interest or complete the sale process for such year. In each of year six to year ten post-closing, Paladin shall have the right to require the payout of its carried interest following the same procedure described above, except that there shall be no minimum multiple of Aimia's invested capital threshold.

In each of year three to ten, Aimia shall have the right (during a specified period in each such year) to crystallize Paladin's carried interest based on the fair value of Tufropes at such date, subject to a minimum valuation of 1.5x of Aimia's invested capital. In such case, Paladin can choose to receive either i) cash; ii) common shares of Tufropes; or iii) a combination of both, but in case of ii) and iii), only to the extent the issuance of common shares does not result in Aimia holding less than 80.1% of all of the issued and outstanding common shares of Tufropes. After year ten, in the event the carry calculation does not result in a payout per the thresholds described above, Paladin shall no longer be entitled to any carried interest.

Aimia has recognized a non-cash expense of $7.4 million related to the carried interest based on the fair value of the carried interest as of June 30, 2023. The expense has been recorded in the caption "Expense related to call option and carried interest" in the consolidated statements of operations and is reported as other long-term liability in the consolidated statement of financial position. The fair value has been estimated by considering the carried interest as a yearly-activable option (Bermuda call), using Monte Carlo simulations and linear regressions. This valuation technique involves generating multiple potential future price paths and then estimating the option value based on

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OTHER 2023 HIGHLIGHTS (continued)

those paths. The valuation also factored Aimia's right to crystallize the carried interest. The valuation technique requires the use of certain key unobservable assumptions, which includes:

- Volatility of 37%
- Credit spread of 12.5%.

A change in +/- 5% of the volatility would have resulted in a change of $0.8 million / ($0.8) million in the fair value of the carried interest.

Advisory services

The Corporation has also entered into an advisory services agreement with Paladin whereas Paladin will provide advisory services, including identifying M&A opportunities, to Tufropes. The fees for these advisory services represents 2% of Tufropes' Adjusted EBITDA on an annual basis for an initial period of six years. The advisory services agreement is subject to certain performance related criteria which may reduce or terminate the fees if minimum performance thresholds are not met.

In the event that Paladin exercises its option to acquire a minority equity position in Tufropes, the advisory services fees will be reduced based on Paladin's ownership percentage in Tufropes.

Subsequent event - Acquisition of Cortland Industrial

On July 11, 2023, Aimia announced that Tufropes had acquired Cortland Industrial, LLC (“Cortland”) from Enerpac Tool Group Corp. ("Enerpac") for a base purchase price of $26.6 million (US$20.0 million) on a cash-free and debt-free basis, and is subject to customary adjustments related to working capital at closing. Cortland is a leading global designer, manufacturer, and supplier of highly engineered synthetic ropes, slings and tethers to the Aerospace & Defense, Marine, Renewables, and other diversified industrial end markets. Founded in 1979 and operating manufacturing locations in Anacortes, WA and Houston, TX, Cortland is a widely recognized brand with an industry-leading portfolio of custom-engineered, innovative, high-performance synthetic fiber rope solutions for demanding applications. Cortland reported revenue of $36.5 million for the most recent trailing twelve-month period ending May 31, 2023. The transaction is accretive to earnings and provides a U.S. footprint for Tufropes, as well as numerous sales and operational synergies. To date, Cortland has effectively operated as a standalone subsidiary within the Enerpac corporate structure.

The transaction represents a major strategic step for Tufropes, and underscores Aimia’s stated plan to expand Tufropes’ global operations with a focus on premium, value-added products. The combined business will operate under the Cortland name, while retaining both the Cortland and Tufropes brands for their respective product portfolios. The transaction combines two of the industry’s leading brands with distinct product and end market specializations. Tufropes plans to retain 100% of the Cortland employees, who are predominantly based in the U.S.

The transaction was funded with cash on hand. Given the timing of the closing of the acquisition, the initial accounting for the business combination is incomplete at this time. The Cortland acquisition having closed after June 30, 2023, no results of Cortland have been recorded in the Corporation's financial statements for the three and six months ended June 30, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

PERFORMANCE INDICATORS (INCLUDING CERTAIN NON-GAAP FINANCIAL MEASURES)

GAAP FINANCIAL MEASURES

To measure performance, the Corporation uses and presents several financial measures in accordance with GAAP, including, but not limited to, various source of Income, Expenses, Earnings (loss) before income taxes, Net earnings (loss) and Earnings (Loss) by Common Share. The summary of Aimia's significant accounting policies is included in *Note 2* of the audited consolidated financial statements for the year ended December 31, 2022 dated March 15, 2023.

Please refer to the *Critical Accounting Estimates* section for a discussion on the identified areas that are the most subject to judgments, inherently uncertain and which could change significantly in subsequent periods, as well as the *Change in Accounting Policies* section for the list of revised accounting standards and accounting policies adopted during the three and six months ended June 30, 2023 and their impacts on the consolidated financial statements.

NON-GAAP FINANCIAL MEASURES

Adjusted EBITDA

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 directly comparable to similar measures used by other issuers. Adjusted EBITDA should not be used as an exclusive measure of cash flow because it does not account for the impact of working capital growth, capital expenditures, debt repayments and other sources and uses of cash, which are disclosed in the statements of cash flows. A reconciliation to earnings (losses) before income taxes is provided.

Adjusted EBITDA is used by management to evaluate the performance of its Bozzetto, Tufropes and Holdings segments. Management believes Adjusted EBITDA assists investors in comparing Aimia's performance on a consistent basis excluding depreciation and amortization, impairment charges related to non-financial assets and 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's management believe that the exclusion of business acquisition and/or disposal related expenses assists investors by excluding expenses that are not representative of the run-rate cost structure of its operations.

Adjusted EBITDA is earnings (losses) before income taxes adjusted to exclude depreciation, amortization, impairment charges related to non-financial assets, other investment income, financial expense, increase/decrease in limited partners' capital liability, income/expenses related to call option and carried interest, fair value gain/loss on contingent consideration, share-based compensation as well as transaction costs related to business acquisitions. For a reconciliation of Adjusted EBITDA to earnings (loss) before income taxes, please refer to the *Bozzetto, Tufropes and Holdings Segmented Operating Results* sections.

Non-GAAP for investments in associates

In order to complement the analysis of the financial performance of its investments in associates, certain Non-GAAP measures are presented in this MD&A. A reconciliation to these investments' most comparable GAAP measure can be found in the *Non-GAAP Financial Measures for Investments* section.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OPERATING AND FINANCIAL RESULTS

Certain of the following financial information of Aimia has been derived from, and should be read in conjunction with, the condensed interim consolidated financial statements for the three and six months ended June 30, 2023 and 2022, and the notes thereto. Results of the Corporation are not significantly impacted by seasonality.

SELECTED CONSOLIDATED OPERATING RESULTS

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars, except share and per share information)	2023	2022	2023	2022
Revenue from contracts with customers	**74.8**	0.4	**76.8**	0.9
Cost of sales	**(57.7)**	—	**(59.4)**	—
Gross Profit	**17.1**	0.4	**17.4**	0.9
Other Income from investments	**(34.2)**	(32.4)	**(22.1)**	(47.2)
Operating expenses	**(27.0)** *(b)*	(3.9)	**(46.8)** *(b)*	(8.0)
Operating income (loss)	**(44.1)**	(35.9)	**(51.5)**	(54.3)
Net loss	**(72.0)** *(c)*	(35.2) *(c)*	**(92.5)** *(c)*	(54.1) *(c)*
Net loss attributable to equity holders of the Corporation	**(71.4)**	(35.2)	**(91.9)**	(54.1)
Weighted average number of common shares - Basic and fully diluted	**82,598,929**	90,509,659	**82,598,929**	90,714,953
Basic and fully diluted loss per common share [(a)]	**(0.90)**	(0.42)	**(1.19)**	(0.67)
Total assets	**953.1**	363.2	**953.1**	363.2
Total non-current liabilities	**195.6**	15.6	**195.6**	15.6
Dividends paid on preferred shares	**3.2**	3.2	**6.4**	6.4
Included in Cost of sales and Net loss:				
Depreciation and amortization	**(3.1)**	—	**(3.3)**	—
Included in Operating expenses and Net loss:				
Share-based compensation	**0.4**	0.3	**0.1**	1.2
Depreciation and amortization	**—**	(0.1)	**(1.1)**	(0.1)
Additional information:				
Bozzetto Adjusted EBITDA [(d)]	**8.5**	—	**8.5**	—
Tufropes Adjusted EBITDA [(d)]	**4.6**	—	**3.1**	—
Holdings Adjusted EBITDA [(d)]	**(7.6)**	(3.7)	**(12.4)**	(8.2)
Consolidated Adjusted EBITDA [(d)]	**5.5**	(3.7)	**(0.8)**	(8.2)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SELECTED CONSOLIDATED OPERATING RESULTS (continued)

(a) After deducting cumulative preferred shares dividends (whether declared or not).

(b) The operating expenses include one-time transaction costs related to the acquisitions of Bozzetto and Tufropes amounting to $12.7 million and $24.3 million in the three and six months ended June 30, 2023, respectively. The operating expenses also include $2.9 million and $3.9 million incurred in relation to shareholders activism and the termination of the employment of a former executive of one of the Corporation's subsidiary in the three and six months ended June 30, 2023, respectively.

(c) Net loss for the three and six months ended June 30, 2023 and 2022 include the effect of $6.8 million (2022: $1.4 million) and $8.1 million (2022: $2.7 million) of current income tax expenses, respectively.For the three and six months ended June 30, 2023, current income taxes are primarily related to the Bozzetto and Tufropes businesses, including a $2.4 million impact related to withholding tax incurred in Tufropes related to excess cash repatriated from India, as well as $1.2 million (2022: $1.2 million) and $2.5 million (2022: $2.5 million) of Part VI.1 tax expense recognized in the Canadian operations for the three and six months ended June 30, 2023, respectively.

(d) A Non-GAAP measure. For a reconciliation of Adjusted EBITDA to earnings (losses) before income taxes, please refer to the *Bozzetto, Tufropes and Holdings Segmented Operating Results* sections.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS

This section provides a discussion of the segmented operating results.

BOZZETTO

The following table presents the results of Bozzetto for the partial period starting May 9, 2023, date of its acquisition by Aimia, to June 30, 2023.

	Three Months Ended June 30,			Six Months Ended June 30,		
(in millions of Canadian dollars)	2023 [(a)]		2022	2023 [(a)]		2022
Revenue from contracts with customers	**45.9**		—	**45.9**		—
Cost of sales	**(35.1)**		—	**(35.1)**		—
Gross Profit	**10.8**		—	**10.8**		—
Other Income from investments						
Interest, dividend and other investment income	**0.2**		—	**0.2**		—
	0.2		—	**0.2**		—
Operating expenses						
Selling, general and administrative expenses	**(16.5)**	*(c)*	—	**(16.5)**	*(c)*	—
Operating income (loss)	**(5.5)**		—	**(5.5)**		—
Financial expense, net	**(1.9)**		—	**(1.9)**		—
Expenses related to carried interest, call option and fair value gain (loss) on contingent consideration	**(17.2)**		—	**(17.2)**		—
Earning (loss) before income taxes	**(24.6)**		—	**(24.6)**		—
Reconciliation of Adjusted EBITDA [(b)]						
Earnings (loss) before income taxes	**(24.6)**		—	**(24.6)**		—
Depreciation and amortization	**1.8**		—	**1.8**		—
Financial expense, net	**1.9**		—	**1.9**		—
Transaction related costs	**12.4**		—	**12.4**		—
Paladin Option expense and Carried Interest expense	**17.2**		—	**17.2**		—
Other income from investments	**(0.2)**		—	**(0.2)**		—
Adjusted EBITDA [(b)]	**8.5**		**—**	**8.5**		**—**
Adjusted EBITDA margin	***18.5 %***			***18.5 %***		

(a) Includes results of Bozzetto since its acquisition date on May 9, 2023.

(b) A Non-GAAP measure.

(c) Operating expenses include one-time transaction costs related to the acquisition of Bozzetto amounting to $12.4 million.

SEGMENTED OPERATING RESULTS - BOZZETTO (continued)

Results for the period starting May 9, 2023 to June 30, 2023

The results for Bozzetto are presented for the period starting May 9, 2023. Bozzetto reported revenues of $45.9 million for the partial period and a gross profit of $10.8 million. Excluding depreciation and amortization expense of $1.8 million included in cost of sales, the gross profit amounted to $12.6 million.

Loss before income taxes include $12.4 million of transaction costs related to the acquisition of the business, a $12.9 million non-cash expense related to the Paladin Carried Interest in Bozzetto and a $4.3 million one-time non-cash expense related to the Paladin option to purchase up to 19.9% of Aimia's investment in Bozzetto. The Adjusted EBITDA for the same period amounted to $8.5 million, representing a margin of 18.5%.

These results for the partial period are not considered representative of a normal level of activity and should not be extrapolated to a full year basis.

Pro forma results for the Six Months ended June 30, 2023

Had Bozzetto been acquired from January 1, 2023, Bozzetto would have contributed revenue of $148.5 million. The loss before income taxes amounted to $16.9 million for the six months ended June 30, 2023, which includes transaction costs related to the acquisition of the business of $12.4 million, a $12.9 million non-cash expense related to the Paladin Carried Interest in Bozzetto, a $4.3 million non-cash expense related to the Paladin option to purchase up to 19.9% of Aimia's investment in Bozzetto as well as $6.1 million of interest and other financial expenses. The Adjusted EBITDA for the same period amounted to $23.7 million, representing a margin of 16.0%.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS (continued)

TUFROPES

The following table presents the results of Tufropes for the partial period starting March 17, 2023, date of its acquisition by Aimia, to June 30, 2023.

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	2023	2022	2023 [(a)]	2022
Revenue from contracts with customers	**28.9**	—	**30.6**	—
Cost of sales	**(22.6)**	—	**(24.3)**	—
Gross Profit	**6.3**	—	**6.3**	—
Other Income from investments				
Net change in fair value of investments	**0.1**	—	**0.3**	—
Interest, dividend and other investment income	**0.2**	—	**0.3**	—
	0.3	—	**0.6**	—
Operating expenses				
Selling, general and administrative expenses	**(3.3)** *(c)*	—	**(16.6)** *(c)*	—
Operating income (loss)	**3.3**	—	**(9.7)**	—
Financial expense, net	**(2.2)**	—	**(3.0)**	—
Income (expenses) related to carried interest, call option and fair value gain (loss) on contingent consideration	**0.6**	—	**(10.2)**	—
Intercompany interest income (expense)	**(2.3)**	—	**(2.8)**	—
Earning (loss) before income taxes	**(0.6)**	—	**(25.7)**	—
Reconciliation of Adjusted EBITDA [(b)]				
Earnings (loss) before income taxes	**(0.6)**	—	**(25.7)**	—
Depreciation and amortization	**1.3**	—	**1.5**	—
Intercompany interest (income) expense	**2.3**	—	**2.8**	—
Transaction related costs	**0.3**	—	**11.9**	—
Paladin Option and Carried Interest (income) expense	**(0.6)**	—	**10.2**	—
Financial expense, net	**2.2**	—	**3.0**	—
Other income from investments	**(0.3)**	—	**(0.6)**	—
Adjusted EBITDA [(b)]	**4.6**	**—**	**3.1**	**—**
Adjusted EBITDA margin	**15.9 %**		**10.1 %**	

(a) Includes results of Tufropes since its acquisition date on March 17, 2023.

(b) A Non-GAAP measure.

(c) Operating expenses include one-time transaction costs related to the acquisition of Tufropes amounting to $0.3 million and $11.9 million in the three and six months ended June 30, 2023, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - TUFROPES (continued)

Results for the quarter ended June 30, 2023

Tufropes reported revenues of $28.9 million for the three months ended June 30, 2023 and a gross profit of $6.3 million. Excluding depreciation and amortization expense of $1.3 million included in cost of sales, the gross profit amounted to $7.6 million. The selling, general and administrative expenses included $0.3 million of one-time transaction related costs. The Adjusted EBITDA amounted to $4.6 million, representing a margin of 15.9%.

Results for the partial period starting March 17, 2023 and ended June 30, 2023

The results for Tufropes are presented for the partial period starting March 17, 2023. The results include $11.9 million of one-time transaction costs related to the acquisition of the business, a one-time $2.8 million non-cash expense related to the Paladin option to purchase up to 19.9% of Tufropes, a $7.4 million non-cash expense related to the Paladin Carried Interest, a $2.8 million interest expense and a $3.0 million foreign exchange loss related to an intercompany loan, as well as executives search costs of $0.3 million.

The Adjusted EBITDA for the same period amounted to $3.1 million, due in part to lower revenues resulting from a delay in shipments associated with the transition of the business as well as timing of orders. These results are not considered representative of a normal level of activity and should not be extrapolated to a full year basis.

Pro forma results for the Six Months ended June 30, 2023

Had Tufropes been acquired from January 1, 2023, Tufropes would have contributed revenue of $53.9 million, impacted in part by a delay in shipments associated with the transition of the business as well as timing of orders, which are expected to continue to be reversed over the next quarter. The loss before income taxes amounted to $20.4 million for the six months ended June 30, 2023, which includes transaction costs of $11.9 million, a one-time $2.8 million non-cash expense related to the Paladin option to purchase up to 19.9% of Tufropes, a $7.4 million non-cash expense related to the Paladin Carried Interest, a $2.8 million interest expense and a $3.0 million foreign exchange loss related to an intercompany loan, as well as executives search costs of $0.3 million. Excluding the transaction costs as well as the Paladin carried interest and option expenses, Tufropes' pro forma earnings before tax would have amounted to $1.7 million.

The Adjusted EBITDA for the same period amounted to $9.6 million, representing a margin of 17.8%.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS (continued)

HOLDINGS

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	2023	2022	2023	2022
Revenue from contracts with customers	**—**	0.4	**0.3**	0.9
Cost of sales	**—**	—	**—**	—
Gross Profit	**—**	0.4	**0.3**	0.9
Other Income from investments				
Net change in fair value of investments	**(28.9)**	(25.0)	**(18.3)**	(37.1)
Interest, dividend and other investment income	**3.1**	1.4	**10.2**	5.6
Share of net earnings (loss) from equity-accounted investments	**(8.9)**	(8.8)	**(14.8)**	(15.7) *(a)*
	(34.7)	(32.4)	**(22.9)**	(47.2)
Operating expenses				
Selling, general and administrative expenses	**(7.2)**	(3.9)	**(13.7)** *(b)*	(8.0)
Loss before the following items:	**(41.9)**	(35.9)	**(36.3)**	(54.3)
Financial income (expense), net	**(0.2)**	0.1	**(0.3)**	0.1
Expenses related to carried interest, call option and fair value gain (loss) on contingent consideration	**0.3**	0.3	**0.3**	0.3
Intercompany interest income (expense)	**2.3**	—	**2.8**	—
Decrease in limited partners' capital liability	**0.1**	1.7	**—**	2.5
Loss before income taxes	**(39.4)**	(33.8)	**(33.5)**	(51.4)
Included in Selling, general and administrative expenses and Net earnings (loss) before income taxes:				
Share-based compensation (expense) reversal	**0.4**	0.3	**0.1**	1.2
Reconciliation of Adjusted EBITDA [(c)]				
Loss before income taxes	**(39.4)**	(33.8)	**(33.5)**	(51.4)
Depreciation and amortization	**—**	0.1	**1.1**	0.1
Share-based compensation expense (reversal)	**(0.4)**	(0.3)	**(0.1)**	(1.2)
Intercompany interest (income) expense	**(2.3)**	—	**(2.8)**	—
Expenses related to carried interest, call option and fair value (gain) loss on contingent consideration	**(0.3)**	(0.3)	**(0.3)**	(0.3)
Financial (income) expense, net	**0.2**	(0.1)	**0.3**	(0.1)
Decrease in limited partners' capital liability	**(0.1)**	(1.7)	**—**	(2.5)
Other income from investments	**34.7**	32.4	**22.9**	47.2
Adjusted EBITDA [(c)]	**(7.6)**	(3.7)	**(12.4)**	(8.2)

(a) During the six months ended June 30, 2022, Aimia received distributions from PLM of $2.9 million (US$2.3 million). The distributions received during the six months ended June 30, 2022, were received when the investment was classified as an asset held for sale and, therefore, the distributions were recognized in "Interest, dividend and other investment income" in the consolidated statement of operations.

(b) Selling, general and administrative expense for the six months ended June 30, 2023 include a depreciation and amortization expense of $1.1 million related to the accelerated depreciation of the MIM customer relationships intangible asset due to the decision to wind down the MIM operations.

(c) A Non-GAAP measure.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

SHARE OF NET EARNINGS (LOSS) OF EQUITY-ACCOUNTED INVESTMENTS

The share of net earnings (loss) of equity-accounted investments amounted to $(8.9) million and $(14.8) million for the three and six months ended June 30, 2023, representing a negative variance of $0.1 million and a positive variance of $0.9 million compared to the same period in the prior year, and is mainly due to the underlying performance of the equity-accounted investment in Kognitiv analyzed below.

Share of net earnings (loss) of equity-accounted investments	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	2023	2022	2023	2022
PLM Premier, S.A.P.I. de C.V.	—	—	—	0.6
Kognitiv	(8.9)	(8.8)	(14.8)	(16.3)
Total	**(8.9)**	(8.8)	**(14.8)**	(15.7)

Investment in PLM Premier, S.A.P.I. de C.V.

The share of net earnings of PLM amounted to nil for the three and six months ended June 30, 2023, due to the fact that Aimia completed the divestiture of its investment in PLM on July 15, 2022. During the first quarter of 2022, Aimia recorded its share of net earnings of PLM only for a partial period, after which, the investment in PLM was classified as an asset held for sale and Aimia ceased to account for its investment using the equity method.

PLM paid distributions of US$4.8 million during the six months ended June 30, 2022, with Aimia's share being $2.9 million (US$2.3 million). Distributions received during the six months ended June 30, 2022 have been received when the investment was classified as an asset held for sale and Aimia had ceased to account for its investment using the equity method, therefore, the distributions were recognized in "Interest, dividend and other investment income" in the consolidated statement of operations.

Investment in Kognitiv

Presented below are the summarized balance sheet and statement of operations for Kognitiv, excluding amounts relating to identifiable assets and goodwill recognized on the date of acquisition. The information reflects the amounts presented in the financial statements of Kognitiv adjusted for differences in accounting policies between the Corporation and Kognitiv.

Discontinued operations

Kognitiv’s core business is focused on advanced loyalty, data activation and partner collaboration. Travel and travel products are important in the context of loyalty, and as such, Kognitiv has travel capabilities and technology. As the company streamlines its operations around its core capabilities, it is exploring investment and partnership opportunities to optimize these alternative travel assets. As discussions with counterparties in these proposed opportunities were in advanced stages as of December 31, 2022 and June 30, 2023, operations of the alternative assets are presented as discontinued operations in Kognitiv’s summarized statement of operations presented below. During the three months ended June 30, 2023, Kognitiv disposed of one of these businesses for a non-cash consideration, which includes potential future royalties should the divested business achieve certain gross revenue thresholds as well as a warrant to re-acquire a 45% equity stake in the divested business for a negligible amount.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

Subsequent to June 30, 2023, Kognitiv completed the divestiture of its remaining business held for sale for a consideration of $9.4 million in cash.

Kognitiv's Summarized balance sheet

As at	June 30,	December 31,
(in millions of Canadian dollars)	2023	2022
Cash and cash equivalents	5.8	10.2
Other current assets	32.6	36.9
Total current assets	38.4	47.1
Total non current assets	4.2	2.2
Total assets	**42.6**	49.3
Total current liabilities	(107.7)	(49.1)
Total non-current liabilities	(3.8)	(43.6)
Total liabilities	**(111.5)**	(92.7)
Net assets/(liabilities)	**(68.9)**	(43.4)

Kognitiv's Summarized statement of operations

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	2023	2022	2023	2022
Revenue [(b)]	**11.7**	11.9	**23.2**	24.0
Cost of sales and operating expenses [(b)]	**(17.7)**	(23.7)	**(35.2)**	(46.3)
Depreciation and amortization	**—**	(0.1)	**(0.1)**	(0.2)
Loss before net financial expense and income tax expense [(b)]	**(6.0)**	(11.9)	**(12.1)**	(22.5)
Net loss	**(16.5)**	(15.8)	**(26.8)**	(29.3)
Share of net loss of Kognitiv	**(8.1)**	(7.8)	**(13.1)**	(14.4)
Amortization expense related to identifiable assets recognized on acquisition	**(0.4)**	(0.4)	**(0.8)**	(0.8)
Cumulative undeclared dividends on preferred shares not owned by Aimia	**(0.4)**	(0.6)	**(0.9)**	(1.1)
Aimia's share of Kognitiv's net loss	**(8.9)**	(8.8)	**(14.8)**	(16.3)
Additional financial information				
Adjusted EBITDA [(a)(b)]	**(5.0)**	(9.6)	**(10.6)**	(19.2)
Included in Net loss:				
Net loss from discontinued operations	**(1.8)**	—	**(3.0)**	(0.5)

(a) A non-GAAP measure. Please refer to the *Non-GAAP Financial Measures for Investments* section for additional information on this measure.

(b) Revenue, cost of sale and operating expenses, loss before net financial expense and income tax expense as well as Adjusted EBITDA, are presented on a continuing operations basis.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

Quarter ended June 30, 2023 compared to quarter ended June 30, 2022

Revenue for the three months ended June 30, 2023 amounted to $11.7 million, a decrease of $0.2 million compared to the revenue for the three months ended June 30, 2022, mainly due to lower contribution from the Air Miles Middle East program.

Cost of sales and operating expenses for the three months ended June 30, 2023 amounted to $17.7 million, a decrease of $6.0 million compared to the three months ended June 30, 2022. This is mainly due to lower compensation and benefits expenses driven by reduced headcount, lower professional fees as well as lower technology expenses.

The net loss for the three months ended June 30, 2023 amounted to $16.5 million, an unfavorable variance of $0.7 million compared to the three months ended June 30, 2022, as results of the improvements noted above being more than offset by higher interest expense and related financing costs related to convertible notes and secured promissory notes.

Kognitiv's Adjusted EBITDA for the three months ended June 30, 2023 amounted to $(5.0) million, an improvement of $4.6 million compared to the same period in the prior year, mainly due to lower compensation and benefits expenses as well as lower technology expenses, offset in part by lower revenues.

Six months ended June 30, 2023 compared to six months ended June 30, 2022

Revenue for the six months ended June 30, 2023 amounted to $23.2 million, a decrease of $0.8 million compared to the revenue for the six months ended June 30, 2022, mainly due to lower contribution from the Air Miles Middle East program.

Cost of sales and operating expenses for the six months ended June 30, 2023 amounted to $35.2 million, a decrease of $11.1 million compared to the six months ended June 30, 2022. This is mainly due to lower compensation and benefits expenses driven by reduced headcount as well as lower technology expenses.

The net loss for the six months ended June 30, 2023 amounted to $26.8 million, a favorable variance of $2.5 million, mainly due to the improvements noted above and favorable variances of foreign exchange, offset in part by higher interest expense and related financing costs related to convertible notes and secured promissory notes.

Kognitiv's Adjusted EBITDA for the six months ended June 30, 2023 amounted to $(10.6) million, an improvement of $8.6 million compared to the same period in the prior year, mainly due to lower compensation and benefits expenses, lower technology expenses, offset in part by lower revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

Financing

In January 2022, Kognitiv secured new financing from the following sources:

- $31.0 million in the form of secured subordinated convertible notes. Investors in the secured subordinated convertible notes included $15.0 million from a new U.S. institutional investor, $10.0 million from Aimia, and $1.25 million from company insiders, including members of the board of directors and senior management, among other investors.

- $17.5 million in the form of a senior debt facility.

Refer to the sub-section *Net Changes in Fair Value of Investments* for additional details on Aimia's investment in these convertible notes. This new capital helped support Kognitiv's growth initiatives, including research and development and accelerating the adoption of their loyalty platform. These funds also supported Kognitiv's commercial efforts to convert their pipeline into recurring revenue, subscription clients. During the year ended December 31, 2022, Kognitiv collected $6.4 million related to the remaining deferred consideration related to the ISS transaction and repaid amounts outstanding under the senior debt facility.

Kognitiv secured new debt financing in the form of secured promissory notes for a net cash amount of $17.5 million received in the six months ended June 30, 2023. Investors in the secured promissory notes included $13.7 million from a U.S. institutional investor and $5.0 million from Aimia under a first promissory note agreement (of which $2.0 million was previously advanced to Kognitiv as of December 31, 2022) as well as $0.8 million advanced under a new secured promissory note agreement. The $5.0 million secured promissory note to Aimia was fully repaid by Kognitiv on March 7, 2023, as Aimia was replaced by another institutional investor. The Corporation recognized $0.2 million of interest income in the first quarter ended March 31, 2023.

As indicated above, in the three months ended June 30, 2023, Aimia advanced $0.8 million to Kognitiv under a new secured promissory note agreement totaling up to $4.5 million. Of this total, $1.0 million will only be funded upon the occurrence of certain conditions defined in the agreements. Subsequent to the quarter, $2.7 million of the total promissory note was funded, with the total amounts funded to date amounting to $3.5 million. Refer to the *Related Parties Transactions* section for additional details.

Kognitiv continues to undertake a series of initiatives to reduce costs and drive efficiency as it rolls out its commercial offering, which is expected to drive the company towards positive EBITDA, and to secure additional sources of financing as necessary.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

NET CHANGE IN FAIR VALUE OF INVESTMENTS

As of June 30, 2023, the value of Aimia's investments in marketable securities and other investments accounted for at fair value is detailed below:

(in millions of Canadian dollars)	Hierarchy	June 30, 2023	December 31, 2022
Investment in marketable securities			
Capital A			
Capital A - Common shares	Level 1	25.6	21.4
Capital A - RCUIDS	Level 1	9.2	8.4
Capital A - Warrants	Level 1	1.2	1.2
Cineplex	Level 1	3.1	5.7
Marketable securities - held through Precog Capital Partners, L.P. [(a)]	Level 1	15.9	16.2
Total		**55.0**	52.9
Investment in private companies and other financial instruments			
Clear Media Limited	Level 3	53.4	54.7
TRADE X			
TRADE X - Preferred shares	Level 3	17.4	40.2
TRADE X - Convertible Note	Level 3	36.1	35.0
TRADE X - Warrants	Level 3	1.7	4.0
Kognitiv - Convertible Note	Level 3	10.4	9.8
Special purpose vehicles	Level 2	17.1	21.9
Investment funds	Level 2	5.7	4.8
Total		**141.8**	170.4

(a) Included in Precog's portfolio of equity instruments is an investment of $0.7 million in Cineplex.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

The net change in fair value of investments for the three and six months ended June 30, 2023 and 2022 is detailed below. A discussion follows on the main events and movements that occurred during these periods.

		Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	Hierarchy	2023	2022	2023	2022
Realized fair value gain (loss)					
Cineplex	Level 1	**(0.7)**	—	**(0.7)**	—
Capital A - Common shares	Level 1	**—**	(0.5)	**—**	(0.6)
Marketable securities - held through Precog Capital Partners, L.P.	Level 1	**(0.8)**	(0.5)	**(1.0)**	(0.3)
Special purpose vehicles	Level 2	**—**	—	**(0.4)**	—
Net change in unrealized fair value					
Clear Media	Level 3	**(1.1)**	(8.2)	**(1.3)**	(9.5)
Capital A					
Capital A - Common shares	Level 1	**(0.7)**	(4.2)	**4.2**	(6.8)
Capital A - RCUIDS	Level 1	**(0.4)**	(1.0)	**0.8**	(1.1)
Capital A - Warrants	Level 1	**(0.2)**	(0.3)	**—**	(0.2)
TRADE X					
TRADE X - Preferred shares	Level 3	**(22.6)**	1.4	**(22.7)**	0.7
TRADE X - Convertible Note	Level 3	**(1.7)**	2.0	**(0.3)**	1.5
TRADE X - Warrants	Level 3	**(2.3)**	—	**(2.3)**	—
Cineplex	Level 1	**0.7**	(1.9)	**1.2**	(2.0)
Kognitiv - Convertible Note	Level 3	**—**	(1.0)	**(0.1)**	(1.0)
Marketable securities - held through Precog Capital Partners, L.P.	Level 1	**0.3**	(7.7)	**1.3**	(12.4)
Special purpose vehicles	Level 2	**0.2**	(2.6)	**2.2**	(4.3)
Investment funds	Level 2	**0.4**	(0.5)	**0.8**	(1.1)
Net change in fair value of investments		**(28.9)**	(25.0)	**(18.3)**	(37.1)

Investment in Clear Media

As of June 30, 2023, the fair value of the indirect investment in Clear Media Limited has been estimated at $53.4 million. Aimia recognized unrealized fair value losses of $1.1 million and $1.3 million during the three and six months ended June 30, 2023, respectively, due to underlying currency impacts.

Refer to section *Critical Accounting Estimates* of this MD&A for additional details on the main assumptions used in the fair value calculation.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

Investments in TRADE X

Preferred shares

As of June 30, 2023, the fair value of the preferred shares has been estimated at $17.4 million (US$13.1 million) and the Corporation recorded unrealized fair value losses of $22.6 million and $22.7 million during the three and six months ended June 30, 2023, respectively, for this investment based on the assumptions listed in the key valuation inputs table. Refer to the section *Critical Accounting Estimates* for additional details on the valuation of the TRADE X preferred shares. The unrealized fair value loss during the three months ended June 30, 2023, is mainly due to weaker sales volume than originally projected by TRADE X as the company continues to adjust to its new business model which is focused on achieving higher gross margins per unit to drive towards profitability.

Convertible note and warrants

In December 2021, Aimia invested $31.6 million (US$25.0 million) in a convertible note of TRADE X (the "Original Note"). The Original Note had an 8% interest bearing rate and, unless converted as a result of a qualified financing, was scheduled to mature 12 months after the closing date. At maturity, Aimia had the option to convert the Original Note and accrued interest into TRADE X preferred shares using the original issue price, which was based on the preferred shares series A financing round mentioned above, or have the Original Note and accrued interests paid in full. In December 2022, in connection with the upcoming maturity of the Original Note, Aimia and TRADE X negotiated an amended and restated secured convertible note ("A&R Note").

The A&R Note has an 8% interest bearing rate (until the interest peek date) and, unless converted as a result of a qualified financing, will mature in December 2023. At maturity, Aimia has the option to convert the A&R Note and accrued interest into TRADE X preferred shares using the original issue price, which is based on the preferred shares series A financing round, or have the A&R Note and accrued interests paid in full.

The interest peek date is defined as the earlier of (i) June 8, 2023 if the sale of a certain TRADE X subsidiary has not been consummated by such date, or (ii) the maturity date. After the interest peek date, the A&R Note has a 12% interest bearing rate.

In the event a qualified financing occurs, the A&R Note will automatically convert into the same equity instruments than such qualified financing at the lesser of (i) 27.5% discount over the qualified financing price per share; and (ii) price per share based on a certain pre-money valuation cap.

If the sale of a certain TRADE X subsidiary is consummated, the Corporation could be entitled to a partial or full repayment of the A&R Note depending on the proceeds generated from such sale.

As of June 30, 2023, the fair value of the convertible note has been estimated at $36.1 million (US$27.2 million). The Corporation has accrued interest of $0.7 million and $1.4 million, as well as recorded unrealized net fair value losses of $1.7 million and $0.3 million during the three and six months ended June 30, 2023, respectively, for this investment based on the assumptions listed in the section *Critical Accounting Estimates*.

Concurrent with the execution of the A&R Note, TRADE X granted Aimia warrants to purchase common shares of TRADE X. Each warrant enables Aimia to purchase one common share of TRADE X at a purchase price of US$0.001

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

and exercisable for a period of 5 years from the date of their issuance. As of June 30, 2023, the fair value of the warrants has been estimated at $1.7 million (US$1.3 million). Aimia recorded unrealized net fair value losses of $2.3 million during the three and six months ended June 30, 2023, for this investment based on the assumptions listed in the section *Critical Accounting Estimates*.

Bridge loan

During the three months ended June 30, 2023, Aimia made a $2.7 million (US$2.0 million) bridge loan to TRADE X. The loan has a 12% interest rate, is subject to a 5% set-up fee and will mature at the earlier of (i) one-year from the date of the loan; and (ii) the date the sale of a certain TRADE X subsidiary is consummated. The Corporation has accrued interest of $0.2 million during the three and six months ended June 30, 2023. The bridge loan and accrued interest are presented as part of Other current assets on the consolidated statement of financial position.

Investments in Capital A Berhad

Common shares

As of June 30, 2023, the fair value of the total investment remaining in common shares of Capital A was $25.6 million and Aimia recognized an unrealized fair value loss of $0.7 million and an unrealized fair value gain of $4.2 million during the three and six months ended June 30, 2023, respectively. Unrealized fair value losses of $4.2 million and $6.8 million were recognized during the three and six months ended June 30, 2022, respectively, for this investment.

During the first and second quarter of 2022, the Corporation sold 1,566,700 and 8,789,200 common shares of Capital A for total proceeds of $0.3 million (MYR 1.0 million) and of $1.8 million (MYR 6.2 million), respectively. The disposal of Capital A shares resulted in realized losses of $0.1 million and $0.5 million during the first and second quarter of 2022, respectively.

RCUIDS and Warrants

As of June 30, 2023, the fair values of the RCUIDS and warrants were $9.2 million and $1.2 million, respectively, and Aimia recognized an unrealized fair value loss of $0.4 million and an unrealized fair value gain of $0.8 million during the three and six months ended June 30, 2023, respectively, for the RCUIDS, and an unrealized fair value loss of $0.2 million and negligible fair value change for the warrants, during the three and six months ended June 30, 2023, respectively. Aimia also recorded dividend income of $0.2 million and $0.4 million related to the RCUIDS during the three and six months ended June 30, 2023, respectively.

Practice Note 17 ("PN 17")

As announced by Capital A in January 2022, Capital A continued to trigger the prescribed criteria pursuant to Paragraph 8.04 and Paragraphs 2.1(a) and 2.1(e) of PN17 of the Main Listing Requirements of Bursa Malaysia Securities Berhad. The company triggered the prescribed criteria given that (i) its December 31, 2020 audited financial statements included a unqualified audit opinion with material uncertainty relating to going concern from its external auditors, and (ii) Capital A's shareholders' equity on a consolidated basis was 25% or less of its share capital and such equity is less than MYR40.0 million based on the audited financial statements for the year ended December 31, 2020.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

In the event Capital A fails to comply with any part of its obligations to regularize its condition within the timeframes permitted by Bursa Securities, Bursa Securities shall (i) suspend the trading of the company's listed securities on the 6th market day after the date of notification of suspension by Bursa Securities; and (ii) de-list the company subject to the company's right to appeal against the de-listing which appeal by the company must be submitted to Bursa Securities within 5 market days from the date of notification of de-listing by Bursa Securities.

On July 27, 2023, Capital A announced that Bursa Securities had granted Capital A another extension of time of three months until October 7, 2023, for Capital A to submit its regularization plan to the relevant regulatory authorities. As of this date, Capital A is in the midst of formulating a regularization plan to address its financial condition. The regularization plan is not expected to result in a significant change in the business direction or policy of Capital A. Aimia is closely monitoring the developments.

Investment in equity instruments of Cineplex

During the year ended December 31, 2021, the Corporation purchased 703,800 common shares of Cineplex (CGX.TO), for a total of $8.3 million. During the three month ended June 30, 2023, the Corporation disposed of 355,600 of its Cineplex common shares for total proceeds of $3.1 million, resulting in a $0.7 million realized loss on the investment.

During three and six months ended June 30, 2023, Aimia recognized unrealized fair value gains of $0.7 million and $1.2 million, respectively, for this investment.

Subsequent to June 30, 2023, Aimia disposed of its remaining 348,200 common shares of Cineplex, for total proceeds of $3.1 million. The fair value of the investment in equity instruments of Cineplex was based on the quoted market value for its publicly traded equity securities.

Investment in secured subordinated convertible note of Kognitiv

In January 2022, Aimia invested an amount of $10.0 million in a secured subordinated convertible note of Kognitiv. The note has a 12% interest bearing rate (paid-in-kind) and, unless converted as a result of a qualified financing, will mature 18 months after the closing date. Unless the note has been repaid before or on the maturity date, at the option of Aimia, the principal and accrued interest under the note may be:

i. subject to the approval of other senior secured lenders, repaid in cash, in which case Aimia will also be issued a warrant to acquire 5 common shares of the Company at the then fair market value for each $1,000 of principal amount of notes outstanding, which warrant shall be exercisable for a period of five years from the date of issuance; or

ii. converted into an aggregate number of the shares of the most senior ranking share capital of the Kognitiv then outstanding (such class or series, the "Senior Shares") at a discount to the fair market value of such Senior Shares.

In the event the approval of other senior secured lenders is not obtained in i) above (and the note is not converted in accordance with ii) above), the note shall remain outstanding and the interest rate of the outstanding note shall be increased by 5% from the maturity date until such repayment is completed.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

In the event a qualified financing occurs, Aimia has the option to convert the note into the same series of securities issued in the qualified financing at a 20% discount to the price at which such securities are offered.

As of June 30, 2023, the fair value of the investment has been estimated at $10.4 million. The Corporation has accrued interest of $0.4 million and $0.7 million as well as recorded a negligible unrealized fair value change and an unrealized fair value loss of $0.1 million during the three and six months ended June 30, 2023, respectively, for this investment based on the assumptions listed in section *Critical Accounting Estimates* section.

Investment in Precog Capital Partners L.P.

On June 1, 2021, the Corporation invested $25.0 million in Precog Capital Partners L.P. ("Precog"), an investment fund whose general partner is MIM, a wholly-owned subsidiary of the Corporation. As a result of this investment, Aimia concluded it had control over the investment fund per the definition of IFRS 10 and therefore consolidates the fund. Aimia recognized realized fair value losses of $0.8 million and $1.0 million during the three and six months ended June 30, 2023 as well as unrealized fair value gains of $0.3 million and $1.3 million during the three and six months ended June 30, 2023, respectively, in regards to the equity instruments held through Precog.

Following the Corporation's decision to wind down the operations of MIM starting April 14, 2023, the Precog investment fund will be gradually wound down as well. As a result, Aimia, as well as other limited partners, will be entitled to receive either i) a distribution in kind of the underlying marketable securities attributable to their investment in Precog; ii) cash (based on the proceeds from the sale of the fund's investments in marketable securities); or iii) a combination of both.

Investment in a Special Purpose Vehicle

Special Purpose Vehicle 1

Starting in 2020, the Corporation invested $6.5 million (US$5.0 million) into a special purpose vehicle created to pursue a leveraged buyout of a target company. Aimia had the option to purchase up to a total of 25% of the potential acquired company in the event the leveraged buyout is consummated. In January 2023, Aimia redeemed all of its investment in the special purpose vehicle for an amount of $6.3 million (US$4.7 million), resulting in a realized fair value loss of $0.4 million (US$0.3 million) during the first quarter ended March 31, 2023.

Aimia recognized unrealized fair value losses of $2.4 million and $3.0 million during the three and six months ended June 30, 2022, respectively, for this investment.

Special Purpose Vehicle 2

On November 9, 2021, Aimia invested $12.4 million (US$10.0 million) in a second special purpose vehicle which was created also to pursue a leverage buyout strategy. Aimia recognized unrealized fair value gains of $0.2 million and $1.8 million during the three and six months ended June 30, 2023, respectively, for this investment.

Aimia recognized unrealized fair value losses of $0.2 million and $1.3 million during the three and six months ended and June 30, 2022, respectively, for this investment.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

INTEREST, DIVIDEND AND OTHER INVESTMENT INCOME

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	2023	2022	2023	2022
Interest income				
Interest on cash and cash equivalents	1.2	—	6.4	0.1
Interest on convertible notes and other financial instruments	1.7	1.0	3.3	1.8
Total interest income	**2.9**	1.0	**9.7**	1.9
Dividend income				
Dividend income from marketable securities	0.2	0.1	0.4	0.4
Distribution from PLM	—	—	—	2.9
Total dividend income	**0.2**	0.1	**0.4**	3.3
Other investment income				
Other investment income	—	0.3	0.1	0.4
Total other investment income	**—**	0.3	**0.1**	0.4
Total interest, dividend and other investment income	**3.1**	1.4	**10.2**	5.6

Interest, dividend and other investment income for the three months ended June 30, 2023 amounted to $3.1 million, an increase of $1.7 million compared to the same period in the prior year, primarily due to a favorable variance of $1.2 million from interest on cash and cash equivalents due to the Corporation having a higher level of cash following the disposal of the PLM investment, as well as an increase of $0.7 million in interest income earned on the TRADE X and Kognitiv convertible notes and other financial instruments.

The increase of $4.6 million in interest, dividend and other investment income for the six months ended June 30, 2023 is primarily due to a favorable variance of $6.3 million from interest on cash and cash equivalents due to the Corporation having a higher level of cash following the disposal of the PLM investment, as well as an increase of $1.5 million in interest income earned on the TRADE X and Kognitiv convertible notes and other financial instruments. The increase in interest income was offset in part by an unfavorable variance of $2.9 million in dividend income, due to the $2.9 million distribution received from PLM in the first quarter of 2022, prior to its disposal on July 15, 2022.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Quarter ended June 30, 2023 compared to quarter ended June 30, 2022

Selling, general and administrative expenses for the three months ended June 30, 2023 amounted to $7.2 million, an increase of $3.3 million compared to the three months ended June 30, 2022, mainly resulting from $2.9 million of legal and professional fees incurred in relation to shareholder activism and the termination of the employment of a former executive of one of the Corporation's subsidiary.

Six months ended June 30, 2023 compared to six months ended June 30, 2022

Selling, general and administrative expenses for the six months ended June 30, 2023 amounted to $13.7 million, an increase of $5.7 million compared to the six months ended June 30, 2022, mainly resulting from $3.9 million of legal and professional fees incurred in relation to shareholder activism and the termination of the employment of a former executive of one of the Corporation's subsidiary as well as non-cash depreciation and amortization expense of $1.1 million related to the accelerated depreciation of the MIM customer relationships intangible asset due to the decision to wind down the MIM operations.

The increase is also due to an increase in compensation and benefits driven by an increase in share-based compensation of $1.1 million caused mainly by the derecognition of $1.9 million of the accrued liability related to unvested DSUs previously granted to a former executive of the Corporation in connection with a change in role effective in the first quarter of 2022. Excluding this impact, share-based compensation decreased by $0.8 million, mainly due to a lower quantity of outstanding DSUs subject to vesting conditions.

The increase in selling, general and administrative expenses was offset in part due to the impact of a non-recurring payment of $0.7 million to an executive of the Corporation related to the change of role in the first quarter of 2022 and the reversal of an accrued liability for deferred compensation of $0.4 million as a result of to the termination of a former executive of the Corporation in the three months ended March 31, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUMMARY OF QUARTERLY RESULTS

This section includes selected sequential quarterly data for the eight quarters ended June 30, 2023.

	2023		2022				2021	
(in millions of Canadian dollars, except per share amounts)	Q2 (j)	Q1 (g)	Q4	Q3	Q2	Q1	Q4	Q3
Revenue from contracts with customers	**74.8**	2.0	0.3	0.3	0.4	0.5	0.5	0.5
Cost of sales	**(57.7)**	(1.7)	—	—	—	—	—	—
Gross Profit	**17.1**	0.3	0.3	0.3	0.4	0.5	0.5	0.5
Other Income from investments	**(34.2)** *(c)*	12.1 *(c)*	(11.4) *(c)(e)*	533.6 *(c)(e)*	(32.4) *(c)*	(14.8) *(c)(d)*	(6.3) *(c)*	6.5 *(c)*
Operating expenses	**(27.0)** *(k)(h)*	(19.8) *(h)*	(7.4) *(h)*	(16.7) *(f)*	(3.9)	(4.1)	(7.1)	(3.9)
Net earnings (loss) attributable to equity holders of the Corporation	**(72.0)** *(k)(i)*	(20.5) *(i)*	(23.3)	517.5	(35.2)	(18.9)	(14.6)	3.5
Continuing operations	**(72.0)** *(k)(i)*	(20.5) *(i)*	(23.3)	517.5	(35.2)	(18.9)	(15.1)	3.5
Basic earnings (loss) per common share (a)	**(0.90)**	(0.29)	(0.32)	5.93	(0.42)	(0.24)	(0.19)	—
Continuing operations (a)	**(0.90)**	(0.29)	(0.32)	5.93	(0.42)	(0.24)	(0.20)	—
Diluted earnings (loss) per common share (a)	**(0.90)**	(0.29)	(0.32)	5.89	(0.42)	(0.24)	(0.19)	—
Continuing operations (a)	**(0.90)**	(0.29)	(0.32)	5.89	(0.42)	(0.24)	(0.20)	—
Adjusted EBITDA - Bozzetto (b)	**8.5**	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjusted EBITDA - Tufropes (b)	**4.6**	(1.5)	N/A	N/A	N/A	N/A	N/A	N/A
Adjusted EBITDA - Holdings (b)	**(7.6)**	(4.8)	N/A	N/A	N/A	N/A	N/A	N/A
Adjusted EBITDA - Consolidated (b)	**5.5**	(6.3)	N/A	N/A	N/A	N/A	N/A	N/A
Distribution from equity-accounted investments - continuing operations	**—**	—	—	— *(d)*	— *(d)*	— *(d)*	5.0	6.3

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SUMMARY OF QUARTERLY RESULTS (continued)

(a) After deducting cumulative preferred shares dividends (whether declared or not) for the period and after adding the excess of preferred shares' assigned value over consideration paid for the repurchase, if any.

(b) A non-GAAP measure. Please refer to the *Performance indicators (including certain Non-GAAP Financial Measures)* section for additional information on this measure. Prior to 2023, the Corporation did not have significant consolidated operating subsidiaries and therefore did not report Adjusted EBITDA.

(c) Includes net change in fair value of investments of $(28.8) million for the three months ended June 30, 2023, $10.8 million for the three months ended March 31, 2023, $(10.2) million for the three months ended December 31, 2022, $7.8 million for the three months ended September 30, 2022, $(25.0) millions for the three months ended June 30, 2022, $(12.1) million for the three months ended March 31, 2022, $(5.5) million for the three months ended December 31, 2021 and $7.9 million for the three months ended September 30, 2021.

(d) During the three months ended March 31, 2022, Aimia received distributions from PLM of $2.9 million (US$2.3 million). These distributions were received when the investment was classified as an asset held for sale and, therefore, have been recorded in "Interest, dividend and other investment income" in the consolidated statement of operations and are presented under the caption "Total Income" in the table above. Prior to the classification of the investment in PLM as an asset held for sale, the distributions received from PLM were recorded as a reduction of the carrying amount of the investment and presented under the caption "Distribution from equity-accounted investments" in the table above. The divestiture of PLM was completed on July 15, 2022.

(e) Other Income from investments for the three months ended September 30, 2022 and December 31, 2022, includes a gain of $530.6 million and a loss of $0.1 million, respectively, on the divestiture of the PLM equity-accounted investment.

(f) Operating expenses for the three months ended September 30, 2022, includes a goodwill impairment charge of $11.4 million related to Aimia's Holdings CGU.

(g) The three months ended March 31, 2023, results include the results of Tufropes from March 17 to March 31, 2023.

(h) Operating expenses for the three months ended June 30, 2023 include transaction costs related to the Tufropes acquisition of $0.3 million and $11.6 million for the three months ended March 31, 2023. Operating expenses for the three months ended December 31, 2022, also include $2.1 million of transactions costs related to Tufropes.

(i) Net loss for the three months ended June 20, 2023 include $(0.6) million of non-cash (income) expense related to the Paladin Carried Interest in Tufropes. Net loss for the three months ended March 31, 2023 include $2.8 million non-cash expense related to the Paladin option and a $8.0 million non-cash expense related to the Paladin Carried Interest in Tufropes.

(j) The three months ended June 30, 2023, results include the results of Bozzetto from May 9 to June 30, 2023.

(k) Operating expenses and Net loss for the three months ended June 30, 2023 include transaction costs related to the Bozzetto acquisition of $12.4 million. Net loss for the three months ended June 30, 2023 also includes a $4.3 million non-cash expense related to the Paladin option in Bozzetto and a $12.9 million non-cash expense related to the Paladin Carried Interest in Bozzetto.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

The following table provides an overview of Aimia's cash flows for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	2023	2022	2023	2022
Cash and cash equivalents, beginning of period	**244.4**	19.9	**505.3**	34.8
Cash used in operating activities	(12.0)	(5.7)	(22.2)	(7.5)
Cash from (used in) investing activities	(205.5)	1.8	(452.8)	(7.9)
Cash from (used in) financing activities	43.6	(5.8)	40.4	(9.0)
Translation adjustment related to cash	(6.6)	—	(6.8)	(0.2)
Cash and cash equivalents, end of period	**63.9**	10.2	**63.9**	10.2

OPERATING ACTIVITIES

Since the acquisitions of Tufropes and Bozzetto on March 17 and May 9, 2023, respectively, cash from (used in) operating activities are now mainly generated by revenues from contract with customers, reduced by cost of sales, operating expenses, interest paid on external financing as well as income taxes paid. Prior to the acquisitions of Tufropes and Bozzetto, cash from (used in) operating activities was mainly generated from distributions received from equity-accounted investments, proceeds of marketable securities held for trading, revenues from investment management activities as well as interest, dividend and other investment income, and was reduced by operating expenses, purchases of marketable securities held for trading as well as income taxes paid.

Cash flows from (used in) operating activities amounted to $(12.0) million for the three months ended June 30, 2023, compared to $(5.7) million for the three months ended June 30, 2022.

Cash flows from (used in) operating activities for the three months ended June 30, 2023 include $15.4 million of transaction costs related to the acquisitions of the Bozzetto and Tufropes businesses paid in the quarter and $2.6 million of expenses paid during the quarter in relation to shareholder activism and the termination of the employment of a former executive of one of the Corporation’s subsidiary. Excluding these items, cash flows from operating activities for the three months ended June 30, 2023 amounted to $6.0 million, representing a favorable variance of $11.7 million which is primarily due to:

- a positive Adjusted EBITDA contribution from Bozzetto of $8.5 million in the current period;
- a positive Adjusted EBITDA contribution from Tufropes of $4.6 million in the current period;
- an increase in interest and dividend received by $2.0 million;
- a decrease of $1.2 million in purchases of marketable securities held for trading through Precog; and
- a favorable variance of $0.7 million, which includes the Holdings segment cash costs as well as the change in net operating assets and other; offset in part by
- a reduction of $3.8 million in proceeds from the disposal of investments held through Precog; and
- an increase in income tax paid of $1.5 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES (continued)

Cash flows from (used in) operating activities amounted to $(22.2) million for the six months ended June 30, 2023, compared to $(7.5) million for the six months ended June 30, 2022.

Cash flows from (used in) operating activities for the six months ended June 30, 2023 include $24.3 million of transaction costs related to the acquisitions of the Bozzetto and Tufropes businesses paid in the current period and $3.2 million of expenses paid during the current period in relation to shareholder activism and the termination of the employment of a former executive of one of the Corporation's subsidiary. Excluding these items, cash flows from operating activities for the six months ended June 30, 2023 amounted to $5.3 million, representing a favorable variance of $12.8 million is primarily due to:

- a positive Adjusted EBITDA contribution from Bozzetto of $8.5 million in the current period;
- a positive Adjusted EBITDA contribution from Tufropes of $3.1 million in the current period;
- an increase in interest and dividend received by $3.5 million, due to higher interest received in the current period, offset in part lower distributions received from PLM of $2.9 million; and
- a decrease of $4.2 million in purchases of marketable securities held for trading through Precog; offset in part by
- a reduction of $4.4 million in proceeds from the disposal of investments held through Precog;
- an increase in income tax paid of $1.5 million; and
- an unfavorable variance of $0.6 million, which includes the Holdings segment cash costs as well as the change in net operating assets and other.

INVESTING ACTIVITIES

Cash from (used in) investing activities for the three months ended June 30, 2023 amounted to $(205.5) million and included the following:

- $219.4 million, net of cash acquired, paid for the acquisition of 93.94% equity stake of Bozzetto;
- a $2.7 million bridge loan made to TRADE X;
- $1.8 million of additions to property plant and equipment;
- $16.1 million of proceeds from disposal of the money market fund held though Tufropes;
- $3.1 million of proceeds from the disposal of 355,600 common shares of Cineplex;
- a $0.8 million advance to Kognitiv under a new secured promissory note agreement.

Cash from (used in) investing activities for the six months ended June 30, 2023 amounted to $(452.8) million and included the additional following items which occurred during the three months ended ended March 31 2023:

- $255.6 million, net of cash acquired, paid for the acquisition Tufropes;
- a $3.0 million loan made to Kognitiv, representing the final portion of the $5.0 million secured promissory note;
- $5.0 million of proceeds from the repayment of the secured promissory note by Kognitiv; and
- $6.3 million of proceeds from the redemption of an investment in a special purpose vehicle.

LIQUIDITY AND CAPITAL RESOURCES (continued)

Cash from (used in) investing activities for the three months ended June 30, 2022 amounted to $1.8 million and included the following:

- $1.8 million of proceeds from the disposal of 8,789,200 Capital A common shares.

Cash from (used in) investing activities for the six months ended June 30, 2022 amounted to $(7.9) million and included the additional following items which occurred during the three months ended ended March 31 2022:

- $10.0 million invested in convertible notes of Kognitiv;
- $0.3 million of proceeds from the disposal of 1,566,700 Capital A common shares.

FINANCING ACTIVITIES

Cash from financing activities for the three month ended June 30, 2023 reflects net proceeds from a new financing at the subsidiary level in the amount of $131.4 million, representing gross proceeds of $139.5 million, net of upfront financing fees of $6.8 million and other financing costs paid to third parties of $1.3 million, which was used in part for the repayment of Bozzetto's previous senior debt of $83.9 million. In addition, cash from financing activities for the three month ended June 30, 2023 reflect the principal elements of lease payments of $0.4 million and the reimbursement of short term financial liabilities of $0.3 million.

Cash from financing activities for the three and six months ended June 30, 2023 reflect the payment of $3.2 million and $6.4 million, respectively, related to preferred shares dividends.

Cash used in financing activities for the three and six months ended June 30, 2022 reflect the payment of $3.2 million and $6.4 million, respectively, related to preferred shares dividends, as well as a payment of $2.6 million for the repurchase of common shares through the normal course issuer bid.

LIQUIDITY AND CAPITAL RESOURCES (continued)

LIQUIDITY

The following table presents an overview of Aimia's liquidity as of June 30, 2023.

As at	June 30,
(in millions of Canadian dollars)	2023
Cash and cash equivalents	63.9
Investments directly held in marketable securities:	
Capital A - Common shares	25.6
Capital A - RCUIDS	9.2
Capital A - Warrants	1.2
Cineplex	3.1
Aimia's share of Precog's investments in marketable securities [(a)]	13.8
Money Market Fund - Held through Tufropes	0.1
Liquidity position	**116.9**

(a) Following the Corporation's decision to wind down the operations of MIM starting April 14, 2023, the Precog investment fund will be gradually wound down. As a result, Aimia, will be entitled to receive either i) a distribution in kind of the underlying marketable securities; ii) cash (based on the proceeds from the sale of the fund's investments in marketable securities); or iii) a combination of both.

Excluding any investing activities, Aimia anticipates having an annualized holding company cash expenses of $14.0 to $16.0 million going forward. In addition, Aimia has cash requirements for preferred shares dividends, if and when declared and paid, and associated Part VI.1 tax. Subsequent to the quarter, the Corporation acquired Cortland Industrial, LLC through its Tufropes business for a base purchase price of $26.6 million (US$20.0 million) using cash on hand. These cash requirements are expected to be met from the Corporation's source of capital listed above. The amount held in cash, cash equivalents and investments, as well as the types of securities in which it may be invested, are based on policies established by the Board of Directors, which are reviewed periodically.

CONTINGENT LIABILITIES AND GUARANTEES

Guarantees and indemnifications

Aimia has agreed to indemnify its directors and officers, and the directors and officers of its subsidiaries, to the extent permitted under corporate law, against costs and damages incurred as a result of lawsuits or any other judicial, administrative or investigative proceeding in which said directors or officers are sued as a result of their services. The directors and officers are covered by directors' and officers' liability insurance.

In limited circumstances, Aimia may provide guarantees and/or indemnifications to third parties and/or employees to support the performance obligations of its subsidiaries under commercial and/or employment contracts or in regards to representations and warranties made by Aimia when Aimia disposed of businesses and other assets. No amount has been recorded in the Corporation's financial statements with respect to the indemnification and guarantee agreements.

Aeroplan transaction

On January 10, 2019, Aimia completed the sale of Aeroplan Inc. (formerly known as Aimia Canada Inc.), the owner and operator of the Aeroplan loyalty program, to Air Canada, pursuant to the share purchase agreement entered into (the "SPA").

In addition to customary transactional indemnity clauses, Aimia had agreed to indemnify Air Canada for income tax payments that may arise after the closing date relating to pre-closing tax periods for Aeroplan Inc. This included the income tax audit conducted by the CRA regarding certain Aeroplan income tax matters dating back to 2013 (the "2013 CRA audit"). In regards to this tax payment indemnification clause, $100.0 million of the purchase proceeds were deposited in a separate interest-bearing account jointly controlled by Aimia and Air Canada pending the conclusion of the 2013 CRA audit.

Since the transaction close, Aimia received notices of reassessment from the CRA and Revenu Québec for the 2012 through 2017 taxation years and notices of assessment for the 2018 and 2019 taxation years. Aimia has funded the amounts due upon receipt of the assessments from the restricted cash account. The remaining restricted cash account balance of $66.9 million was released to Aimia in July 2020 in accordance with the terms of the SPA between Aimia and Air Canada.

Aimia, in conjunction with Aeroplan Inc., has initiated the process to vigorously contest these matters. Based on external advice it has received, the Corporation believes that it is more likely than not that Aeroplan Inc. will prevail in the recourse procedures available to taxpayers in these situations, which could eventually lead to a court contestation. Based on this assessment, Aimia did not record any income tax expenses related to discontinued operations in its financial statements and presents the amount funded in other non-current assets. Should Aeroplan Inc. be successful in its recourse procedures, the $32.9 million remitted to the CRA and Revenu Québec from the original $100.0 million restricted cash account would be returned to Aimia.

CONTINGENT LIABILITIES AND GUARANTEES (continued)

PLM Transaction

As part of the PLM divestiture, the Corporation agreed to provide indemnification to PLM and Aeromexico in the event that PLM and Aeromexico suffer losses resulting from the default or breach by the Corporation of its obligations under the Definitive Agreement. The maximum potential future payments that the Corporation could be required to make under these indemnifications are not determinable at this time, as any future payments would be dependent on the type and extent of the related claims, and all available defenses, which cannot be estimated. However, historically, costs incurred to settle claims related to these indemnifications have not been material to the Corporation's consolidated financial position, net income or cash flows.

In addition, Aimia and PLM and Aeromexico have agreed to share certain potential additional Mexican income and withholding tax liabilities that could result solely from this transaction. If any additional Mexican income and withholding tax liabilities are to be assessed by the Mexican tax authorities (the "Liability"), Aimia would assume and shall be solely responsible for the first US$27.5 million of Liability, PLM and Aeromexico would assume and be jointly and severally responsible for the next US$27.5 million and, for any amount above such US$55.0 million of the Liability, the Liability shall be assumed and shared equally between the parties, whereby Aimia shall be responsible for 50% of such Liability and PLM and Aeromexico shall assume and are jointly and severally responsible for the other 50% of such Liability. Aimia's responsibility and obligation to pay its share of the Liability is limited to US$50.0 million and will not extend beyond five years from the date of filing before the tax authorities of the annual income tax return of PLM containing the tax liability resulting from this transaction, subject to statute of limitation extension by the tax authorities whereby the indemnification term would be extended until the expiration of such statute of limitations. No amount has been recorded in these financial statements with respect to this clause.

Class actions

Class actions seeking reimbursement of fuel surcharges, airport improvement fees and passenger charges

Following the completion of the sale of the Aeroplan Program and related assets on January 10, 2019, Aimia will bear 50% of the liability and costs, if any, associated with these class action proceedings against Aeroplan, up to a cap of $25.0 million for Aimia, after which Air Canada is solely responsible.

Management believes that Aeroplan Inc. has a strong defense to these class actions and believes that it is more likely than not that its position will ultimately be sustained; therefore, no amount was recorded in the Corporation's consolidated financial statements as at June 30, 2023 and December 31, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CONTINGENT LIABILITIES AND GUARANTEES (continued)

Other claims and litigation

Claim from a former executive

On November 12, 2020, a former executive of the Corporation filed a statement of claim with the Ontario Superior Court against Aimia seeking, among other remedies, an aggregate of at least $9.0 million in compensatory and punitive damages for breach of contract and wrongful dismissal. Aimia has filed a statement of defense and counterclaim in January 2021. The counterclaim against the plaintiff seeks damages on the basis of the plaintiff's breach of his employment contract. The parties have exchanged productions and conducted examinations for discovery. During the third quarter of 2022, the Corporation has recorded a provision of $4.0 million for this claim. The provision has been classified in Selling, general and administrative expenses in the consolidated statements of operations and in Other non-current liabilities in the consolidated statements of financial position.

The Corporation is actively contesting this claim.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAPITAL STOCK

At June 30, 2023, Aimia had 84,164,614 common shares, 5,083,140 Series 1 Preferred Shares and 4,355,263 Series 3 Preferred Shares issued and outstanding for an aggregate amount of $235.5 million. In addition, there were 181,733 stock options issued and outstanding under the Aimia Long-Term Incentive Plan.

DIVIDENDS

Quarterly dividends declared to preferred shareholders of Aimia during the three and six months ended June 30, 2023 and 2022 were as follows:

Three months ended	2023		2022	
(in millions of Canadian dollars, except per share information)	Amount	Per preferred share	Amount	Per preferred share
Series 1				
March 31,	1.5	0.300125	1.5	0.300125
June 30,	1.6	0.300125	1.6	0.300125
Total	**3.1**	**0.600250**	3.1	0.600250
Series 3				
March 31,	1.7	0.375688	1.7	0.375688
June 30,	1.6	0.375688	1.6	0.375688
Total	**3.3**	**0.751376**	3.3	0.751376
Total preferred dividends on Series 1 and Series 3	**6.4**		6.4	

Aimia is subject to Part VI.1 tax under the Income Tax Act (Canada) (the "ITA") at an imposed tax rate of 40% associated with dividends paid on its preferred shares. For the three and six months ended June 30, 2023, the gross amount of Part VI.1 tax expense is $1.2 million and $2.5 million (2022: $1.2 million and $2.5 million). In prior years when Aimia paid dividends on its Preferred Shares, Aimia transferred all or part of its Part VI.1 tax liability to its related Canadian subsidiaries to offset the Part VI.1 tax by reducing the taxable income of its Canadian subsidiary and Part 1 tax liability. Aimia and its related Canadian subsidiaries currently do not have sufficient Canadian taxable income to benefit from the Part VI.1 tax deduction to offset the Part 1 tax. Any unused Part VI.1 tax deduction are carried forward as non-capital losses under the rules specifically provided under the ITA.

During the six months ended June 30, 2023 and 2022, the Corporation paid $2.1 million and $2.6 million of Part VI.1 tax, respectively.

On August 10, 2023, the Board of Directors of Aimia declared quarterly dividends of $0.300125 per Series 1 preferred share and $0.375688 per Series 3 preferred share, in each case payable on September 29, 2023, to shareholders of record on September 15, 2023.

EARNINGS (LOSS) PER COMMON SHARE

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars, except share and per share information)	2023	2022	2023	2022
Loss attributable to equity holders of the Corporation	**(71.4)**	(35.2)	**(91.9)**	(54.1)
Deduct: Dividends declared on preferred shares related to the period	**(3.2)**	(3.2)	**(6.4)**	(6.4)
Loss attributable to common shareholders	**(74.6)**	(38.4)	**(98.3)**	(60.5)
Weighted average number of common shares - Basic and fully diluted *(a)*	**82,598,929**	90,509,659	**82,598,929**	90,714,953
Basic and fully diluted loss per common share	**$ (0.90)**	$ (0.42)	**$ (1.19)**	$ (0.67)

(a) The weighted average number of basic common shares calculation excludes common shares issued and deposited in escrow as part of the MIM transaction as they are still subject to forfeitures as of June 30, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RELATED PARTIES TRANSACTIONS

TRANSACTIONS WITH A FORMER EXECUTIVE

Deferred share units

Effective March 29, 2022, in connection with a change of role of a former executive, all unvested DSUs held by that former executive have been forfeited. The liability associated with these unvested DSUs has been derecognized during the quarter ended March 31, 2022.

On March 27, 2023, the Corporation terminated the employment of the former executive. The termination of the former executive constitutes a termination of service under the Corporation's DSU plan. Upon termination of service, the former executive became entitled, for each DSU credited to its account, to a payment in cash equivalent to the value of an Aimia common share. As of March 27, 2023, the former executive held 416,667 vested DSUs.

Secured promissory note

On July 8, 2022, the Corporation entered into a secured promissory note agreement to lend this former executive an amount of $1.3 million (US$1.0 million). The secured promissory note bears interest at 7.5% annually and matures at the earlier of (1) July 8, 2027 or (2) the date upon which the vested DSUs granted to the former executive are settled pursuant to the terms and conditions of the DSU plan. Interests are payable on a quarterly basis. The promissory note is secured by 300,000 common shares of the Corporation held by the former executive.

The termination of the employment of the former executive is considered an event of default under the secured promissory note agreement. As a result, the principal as well as accrued and unpaid interests outstanding have become immediately due. On March 27, 2023 a notice of default was sent to the former executive. The secured promissory note is presented as receivable from related party on the consolidated statement of financial position.

Escrow and contingent shares

Under the Purchase Agreement and related agreements (the "MIM Agreements") regarding the purchase, by the Corporation, on June 19, 2020, of MIM, a portion of the consideration payable to the former executive was contingent upon his continued employment with the Corporation for a period of 10 years. Given the termination of the former executive before the end of such period, the Corporation is entitled to claw back the pro rata portion of the consideration attributable to that former executive, with recourse against the 485,053 shares attributable to the former executive placed in escrow at the time the acquisition of MIM closed. As of June 30, 2023, the escrow shares have not been cancelled yet. In addition, the former executive is no longer entitled to its 291,032 earn out shares in connection with the MIM acquisition.

As a result, an accrued liability for deferred compensation of $0.4 million has been reversed in the first quarter ended March 31, 2023, relating to the claw back of the escrow shares, as described above, and $0.6 million of the original contributed surplus recorded related to the contingent shares has been reclassified to retained earnings.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RELATED PARTIES TRANSACTIONS (continued)

TRANSACTIONS WITH KOGNITIV

Convertible note

In January 2022, the Corporation invested $10.0 million in a secured subordinated convertible note of Kognitiv. Refer to the sub-section *Net Changes in Fair Value of Investments* within the *Segmented Operating Results* section for additional details on Aimia's investment in this convertible note.

Promissory Notes

First secured promissory note

In the first quarter ended March 31, 2023, the Corporation entered into a secured promissory note agreement with Kognitiv whereby the Corporation agreed to lend an amount of $5.0 million to Kognitiv. The promissory note bore interest at 12%, was subject to a 3% structuring fee and had a maturity date as of March 7, 2023 and was secured by all present and future accounts receivable of the Borrowers and all proceeds thereof. The promissory note was fully repaid by Kognitiv on March 7, 2023, and the Corporation recognized total interest of $0.3 million over the course of the loan period. As of December 31, 2022, Aimia had advanced to Kognitiv an amount of $2.0 million out of the $5.0 million in regard to that promissory note. The amount was presented as Receivable from related party on the consolidated statements of financial position.

Second secured promissory note

In the three months ended June 30, 2023, Aimia advanced $0.8 million to Kognitiv under a new secured promissory note agreement totaling up to $4.5 million. Of this total, $1.0 million will only be funded upon the occurrence of certain conditions defined in the agreements. Subsequent to the quarter, $2.7 million of the total promissory note was funded, with the total amounts funded to date amounting to $3.5 million.

The promissory note bears interest at 12% for the initial $3.5 million and 14% for the potential additional $1.0 million and is subject to a $0.2 million structuring fee. The $3.5 million has a maturity date of March 31, 2024. The additional $1.0 million, if funded, will have a maturity date of December 31, 2023. The promissory note is secured by all present and future accounts receivable of the borrowers and all proceeds thereof.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CHANGES IN ACCOUNTING POLICIES

This MD&A and the interim financial statements have been prepared using the same accounting policies as those presented in the Corporation's audited annual consolidated financial statements for the year ended December 31, 2022, except as described below, which includes the main accounting policies related to Bozzetto and Tufropes, acquired by the Corporation on May 9, 2023 and March 17, 2023, respectively.

PRINCIPLES OF CONSOLIDATION

Non-controlling interests - Redeemable equity

A put option has been granted to Bozzetto's management in order to enable them to sell a portion of their ownership to Aimia at certain anniversary dates of the transaction if no exit scenario has occurred by those dates. The Corporation uses the principles of IFRS 10 to analyze put option contracts given to non-controlling interests and whether or not these contracts provide the parent or the non-controlling interest with access to the risks and rewards associated with the actual ownership of the equity. When the risks and rewards associated with the ownership have been retained by the non-controlling interest, a non-controlling interest is recognized upon the initial accounting of a business combination. The Corporation has determined that the risks and rewards associated with Bozzetto's management ownership in Bozzetto has been retained by them.

A financial liability (recognized at the present value of the redemption amount) is recorded to reflect the put option, with a corresponding reduction of the Corporation's Retained Earnings (Deficit). The redemption liability is presented in Other non-current liabilities on the consolidated statement of financial position. Subsequent changes to the redemption liability are also recorded directly in the Corporation's Retained Earnings (Deficit).

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Corporation recognizes revenue when it transfers promised goods or services to a customer and the customer obtains control of those goods or services based on the following five-step model.

- Step 1 - Identify the contract with a customer
- Step 2 - Identify the performance obligations in the contract
- Step 3 - Determine the transaction price
- Step 4 - Allocate the transaction price to the performance obligations in the contract
- Step 5 - Recognize revenue when the entity satisfies a performance obligation

Through its Bozzetto business, Aimia generates revenue from the sale of specialty chemicals products to its customers. Through its Tufropes business, Aimia generates revenue from the sale of ropes and netting products to its customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue excludes taxes and duties collected from customers on behalf of the government.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CHANGES IN ACCOUNTING POLICIES (continued)

Customer contracts typically include a single performance obligation. Revenue is recognized at a point in time upon the satisfaction of the performance obligation to the customer, which is when the control of the goods are transferred to the customer. For Bozzetto, the performance obligation is judged to have been satisfied and revenue is recognized upon delivery of the products, because the customer typically obtains control over the products upon delivery. For Tufropes, control is transferred either upon shipment of goods to the customer or when the goods are made available to the customer, provided that the transfer of title to the customer occurs and Tufropes has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

The consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when a customer's payment obligation becomes unconditional. The Corporation is not party to any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, the Corporation does not adjust any of the transaction prices for the time value of money.

VALUATION OF INVENTORIES

Inventories, which include raw and other packing materials, finished goods as well as work-in-progress, are measured at the lower of acquisition or production cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make a sale.

Given the different characteristics of inventories and production methods in place in its Bozzetto and Tufropes businesses, different valuation methods are used in each of the business. Inventories cost for Bozzetto is determined on the basis of the average cost method. Inventories cost for Tufropes is determined on First in First out (FIFO) basis.

PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. Acquisition cost includes direct costs of acquisition, including any directly attributable cost for bringing the asset to its working condition for its intended use, as well as estimated costs of dismantlement, land removal and/or restoration to be incurred as a result of contractual obligations requiring the asset to be returned to its original condition.

An item of Property, Plant and Equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of operations when the asset is derecognized.

The Corporation has adopted the cost model for the measurement of assets and subsequent recognition and assets are valued at their cost less accumulated depreciation and impairment losses, if any.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CHANGES IN ACCOUNTING POLICIES (continued)

Depreciation on Property, Plant and Equipment

The Corporation recognizes depreciation on straight line basis for all property, plant and equipment on the basis of their estimated useful life.

The value of the property, plan and equipment and their estimated useful life as of acquisition date are still subject to the finalization of the purchase price allocation (*Notes 3 & 4*).

EMPLOYEE FUTURE BENEFITS

The Corporation sponsors defined benefit plans and defined contributions plans as post-retirement benefits. The accounting policy for defined contributions plans can be found in the Corporations annual statements.

Defined benefit plan

For defined benefit plans, the amount of benefit to be paid to the employee is quantifiable only after the termination of the employment relationship, and is linked to one or more factors such as age, years of service and compensation.

The Corporation uses independent actuarial services and the projected unit credit method to determine the present value of its defined benefit obligation and the related current and past service costs. The discount rates are determined by referring to the market yield at the fiscal year-end on high-quality corporate bonds issued in the currency in which the liability is expected to be paid and that have maturity dates approximating the terms of the plans. Remeasurements of defined benefit plans are recognized in other comprehensive income and reported in retained earnings in the periods in which they occur.

HYPERINFLATIONARY ECONOMY

The Turkish economy is considered to be hyperinflationary according to the criteria set out in “IAS 29 – Accounting in hyperinflationary economies”. In accordance with IAS 29, certain non-monetary items included in the statement of financial position of a Bozzetto subsidiary located in Turkey were remeasured by applying the general index of consumer prices to historical data, in order to reflect the changes in the purchasing power of the Turkish lira at the date of the financial statements.

In order to take account of the impact of hyperinflation also on the local currency rate, the amounts of the consolidated statement of income items expressed in hyper-inflationary currencies were converted into the presentation currency by applying the June 30, 2023, exchange rate instead of the average exchange rate for the period, in line with the requirements of “IAS 21 – The Effects of Changes in Foreign Exchange Rates”.

The impact in the three months ended June 30, 2023, was not material to the results of the Corporation. Should the inflation and Turkish lira materially change with divergent dynamics, the IAS 29 application could materially affect Bozzetto's results.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CHANGES IN ACCOUNTING POLICIES (continued)

FINANCIAL INSTRUMENTS

Long-term debt

The long-term debt (*Note 3*) is measured using the amortized cost method. For financial liabilities measured at amortized cost, transaction costs or fees, premiums or discounts earned or incurred are recorded, at inception, net against the fair value of the financial instrument and amortized in financial expenses in the consolidated statement of operations.

Adoption of revised accounting standards

The Corporation has adopted the following revised standards as detailed below:

Deferred taxes related to assets and liabilities arising from a single transaction (Amendments to IAS 12, IFRS 1)

The IASB issued 'Deferred taxes related to assets and liabilities arising from a single transaction (Amendments to IAS 12). The amendments require an entity to recognize deferred tax on certain transactions that give rise to equal amounts of taxable and deductible temporary differences on initial recognition. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The amendments did not have any impact on the consolidated statements of the Corporation.

Accounting policy disclosures: Changes in estimates vs accounting policies (Amendments to IAS 1, IAS 8)

The IASB issued Definition of Accounting Estimates, which amended IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The amendments did not have any impact on the consolidated statements of the Corporation.

Change in presentation of consolidated statement of operations

The acquisitions of Bozzetto and Tufropes represent a significant change in the nature of the Corporation's operations. Following a review of its financial statements, the Corporation believes that a classification of its expenses by function instead of by nature is more aligned with the Corporation's current activity. As a result of this change, comparative information has been reclassified as follows:

CHANGES IN ACCOUNTING POLICIES (continued)

	Three Months Ended June 30, 2022		
(in millions of Canadian dollars)	As originally presented	Change in classification	Restated
Statement of operations (extract)			
Revenue from contracts with customers	**$ 0.4**	$ —	$ 0.4
Cost of sales	**—**	—	—
Gross Profit	**0.4**	**—**	**0.4**
Other Income from investments			
Net change in fair value of investments	**(25.0)**	—	(25.0)
Interest, dividend and other investment income	**1.4**	—	1.4
Share of net earnings (loss) from equity-accounted investments	**(8.8)**	—	(8.8)
	(32.4)	**—**	**(32.4)**
Operating expenses			
Selling, general and administrative expenses	**—**	(3.9)	**(3.9)**
Compensation and benefits	**(2.1)**	2.1	—
Professional, advisory and service fees	**(0.9)**	0.9	—
Insurance, technology and other office expenses	**(0.8)**	0.8	—
Depreciation and amortization	**(0.1)**	0.1	—
Loss before the following items:	**(35.9)**	**—**	**(35.9)**
Financial (expenses) income, net	**0.1**	—	0.1
Fair value gain (loss) on contingent consideration	**0.3**	—	0.3
Decrease (increase) in limited partners' capital liability	**1.7**	—	1.7
Loss before income taxes	**(33.8)**	**—**	**(33.8)**

CHANGES IN ACCOUNTING POLICIES (continued)

	Six Months Ended June 30, 2022		
(in millions of Canadian dollars)	As originally presented	Change in classification	Restated
Statement of operations (extract)			
Revenue from contracts with customers	**$ 0.9**	$ —	$ 0.9
Cost of sales	**—**	—	—
Gross Profit	**0.9**	**—**	**0.9**
Other Income from investments			
Net change in fair value of investments	**(37.1)**	—	(37.1)
Interest, dividend and other investment income	**5.6**	—	5.6
Share of net earnings (loss) from equity-accounted investments	**(15.7)**	—	(15.7)
	(47.2)	**—**	**(47.2)**
Operating expenses			
Selling, general and administrative expenses	**—**	(8.0)	**(8.0)**
Compensation and benefits	**(4.3)**	4.3	—
Professional, advisory and service fees	**(2.0)**	2.0	—
Insurance, technology and other office expenses	**(1.6)**	1.6	—
Depreciation and amortization	**(0.1)**	0.1	—
Loss before the following items:	**(54.3)**	**—**	**(54.3)**
Financial (expenses) income, net	**0.1**	—	0.1
Fair value gain (loss) on contingent consideration	**0.3**	—	0.3
Decrease (increase) in limited partners' capital liability	**2.5**	—	2.5
Loss before income taxes	**(51.4)**	**—**	**(51.4)**

Cost of sales

Presented in costs of sales include expenses related to cost of materials consumed, change in inventory of finished goods and work-in-progress, direct labor compensation and benefits, property, plant and equipment depreciation and amortization as well as other direct production costs.

Selling, general and administrative expenses

Presented in selling, general and administrative include compensation and benefits expenses, professional, advisory and services fees as well as insurance, technology and other office expenses, including costs related to public company disclosure and Board costs, executive leadership, legal, finance and administration.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with the International Financial Reporting Standards ("IFRS") requires management to make estimates, judgments and assumptions that management believes are reasonable based upon the information available. These estimates, judgments and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results can differ from those estimates (refer to *Caution regarding forward-looking information*). For the three and six months ended June 30, 2023, significant estimates made in preparation of the condensed interim consolidated financial statements include:

- Impact of COVID-19 on the value of Aimia's investment in Clear Media;
- Measurement of the fair value of the investments in Clear Media and TRADE X, which include significant unobservable inputs;
- Measurement of the fair value of the investments in convertible notes of TRADE X and Kognitiv, which include significant unobservable inputs;
- The provisional purchase price allocation related to the Bozzetto acquisition;
- The provisional purchase price allocation related to the Tufropes acquisition;
- Measurement of the Paladin carried interest in Bozzetto and Tufropes, which include significant unobservable inputs;
- Measurement of the fair value of the contingent consideration receivable, which include significant unobservable inputs;
- Income Taxes;
- Contingent Liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CRITICAL ACCOUNTING ESTIMATES (continued)

The following table provides information about how the fair value of the investments in private companies and other financial instruments were derived.

June 30, 2023				
Investments	Valuation technique	Key valuation inputs	Range	Sensitivity
Clear Media Limited	**Income & Market Approach** - EBITDA multiple (adjusted for change in accounting pronouncements)	EBITDA multiple	8.0x - 8.5x	+/- 1.0x = +/- $7.2MM
		Return to historical profitability by	2025	
		Discount rate	19% - 22%	
TRADE X - Preferred shares	**Market Approach** - Combination of valuation techniques and inputs, including Revenue and EBITDA multiples.	EBITDA multiple	9.0x - 10.0x	A combined change in multiple of +/- 1.0x on EBITDA multiple and 0.1x on revenue multiple would have an impact of +/- $2.6MM
		Revenue multiple	0.7x	
TRADE X - Convertible Note	**Market Approach** - Coupled partial differential equations solved numerically using finite difference methods.	Conversion price (maturity)	US$108.40	
		Qualified Financing conversion discount	27.5%	
		Share price	US$40.66	+/- 10% = negligible
		Implied Credit Spread	39%	+/- 1% = +/- $0.1MM
		Volatility	43%	+/- 5% = negligible
TRADE X - Warrants	**Market Approach** - Black-Scholes option pricing model	Share price	US$40.66	+/- 10% = +/- $0.2M
		Volatily	43%	
		Exercise price	US$0.001	
Kognitiv - Convertible Note	**Market Approach** - Coupled partial differential equations solved numerically using finite difference methods.	Conversion price (maturity)	$1.20	
		Qualified Financing conversion discount	20%	
		Share price	$0.50	+10% = + $0.2MM - 10% = - $0.4MM
		Implied Credit Spread	21%	+/- 1% = +/- $0.2MM
		Volatility	50%	+/- 5% = +/- $0.2MM
Special purpose vehicles	**Net Asset Value** attributed based on investor statement	N/A	N/A	N/A
Investment funds	**Net Asset Value** attributed based on investor statement	N/A	N/A	N/A

CRITICAL ACCOUNTING ESTIMATES (continued)

		December 31, 2022		
Investments	Valuation technique	Key valuation inputs	Range	Sensitivity
Clear Media Limited	**Income & Market Approach** - EBITDA multiple (adjusted for change in accounting pronouncements)	EBITDA multiple	8.0x - 8.5x	+/- 1.0x = +/- $7.1MM
		Return to historical profitability by	2025	
		Discount rate	19% - 21%	
TRADE X - Preferred shares	**Market Approach** - Combination of valuation techniques and inputs, including Preferred Shares Series A financing round, Revenue and EBITDA multiples.	EBITDA multiple	9.0x - 10.0x	A combined change in multiple of +/- 1.0x on EBITDA multiple and 0.1x on revenue multiple would have an impact of +/- $2.2MM
		Revenue multiple	0.5x	
		Series A financing round enterprise value	US$285MM	
TRADE X - Convertible Note	**Market Approach** - Coupled partial differential equations solved numerically using finite difference methods.	Conversion price (maturity)	US$108.40	
		Qualified Financing conversion discount	27.5%	
		Share price	US$91.60	+/- 10% = +/- $0.4MM
		Implied Credit Spread	41%	+/- 1% = +/- $0.1MM
		Volatility	60%	+ 5% = - $0.4MM - 5% = - $0.2MM
TRADE X - Warrants	**Market Approach** - Black-Scholes option pricing model	Share price	US$91.60	+/- 10% = +/- $0.4M
		Volatily	60%	
		Exercise price	US$0.001	
Kognitiv - Convertible Note	**Market Approach** - Coupled partial differential equations solved numerically using finite difference methods.	Conversion price (maturity)	US$4.00	
		Qualified Financing conversion discount	20%	
		Share price	US$0.74	+/- 10% = +/-$0.1MM
		Implied Credit Spread	22%	+/- 1% = +/- $0.2MM
		Volatility	74%	+/- 5% = +/- $0.1MM
Special purpose vehicles	**Net Asset Value** attributed based on investor statement	N/A	N/A	N/A
Investment funds	**Net Asset Value** attributed based on investor statement	N/A	N/A	N/A

FUTURE ACCOUNTING CHANGES

The following standards and amendments have been published and their adoption is mandatory for future accounting periods.

Non-current liabilities with covenants (Amendments to IAS 1)

The IASB issued amendments ‘Non-current liabilities with covenants’ to IAS 1 ‘Presentation of financial statements’. The new amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period. The new amendments are effective for annual reporting periods beginning on or after 1 January 2024 and override the previous amendments. At this time, management is reviewing the impact that these amendments will have on its consolidated financial statements.

Lease liability in a sale and leaseback (Amendments to IFRS 16)

The IASB issued 'Lease liability in a sale and leaseback' (Amendments to IFRS 16). The amendments clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. At this time, management does not expect the amendments to have significant impact, if any, on its consolidated financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Corporation has adopted disclosure controls and procedures, with management's assistance, that are under the responsibility of the Chief Executive Officer and Chief Financial Officer, in order to provide reasonable assurance that they are made aware of material information. The Corporation has also adopted internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

During the interim period ended on June 30, 2023, there were no changes in the Corporation's internal controls over financial reporting that have significantly affected, or are reasonably likely to significantly affect, Aimia’s internal controls over financial reporting, except as noted in the scope limitation section below.

Because of inherent limitations, internal controls over financial reporting and disclosure controls can provide only reasonable assurances and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Audit, Finance and Risk Committee reviewed this MD&A, and the condensed interim consolidated financial statements, and the Board of Directors of Aimia approved these documents prior to their release.

Scope limitation

The Corporation has limited the scope of design of internal controls over financial reporting for Tufropes and Bozzetto. This scope limitation is in accordance with National Instrument 52-109 section 3.3 (1) (b), which allows for an issuer to limit scope for businesses it acquired not more than 365 days prior to the end of the reporting period.

Tufropes

The summary financial information (including the provisional purchase price allocation) related to Tufropes presented in Aimia's condensed interim consolidated financial statements and MD&A for the three and six months ended June 30, 2023 is as follows:

	Three Months Ended June 30,	Six Months Ended June 30,
(in millions of Canadian dollars)	2023	2023
Revenue	28.9	30.6
Earnings (loss) before income taxes	(0.6)	(25.7)
Total Assets	269.9	269.9
Total Liabilities [(a)]	134.9	134.9

(a) Total liabilities reported for Tufropes include an intercompany loan payable of $117.7 million as well as a carried interest liability of $7.4 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CONTROLS AND PROCEDURES (continued)

Bozzetto

The summary financial information (including the provisional purchase price allocation) related to Bozzetto presented in Aimia's condensed interim consolidated financial statements and MD&A for the three and six months ended June 30, 2023 is as follows:

	Three Months Ended June 30,	Six Months Ended June 30,
(in millions of Canadian dollars)	2023	2023
Revenue	45.9	45.9
Earnings (loss) before income taxes	(24.6)	(24.6)
Total Assets	418.4	418.4
Total Liabilities [(a)]	239.7	239.7

(a) Total liabilities reported for Bozzetto include a carried interest liability of $12.9 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RISKS AND UNCERTAINTIES AFFECTING THE BUSINESS

The results of operations and financial condition of Aimia are subject to a number of risks and uncertainties and are affected by a number of factors outside of the control of Management.

For more information, and for a complete description of the risk factors that could materially affect the business, please refer to the corresponding section in the MD&A of the Corporation for the financial years ended December 31, 2022 and 2021 dated March 15, 2023.

The risks described therein and in the MD&A of the Corporation for the financial years ended December 31, 2022 and 2021 may not be the only risks faced by Aimia. Other risks which currently do not exist or which are deemed immaterial may surface and have a material adverse impact on Aimia's results of operations and financial condition.

Inherent Risks in Portfolio Company Investments

As a controlling investor in Tufropes and Bozzetto, Aimia may be exposed to various risks in connection with such investments. Each of Tufropes and Bozzetto and other businesses in which they or Aimia invests, or may in the future invest, face risks, including but not limited to those set out below. These and other risks may affect one or both of Tufropes and Bozzetto or other Aimia investments. The extent to which, and manner in which, any single factor or combination of factors affects Tufropes and Bozzetto or Aimia’s other investments may be different, could be material to the affected business or businesses and, in aggregate, could be materially adverse to Aimia. Such risks include those associated with: limited financial resources and access to capital at desired levels and on acceptable terms; commodity price risk; interest rate risk; inflationary pressure; reliance on governmental funding; ability to execute its strategic, transformation or restructuring plans or to effectively integrate acquired businesses, as applicable; reliance on key management or other personnel; exposure to one or a limited number of suppliers or customers; litigation and product liability and warranty risk; risk of displacement or obsolescence of its products or services; competitive dynamics in its industry or sector; risk associated with business-specific or industry-specific regulation; risk of rebuilding and replacing legacy systems; risk of fraud or wrongdoing by operating company management; risk of challenged tax structures or changes in taxation laws and policies; risks relating to local government instability and regional or geopolitical tensions; changes to labour and employment conditions; changes to climate and environmental conditions; compliance with environmental laws and regulations; foreign investment regimes; government security and export controls; excise and sanction laws; anti-corruption laws; and protectionist measures, tariffs and trading quotas/restrictions.

Wind Down of MIM

Aimia has initiated a wind down of MIM, which will include, among other things, the liquidation of MIM’s assets, the discharge of MIM’s liabilities and the distribution of any remaining funds to Aimia. In connection with this process, MIM may also liquidate the assets of its remaining advisory clients as well as terminate the legal existence of any such clients, to the extent applicable. The process of winding down MIM involves numerous risks and uncertainties, including, but not limited to: the costs and timing associated with such wind down; costs and potential liabilities associated with employment and other related matters involving employees or former employees; the quantum of MIM’s liabilities and the potential for tax liabilities or other contingent liabilities to arise in connection with the wind down; the realizable value of MIM’s investments and other assets; the regulatory process and oversight associated with the wind down and the possible liquidation of assets and the resolution of any known or unknown claims which

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RISKS AND UNCERTAINTIES AFFECTING THE BUSINESS (continued)

may be asserted against MIM, its assets and/or its managing member (which is wholly-owned by Aimia). Aimia may be required to assume certain liabilities of MIM in connection with the wind down. There can be no assurance that an orderly wind down of MIM will occur, or if it does occur, how long such process will take and what funds, if any, will be remaining to be distributed to Aimia upon completion of the wind down.

2023 AGM

On April 21, 2023, Aimia was advised that a shareholder is considering litigation in respect of the conduct of the company's annual general meeting held on April 18, 2023. No such litigation has been initiated at this time.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NON-GAAP FINANCIAL MEASURES FOR INVESTMENTS

KOGNITIV

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/disposal related expenses and impairment charges related to non-financial assets.

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 below.

Kognitiv Adjusted EBITDA is used by Aimia and Kognitiv's management to evaluate performance. Aimia and Kognitiv's management believe 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 exclusion of restructuring and business acquisition/disposal related expenses assists investors by excluding expenses that are not representative of the run-rate cost structure of Kognitiv.

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions of Canadian dollars)	2023	2022	2023	2022
Loss before net financial expense and income tax expense *(b)*	**(6.0)**	(11.9)	**(12.1)**	(22.5)
Depreciation and amortization	—	0.1	0.1	0.2
Share-based compensation	(0.1)	1.1	0.1	2.0
Restructuring expenses	1.1	1.1	1.3	1.1
Kognitiv's Adjusted EBITDA *(a)(b)*	**(5.0)**	(9.6)	**(10.6)**	(19.2)

(a) A non-GAAP measure.

(b) Loss before net financial expense and income tax expense as well as Kognitiv's Adjusted EBITDA are presented on a continuing operations basis, excluding discontinued operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GLOSSARY

"Aeroplan" - means Aeroplan Inc. (formerly Aimia Canada Inc.);

"Aeroplan Program" - means the coalition loyalty program owned and operated by Aeroplan, which was sold on January 10, 2019;

"Aimia" or the "Corporation" - means Aimia Inc., and where the context requires, includes its subsidiaries and affiliates;

"Aeromexico" - means Aerovias de Mexico, S.A de C.V.;

"Bozzetto" - means Giovanni Bozzetto S.p.A..;

"CRA" - means the Canada Revenue Agency;

"GAAP" - means generally accepted accounting principles in Canada which are in accordance with IFRS;

"IFRS" - means International Financial Reporting Standards;

"Kognitiv" - means Kognitiv Corporation, a Canadian B2B technology platform and services company;

"Limited Partners Capital Liability" - means the capital in Precog Capital Partners, L.P. that is not owned by the Corporation;

"MIM" - means Mittleman Investment Management LLC;

"PLM" - means PLM Premier, S.A.P.I. de C.V., together with its predecessor Premier Loyalty & Marketing, S.A.P.I. de C.V., owner and operator of Club Premier, a Mexican coalition loyalty program;

"Precog" - means Precog Capital Partners L.P., a Delaware limited partnership whose general partner and investment manager is MIM, that is consolidated in the Corporation's financial statements;

"RCUIDS" - means redeemable convertible unsecured Islamic debt securities;

"Tufropes" - means Tufropes Pvt Ltd. as well as substantially all the net assets of India Nets (acquired through Tufnets Pvt Ltd.).

ADDITIONAL INFORMATION

Additional information relating to Aimia and its operating businesses, including Aimia's Annual Information Form dated March 15, 2023, is available on SEDAR+ at www.sedarplus.ca or on Aimia's website at www.aimia.com under "Investor Relations".