FINAL TRANSCRIPT

Aimia Inc.

Third Quarter 2023 Results

Event Date/Time: November 14, 2023 — 8:30 a.m. E.T.

Length: 35 minutes

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PRESENTATION

Operator

Good morning, ladies and gentlemen, and welcome to the Aimia Inc. Third Quarter 2023 Results Conference Call.

At this time, all lines are in listen-only mode. Following the presentation, we'll conduct a question-and-answer session. If at any time during this call you require immediate assistance, please press *, 0 for the Operator. This call is being recorded on Tuesday, November 14, 2023.

I would now like to turn the conference over to Albert Matousek. Please go ahead.

Albert Matousek — Head of Investor Relations and Communications, Aimia Inc.

Thank you, Colin, and welcome everyone to this morning's call. Today's presentation is available on SEDAR+ and on our website.

Before we get underway, I would like to remind everyone to please review our forward-looking statements and the cautions and risk factors pertaining to the statement.

My name is Albert Matousek, Head of IR and Communications. With me on the call today are speakers Phil Mittleman, Aimia's CEO; Michael Lehmann, our President; and Steve Leonard, our CFO.

Phil will begin with our strategic highlights, followed by Michael, who will cover the performance of our investments and hand the call over to Steve to walk us through the results of the quarter. We will have time for your questions at the end.

With that, let me hand it over to Phil.

Phil Mittleman — Chief Executive Officer, Aimia Inc.

Thanks, Albert, and good morning to everyone on the phone and webcast today.

I’m pleased to report strong performance by both Bozzetto and Cortland in the third quarter. Their combined adjusted EBITDA of $17.4 million is a testament to the underlying strength of each of those businesses and their excellent management teams.

I’d like to focus my comments on some recent highlights at both Bozzetto and Cortland.

Last week, we announced Bozzetto’s planned acquisition of StarChem, a specialty chemicals producer. This is a critical step towards the company’s expansion into the Americas, which has been an important component of our investment thesis.

Bozzetto has signed a definitive purchase agreement to acquire 65 percent of StarChem for $25.1 million, with a potential earn-out of an additional $12.5 million based on EBITDA targets. The StarChem management team will retain a material minority position of 35 percent and will continue to operate the business in partnership with Bozzetto.

We expect StarChem to generate approximately $48 million in revenue in the fiscal year ending December 31, 2023, with an EBITDA margin of approximately 12 percent.

StarChem is at the forefront of the specialty chemicals solution industry in Honduras, which is one of the world’s largest textile producing markets. StarChem serves major U.S. manufacturers such as Fruit of the Loom, Hanes, and Gildan. Its facilities have an installed production capacity of 20,000 metric tonnes annually, with room to expand.

StarChem, with a reputation for excellence, has been in business with Bozzetto since 2013. From a strategic point of view, StarChem will serve as a platform for Bozzetto to pursue further growth opportunities in the Americas. We believe Bozzetto’s ESG-focused chemical solutions will be well received in the Americas, both in the Textiles vertical and its other verticals, Dispersion Solutions, and Water

Solutions. StarChem's manufacturing capacity and proximity to target customers will enable Bozzetto to service new customers throughout the hemisphere.

We viewed expansion into the Americas as a top priority for Bozzetto, which is already a leader in selected European and Asian markets, and we are very excited about the new opportunities that StarChem will drive.

This transaction is perfectly aligned with our strategy to grow our portfolio companies by helping them identify and finance a creative and synergistic acquisition of opportunities, allowing us to build world-leading businesses for our stakeholders.

The business case for StarChem is similar to the Tufropes purchase of Cortland Industrial. We have already seen early success with the combined organization now operating as Cortland International.

Let's move on to Cortland's recent highlights.

Under the Cortland International brand, we recently appointed a new leadership team that is well-positioned to steer the business toward the bright future.

Stuart Janke, our new CEO, brings over 35 years of global experience in the synthetic rope industry. Having worked in diverse markets across Asia, Pacific, and Australia, and having led partnerships in China, India, and Southeast Asia, Stuart's insight is invaluable for our continued global expansion.

Brian Pettipas, our new CFO, brings insights from a career spanning a variety of sectors, including a long track record of success in private equity.

Their collective experience and dedication, along with that of their colleagues, is already making a significant impact, evidenced by the smooth integration of Tufropes in Cortland.

As outlined in our recent Investor Day, the Cortland team has identified specific market opportunities in various global sectors. The combined entity offers the unique value proposition of high-quality, cost-advantaged manufacturing from the Tufropes side, and global technical leadership from the Cortland side.

We're making strides in enhancing our presence in high-performance synthetic fibers and custom solutions across ropes, slings, and tether segments. We expect synergies to generate substantial value, and we're eager to see these developments unfold in the coming quarters.

Mike will provide further details on the performance of Bozzetto, Cortland, and our other investments in a moment. Before turning it over to him, I'd like to comment on some other important developments at Aimia.

In October, we completed a private placement that raised gross proceeds of $32.5 million to support our continued growth. Concurrently, we welcomed two new esteemed members to our Board of Directors, Thomas Finke and Yannis Skoufalos, both of whom are independent and bring with them a wealth of success and knowledge from Fortune 500 company leadership.

Thomas Finke, our new Chairman, expands the board expertise with his vast experience in finance and governance. Yannis will enhance the board's expertise with his three decades of experience in supply chain management, procurement, and logistics.

This continued board rejuvenation signifies Aimia's unwavering commitment to bolstering our leadership capabilities, ensuring robust governance, and creating shareholder value.

And with that, let me turn the floor over to Mike to provide you with some further updates on our investment portfolio. Mike?

Michael Lehmann — President, Aimia Inc.

Thanks, Phil. And good morning to everyone.

I'm now going to walk you through the operating performance of each of our businesses.

First, let's start with Bozzetto. Bozzetto reported robust revenues of $75.9 million, reflecting the strong demand and operational excellence that they've achieved over the past quarter. Gross profit for the quarter, adjusted to exclude depreciation and amortization, amounted to $20.4 million or 26.9 percent. This strong margin performance was due to the effective yield management, which focused on product mix and procurement.

Perhaps the most indicative of the operating efficiency was Bozzetto's adjusted EBITDA, which came in at $11.7 million. This represents a solid EBITDA margin of 15.4 percent, underscoring Bozzetto's profitability and the team's ability to manage costs effectively in the face of modest headwinds, largely due to geopolitical uncertainty.

Turning our focus to Cortland International, Cortland's brand is synonymous with excellence in technology-driven synthetic ropes, slings, and tethered products.

For the third quarter, Cortland International delivered strong financial results. The company recorded revenues of $38.4 million, with a gross profit, excluding depreciation and amortization, of $9.7 million, or 25.3 percent.

For the quarter, Cortland recorded an adjusted EBITDA of $5.7 million. This translates into an adjusted EBITDA margin of 14.8 percent.

While healthy, this margin is lower than our expectations due to the integration of Cortland Industrial, which at the time of acquisition, was generating a lower EBITDA margin of around 10 percent, as well as some short-term market pressures due to various regional economic factors impacting volumes and pricing.

While we see some challenges associated with the current market conditions that may continue into Q4 this year, we remain optimistic that the combined business will achieve adjusted EBITDA margins of 20 percent over the next two years.

Moving on to Clear Media. Clear Media maintained steady performance in Q3 2023, with revenues of RMB 210 million, in line with the results from Q2 2023, and an increase of 12.9 percent over the same quarter last year.

While an improvement over the same period last year, we're still waiting for the sluggish Chinese economy to rebound in order for this business to meaningfully improve its operating results.

Moving on to Kognitiv. In the third quarter, revenues from continuing operations was $11.5 million, up $300,000 from the prior year.

Adjusted EBITDA from continuing operations was a loss of $4.3 million, a significant improvement from the loss of $7.2 million in the prior year, and a sequential improvement from the $5 million loss in Q2 2023.

Kognitiv has enjoyed a recent strong influx of new business opportunities and client engagements, reflecting the positive reception of its new product offerings, including its AI-powered Kognitiv Pulse, which enables global brands to design, build, and manage their loyalty programs.

Next up is Capital A. Capital A recorded strong airline operating results in the third quarter of 2023, achieving close to 50 percent growth in passengers carried, while seat capacity grew close to 45 percent.

On November 1st, as part of the PN17 regularization plan, Capital A announced an LOI to sell brand AirAsia, the registered proprietor of AirAsia brand, and Fleet Consolidated Ltd., the entity responsible for procurement and leasing of aircraft, for an indicative equity value of US$1 billion to a SPAC, Ethereum, on the NASDAQ.

Shares of Capital A have performed very well and have climbed 32 percent year-to-date. Aimia owns approximately 3 percent of the outstanding shares.

Moving on to TRADE X. Aimia recorded a non-cash impairment of $36.2 million related to its holdings in convertible preferred shares, warrants, and convertible notes in TRADE X. This impairment was driven by recent poor financial performance and trade financing challenges which led to a restructuring of the business.

This includes the planned divestiture of its Wholesale Express subsidiary, the reorganization of the international auto trading business under its Techlantic subsidiary and advancing new business ventures such as the Electronic Vehicle Distribution Project discussed at our Investor Day.

And with that, let me turn it over to Steve to take you through the financial results. Steve?

Steven Leonard — Chief Financial Officer, Aimia Inc.

Thanks, Mike.

We ended the quarter with $42.5 million of cash, of which $26.8 million was held in Bozzetto, $6.5 million in Cortland International, and $9.2 million in the Holdings segment. Aimia also ended the quarter with $45.2 million in liquid securities.

On a pro forma basis, with net proceeds from the private placement, we have $72.9 million of cash.

As we mentioned earlier, the planned acquisition of StarChem by our Bozzetto subsidiary is expected to be financed primarily with debt when this transaction closes in the next 30 to 60 days.

We continue to work towards obtaining financing at the Cortland International business. Efforts have been delayed due to the uncertainty caused by shareholder activism.

Now let me turn to the operating costs of the Holdings segment. During the third quarter of ’23, the Holdings segment reported a loss before income taxes of $28.8 million, mainly related to a negative net change in fair value of investments of $25.7 million. The fair value change included the unrealized fair value loss of $36.2 million on the company’s investment in TRADE X.

Selling, general, and admin expenses amounted to $7.4 million, up $2.1 million versus the quarter in the same period last year. The increase was primarily due to legal and advisory related fees associated with the response to shareholder activism.

And with that, let me turn it back over to Phil to wrap up with a few concluding remarks. Phil?

Phil Mittleman

Thanks, Steve. I would like to take a moment to address the takeover bid for our company and the related activist activity. I know that many shareholders are concerned about the impact it may have on our business, our share price, and our ability to continue to generate shareholder value.

As you know, we have been approached with a hostile takeover offer from Mithaq. In response, our board, backed by the recommendations of an independent special committee, has unanimously advised our shareholders to reject this highly conditional unsolicited bid for many reasons outlined in our Directors’ Circular, some of which I will touch on here.

Let me put this into context. Aimia has been on an upward trajectory, successfully generating over $750 million from liquidity events since 2020 and redeploying nearly $700 million of that through strategic acquisitions. We are clearly poised for growth and are committed to enhancing shareholder value, a commitment that would be derailed and compromised by Mithaq’s self-interested takeover bid.

Mithaq's offer not only undervalues Aimia significantly, but their approach also contradicts the investment strategy we have established. They offer no credible investment strategy of their own, nor do they have any discernible investment track record. They have not put forward a management team or proposed any board members. Their bid has been a distraction that would deny you, our shareholders, the full benefit of your investment at the precise time it is beginning to bear fruit.

Aimia's stock performance, which has been depressed and undermined by Mithaq's tactics, does not reflect the company's true value or potential. We have been clear about this in our Directors' Circular and encourage all shareholders to review it thoroughly on our website.

We are not standing still in the face of these challenges. We have acquired three companies since the beginning of the year and signed an agreement to acquire a fourth, with more in progress.

We've fortified our board with seasoned leaders like Thomas Finke, our new Chairman, who brings over 30 years of asset management and investment experience, and Yannis Skoufalos, who brings decades of operational experience at Fortune 500 companies. Their experience, along with that of our other distinguished board members, is crucial as we navigate through this period and continue to steer Aimia towards its strategic goals.

In the face of this adversity, we've also had to expend significant resources to address what we believe are Mithaq's unlawful tactics. We're ready to prove these allegations in court come January and fully expect to showcase Mithaq's actions for what they are.

Their bid, replete with 20 conditions satisfied at their sole discretion, is designed to further their agenda, not Aimia's and not that of our shareholders.

Let me be clear, Aimia's value should not be judged by temporary market conditions, but rather, on our investment strategy and the strong portfolio we continue to build.

To further validate the quality of these assets, we have welcomed a number of new, sophisticated investors who support our vision by successfully raising capital through a private placement, further strengthening Aimia's position.

All that being said, it still doesn't clearly answer the questions so many ask me. With all these great things happening, why is the stock so low? For starters, no one likes a messy battle. It needlessly depletes resources. It distracts management. It deters new and existing shareholders from increasing their positions. It also drives people to the sidelines.

I've been told by numerous investors that, I'd love to buy X million shares, but I don't want to wake up and find out I'm trapped in a company run by Mithaq, so I'll come in when that's resolved. That's the essence of why our stock is where it is.

While our strong roster of long-term investors has steadfastly supported us throughout this ordeal, many are waiting on the sidelines for its resolution. We believe that time is near and are working hard to get there as soon as we can.

And to add insult to injury, we can't buy back our stock as we would normally be aggressively doing because our financing of Cortland was derailed by the same uncertainty. So it's a perfect storm, and that equates, at least in the short term, to a low stock price. But that can change very quickly when the fog is lifted, and we expect that it will.

We stand firm in our conviction that rejecting Mithaq's offer is in the best interests of all shareholders. We are here to build value, not to surrender it, and we will continue to act in the best interests of Aimia and its shareholders.

Our board unanimously recommends that shareholders reject the hostile offer and not tender their common shares. You don't have to do anything to reject their offer. You simply do not tender your shares.

At this point, we're happy to take questions.

Albert Matousek

Colin, that concludes today's prepared remarks. Please go ahead and prompt for questions.

Q&A

Operator

Thank you. Ladies and gentlemen, we'll now begin the question-and-answer session. Should you wish to ask a question, please press *, followed by 1. If you'd like to remove yourself from the question and answer, please press *, followed by 2. If you're using a headset, please lift the handset before pressing any keys.

Your first question comes from Brian Morrison from TD Securities. Brian, please go ahead.

Brian Morrison — TD Securities

Yes, good morning, guys. First question on Cortland.

It sounds like perhaps the incumbent business pre-Cortland, it's running a little bit below expectations. I think you said maybe it was macro or maybe there's some internal issues going on. Maybe just comment upon that and what gives you confidence that your guidance that you gave back at the Investor Day for '24, '25 still holds.

Steven Leonard

Hi, Brian. Steve Leonard. Yeah. We acquired Cortland. When we announced the transaction, their margin was around 10 percent compared to the Tufropes business that we had been guiding around 18 percent. With any business, the first quarter of integration and we didn't have a full quarter there, there were some lumps in the quarter, but we're still holding to the guidance that we gave relative to the two businesses at Investor Day.

We had a strong—overall, the volumes at the Tufropes business were 10.5 metric tonnes, which is in line with the volume that we expected to sell over a full year basis. So overall, it was a solid quarter for the combined business.

Brian Morrison

Okay.

Michael Lehmann

Hey, Brian. It's Mike Lehmann. Just to add to that, some of just the global geopolitical headwinds that we're seeing in the US throughout Europe, throughout Asia are hitting Tufropes a little bit. There are some degrees of a lack of confidence in 2024 and potential recessionary environment, even if it's a soft landing like environment, which are causing people to order just a few percent less than we would have typically expected.

So that's what we're really referring to when we talked about some minor headwinds.

Brian Morrison

Okay. Thank you. When I look at the progression of funding, I'm specifically talking about Cortland, do you require resolution upon the litigation? Or are you able to potentially proceed with your recent financing? You'll be able to potentially proceed with funding of that?

And then you mentioned an acquisition forthcoming. Can you give us maybe, not details, but size of magnitude and how that would be funded? Would it be by the hold co, or would it be at the operating level?

Phil Mittleman

Hey, Brian. Hey, it's Phil. So I think, first of all, with regard to your second question, the new acquisition is roughly twice the size of Cortland, and it's with much higher margins. So that's the kind of target size we're looking at as the next acquisition.

In terms of the funding of Cortland, I think lenders want to know who they're lending to. And I think that while—when the financing originally fell apart, there really wasn't much hope. It looked kind of like an untenable situation. It was very messy. I think the smoke's starting to clear a little bit. So we're trying to revisit that, and we're going to re-approach lenders.

So we don't have an answer yet, except to say that the smoke is starting to clear a little bit. I think people are getting more confident, especially with this new investor base and our new board members, that we will succeed in maintaining control. And so that would give comfort to some lenders. So we're optimistic, but we don't have anything in hand yet.

Brian Morrison

Okay. And sorry, the acquisition that you just commented, twice the size of Cortland, how would that be funded?

Phil Mittleman

Well, again, kind of, it's all tied together. We would be pursuing lenders, and we would expect that that would be part of a lending package, so stay tuned on that.

Also, we just raised a significant amount of capital, and so we would—it's a balancing act, but hopefully, it could be part of a larger funding.

Albert Matousek

And the plan is to fund it at the subsidiary level. I think that was another one of your questions.

Brian Morrison

Yeah, that's where I was going with it. Okay.

And then Phil, just the last one on Kognitiv here. Sounds like you're making progression on your noncore assets. Maybe where that process stands. And I know that you had mentioned that you were entertaining some phone calls, just an update on the process at Kognitiv.

Phil Mittleman

Sure. Kognitiv has gotten pretty exciting. So first of all, they're completing an equity raise at a very strong valuation. We can't disclose it, but I think you'd be very happy with it. Those incoming calls have evolved into some pretty serious discussions. So there's more than one opportunity on the table that could create a liquidity event for Kognitiv.

So it's become an exciting story. Rather than a survival story, it's becoming a growth story now and an exciting one. So stay tuned, but I think things are heating up there and we hopefully will have some news maybe in the next quarter.

Brian Morrison

All right. That's all for me. Thank you.

Phil Mittleman

Thank you.

Albert Matousek

Thanks, Brian. Before we continue to other questions, I'll be addressing some questions that we received from investors by email.

So the first question is, what more can you tell us about the new investors who participated in the private placement?

Phil Mittleman

Well this is—I'll tell you that you've seen two of them. You've seen Thomas and Yannis, who are fantastic additions to our board. And I would say, I think it's a really big and important testament to Aimia's value and our strategy that these people have come in into such a situation. I mean, usually you're in the middle of an ugly battle with an activist, people stay on the sidelines. But these people dove in head first, bought a significant amount of stock and obviously, joined the board and our investor roster.

And while I can't identify the list of investors, I will tell you that it is the most incredible group of investors I've ever seen assembled in an investor round. So I think that not only do they provide cash, they provide a lot more than cash for Aimia. And we're going to get a lot of benefit from their participation. So I think we're very, very happy with that strategic group of investors. And I think it'll be a tremendous long-term benefit for Aimia.

Albert Matousek

Thanks, Phil.

A second question we got is, are you expecting any upside on the existing stock and business that is generating $48 million in sales and 12 percent added to margins? Or is the rationale primarily about bringing Bozzetto product to new markets?

Phil Mittleman

Yeah. No, we see a lot of upside in both of those aspects of the acquisition. I think we timed this acquisition very well. Just because of the macroeconomic situation in textiles, we saw that their sales and EBITDA are down dramatically right before we made this acquisition. So we see a lot of upside in the company's EBITDA.

We see a lot of opportunity in terms of synergies, but most importantly, we see tremendous upside in this company's ability to distribute and produce Bozzetto's products to a very large new market that Bozzetto previously had never been able to sell into. So it's a very exciting acquisition. It's transformational and we're very excited about it.

Michael Lehmann

If I could just add on.

So, as Phil said, the chemical solutions within Bozzetto that they're currently manufacturing and distributing all across Europe and Asia, they're also in great demand in other geographies and they just haven't distributed into those geographies because they didn't have a manufacturing base. We now do have the manufacturing base.

So the Americas platform is the next phase of growth within Bozzetto. The company has been a very significant player supporting the textile industry within the ESG-focused specialty chemical solutions sector. And this is going to be a primary initial focus at StarChem, but we see numerous opportunities to expand into adjacent sectors, within both Dispersion, as well as Water Solutions, into subcategories like personal care, consumer products, very, very, very large sectors within North America that to date use products that we manufacture, but they just don't use Bozzetto's products yet because of the manufacturing geography. So that's going to open up a whole new world for us.

Albert Matousek

Thanks, Michael.

Another question that just came in, can you comment on the change of management at Cortland?

Phil Mittleman

Sure. This was always planned. You know, our previous CEO had been interim. Our CFO had been interim. And we'd been looking for a new management team since we started pursuing the acquisition. And when we found Cortland, Cortland came with some really strong management and so we're very happy to tap into that.

And we had found Brian through a search process and we found Stuart through obviously our transaction with Cortland. So it was a natural progression. It was something we were always planning on and we're very happy with the way it worked out.

Albert Matousek

Thanks, Phil.

Colin, are there any other questions?

Operator

Yes, we have a question from Sebastian Vargas from Jefferies. Sebastian, please go ahead.

Surinder Thind — Jefferies

This is Surinder. Just following up on the Cortland, can you talk a little bit about just kind of the integration process at this point? At what point would you see what I would call kind of a more integrated one sales force approach? And just any comment theory on longer-term revenue synergies here?

Steven Leonard

Yeah, I'd say, what my colleagues add as well. It's Steve.

So we acquired them on mid July. We've made the management changes. There's been structural changes within the team in terms of the organization and especially on the go-to-market strategy as well as the rebranding. You'll see that we've rebranded the entire business. So we're expecting, Surinder, to start seeing some of that going into the fourth quarter. But more in '24, I would expect to see substantial traction on the sales side.

And some examples, so Cortland Industrial, the company that we acquired, was a highly engineered business dealing with very sophisticated buyers. And they also purchased, let's call it, more lower-end value ropes and tethers and these things, but they were purchasing them from other suppliers in Asia, et cetera. So there's a synergy there because now the combined business can offer those products to that market, those customers of Cortland Industrial.

And then likewise, on the Tufropes side, there was a distribution network, export network, where again, a lot of those customers were buying what Cortland provides, which is very good, high quality, but they weren't necessarily buying the more sophisticated products that are laying that are required for specific applications, heavy loads, et cetera. So those are the things we're seeing, as well as production.

The other element is production. So we mentioned when we acquired Tufropes that there's a capacity available with our plants in India and we're looking to utilize the excess availability of capacity.

Phil Mittleman

Thanks, Surinder. It's Phil.

So also, I think I would say at the top of the list of the new management team's to-do list has been recruiting and enhancing the sales force and targeting the highest margin areas. So we're in the process of prioritizing and focusing their sales efforts where it really matters and getting—I think Stuart's background comes from sales.

And so that's a major focus is getting both the product portfolios and catalogs cross-sold but also sold into new markets together. So that's a big focal point for 24.

Surinder Thind

Got it. And then maybe turning to Bozzetto here and the StarChem acquisition. Just any comment on the StarChem margins which are a bit below the Bozzetto margins? And just kind of how you think about this longer term as you think about integrating and all of that other kind of stuff.

Michael Lehmann

So it's Mike. Hi, Surinder.

So yes, the EBITDA margins are currently about 12 percent versus kind of 300 to 500 basis points above that for Bozzetto which is typical.

There are a few things there. The chemical solutions that Bozzetto makes are higher margin and greatly in-demand products. So we are going to—as we shift that product line, let's just call it for separation, for discussion purposes, that is immediately going to add to the EBITDA margin just through the combination of higher-margin products going through.

Historically, Bozzetto has been more efficient in their ability to procure product going into their specialty solutions. So we feel that even just separate from mix shift within StarChem, we'll be able to increase the EBITDA margins across the board.

In addition, as I mentioned, there are numerous opportunities to expand into adjacent sectors. Within Honduras and Central and South America, it's a huge manufacturing base for textiles, t-shirts, and the like. We also, through Bozzetto, have the ability to manufacture goods that go into other products other than textiles.

So what we are planning on doing is expanding the manufacturing base down there and using that manufacturing base as a platform, as a jumping off, a springboard, if you would, to get those chemicals into North America, into other things like personal care, like consumer products, into other adjacencies that are very large and have the capability to make this much more than a textile-oriented company, StarChem, and has the ability to be much more well-rounded and be able to serve many other sectors than what they produce now, which is primarily the textile industry.

Surinder Thind

That's helpful. And then just maybe another quick one here, just on Clear Media.

I guess how patient are you willing to be in terms of just kind of waiting out the situation and the turnaround in that business? Or is there potentially an exit strategy where maybe that capital could be better allocated elsewhere in the near term if you were able to monetize whenever you can?

Phil Mittleman

Yeah, I mean, I think we've been patient for the right reasons. I mean, the delays in the company's execution of their plan have been no fault of their own. As you know, it's been zero COVID. Surviving for two years of zero COVID is somewhat miraculous, that they did this without damaging the equity value of the company, and they've managed to fine tune the model and to shed bad leases, et cetera.

So we definitely do not want to exit this before harvesting all that patience that's been expended and we're now at a position where we can see this thing really grow and be turbocharged into any type of economic recovery.

So it's hard to predict macroeconomic trends and when a company is going to recover, but I would not bet against this group. We've got JCDecaux, a leader in the business, raring to go and aggressively wants to support and pursue the strategy here.

So I think we're going to remain patient and we're going to hold this to some type of monetization event, but we definitely don't want to miss out on what's to come because having waited this long, it's not the time to abandon ship. It's the time to be optimistic and hope that that recovery is coming and that we're going to reap the fruits of that waiting and this amazing partnership group behind it. So we'll remain patient.

Surinder Thind

Got it That's it for me. Thank you.

Phil Mittleman

Thanks, Surinder

Michael Lehmann

Thanks, Surinder.

Operator

There are no further questions at this time. I'll turn it back to Albert for closing remarks.

Albert Matousek

Thank you very much. We'd like to thank everyone for joining us on today's call and webcast. Have a great day.

Operator

Ladies and gentlemen, this concludes your conference call for today. We thank you for participating and ask that you please disconnect your lines.