



## AIMIA REPORTS STRONG FIRST QUARTER 2024 RESULTS, SETS PRIORITIES TO CREATE VALUE, AND PROVIDES GUIDANCE

**Toronto, May 15, 2024** – Aimia Inc. (TSX: AIM) (“**Aimia**” or the “**Company**”), today reported its financial results for the three months ended March 31, 2024, provided clarity on its corporate strategy aimed at accelerating value creation, and provided guidance for 2024. All amounts are in Canadian currency unless otherwise noted.

### EXECUTIVE CHAIRMAN COMMENTARY

“Our first quarter results were marked by the strong performances of our core subsidiaries, Bozzetto and Cortland International (“**Cortland**”), who each improved their gross margins and adjusted EBITDA from the prior period,” said Tom Finke, Aimia’s Executive Chairman. “Bozzetto, in particular, demonstrated a combination of organic growth driven by increased customer demand as well as accretive growth resulting from the initial contributions from its acquisition of StarChem, which closed in January. We look forward to sustaining this momentum through 2024 and beyond.”

Mr. Finke added, “In conjunction with valuable feedback from our shareholders and input from our Board, we have re-aligned our strategy to focus on our core holdings and accelerate shareholder value creation. Our priorities in the near term will center on three main objectives: First, unlock the growth potential of our core holdings, Bozzetto and Cortland, two global companies operating in specialty markets with significant organic and accretive growth potential. Second, responsibly monetize our non-core assets in an expedited manner. And third, optimize Aimia’s capital structure to support the return of capital to shareholders. With respect to the latter, we expect to launch a normal course issuer bid later this year with amounts to be determined pending receipt of our anticipated earn-out from the PLM transaction, completion of certain strategic developments, and assessing our liquidity requirements.”

Mr. Finke concluded, “Given our performance in Q1 and confidence in our near-term outlook, we anticipate generating adjusted EBITDA in 2024 for our core businesses in the range of \$80 to \$85 million on a combined basis and anticipate corporate operating costs for the year to be approximately \$13 million, exclusive of one-time expenses of \$13 to \$14 million.”

### AIMIA’S Q1 2024 HIGHLIGHTS

#### Consolidated Results and Corporate Developments

- Reported consolidated revenue of \$122.1 million. The total was particularly driven by the strong contributions from Aimia’s sustainable speciality chemicals subsidiary, Bozzetto, which generated \$88.1 million or 72.2% of Aimia’s consolidated total.
- Reported consolidated Adjusted EBITDA of \$6.7 million, which marked a positive turnaround of \$10.7 million from the Adjusted EBITDA loss of \$4 million in Q4 2023.
- Reported a consolidated net loss of \$4.2 million or \$0.09 per common share..
- Ended Q1 with a total liquidity of \$111.2 million, comprised of \$98.2 million in cash and cash equivalents and \$13 million in public securities.
- Named Tom Finke as Executive Chairman and Karen Basian as Lead Independent Director following the resignations of Phil Mittleman as CEO and Michael Lehmann as President. The Company continues to make progress on the search for a new CEO.
- Appointed Robert Feingold, a finance and asset management professional with more than 30 years of industry and academic experience, to the Company’s Board of Directors.

- Received notice that that the earn-out conditions from the sale of its 48.9 percent stake in PLM Loyalty to Aeromexico have been met, resulting in an anticipated cash earn-out payment of approximately \$33 million in the second quarter of 2024.

### Subsidiaries and Investments

- Aimia's Bozzetto and Cortland segments generated Adjusted EBITDA of \$19.5 million on a combined basis.
- Aimia's Bozzetto subsidiary closed its acquisition of a 65% interest in StarChem S.A, a Honduras-based manufacturer of chemicals for the textile industry, for a base consideration of \$24.1 million with a potential earn-out of up to \$12.3 million based on EBITDA targets to be met over the next two years. The acquisition enables Bozzetto to establish a beachhead in the North American market and take advantage of several customer and cost synergies. In Q1, StarChem contributed revenue of \$7.3 million.

### CONSOLIDATED FINANCIAL HIGHLIGHTS

<b>Aimia</b>			
<b>(in millions of dollars except for margin and per share data)</b>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>
<b>Revenue from contracts with customers</b>	122.1	100.1	2.0
<b>Gross Profit</b>	34.6	23.8	0.1
<b>Gross Margin</b>	28.3%	23.8%	5.0%
<b>Operating Expenses</b>	(35.0)	(37.8)	(19.8)
<b>Operating Income (loss)</b>	(3.6)	(51.0)	(7.6)
<b>Adjusted EBITDA<sup>1</sup></b>	6.7	(4.0)	(6.3)
<b>Net earnings (loss)</b>	(4.2)	(59.0)	(20.7)
<b>Earnings (loss) per share diluted</b>	(0.09)	(0.69)	(0.29)

Aimia's financial results for the three months ended March 31, 2024, reflect the acquisitions of Bozzetto and Cortland completed in 2023, and the acquisition of StarChem completed on January 2, 2024. Comparisons to the Company's performance in the comparable period of 2023 may not be meaningful. This quarterly earnings release should be read in conjunction with Aimia's consolidated financial statements and management discussions and analysis (MD&A) for the three months ended March 31, 2024, which can be accessed from SEDAR+ and [www.aimia.com](http://www.aimia.com).

### Balance Sheet and Liquidity

As at March 31, 2024, Aimia had a total liquidity of \$111.2 million, which was comprised of \$98.2 million in cash and cash equivalents and \$13 million in public securities. At December 31, 2023, Aimia had total liquidity of \$136.9 million, which was comprised of \$109.1 million in cash and \$27.8 million in public securities. The quarter over quarter decrease was attributable to a number of developments in Q1, including \$15.5 million spent towards the StarChem acquisition, net of cash acquired.

At March 31, 2024, Aimia held cash and cash equivalents of \$98.2 million of which \$44 million was held in Bozzetto, \$9.3 million in Cortland International and \$44.9 million in the Holdings segment.

<sup>1</sup> Adjusted EBITDA is a non-GAAP measure.

### **Cash Flow from Operations**

Aimia used \$5.7 million of cash in operating activities on a consolidated basis in the first quarter of 2024. The amount includes \$1.6 million of expenses related to acquisition activities and \$7 million of expenses paid mainly related to shareholder activism, including litigation settlement agreements.

### **Available Tax Losses**

At March 31, 2024, Aimia had \$727.8 million of tax losses available for carry forward that may be used to reduce taxable income in future years. The total available for carry forward is comprised of \$441.2 million of operating tax losses and \$286.6 million of capital tax losses.

### **Dividends**

Aimia paid \$3.2 million in dividends for the first quarter ended March 31, 2024, on its two series of outstanding preferred shares.

Aimia's Board of Directors declared quarterly dividends of \$0.300125 per Series 1 preferred share, \$0.485813 per Series 3 preferred share, and \$0.570677 per Series 4 preferred share, in each case payable on June 28, 2024, to shareholders of record on June 14, 2024.

With the reset of the annual dividend rate for Series 3 Preferred shares and the introduction of Cumulative Floating Rate Series 4 Preferred Shares, Aimia quarterly dividend payments will increase by approximately \$700,000 beginning in Q2 2024.

### **SEGMENT RESULTS**

Aimia is comprised of three segments: Bozzetto, Cortland International, and Holdings. Financial highlights for each segment for the three-month period ended March 31, 2024, follow.

#### **Bozzetto**

Aimia owns a 94.1% equity stake in Bozzetto, one of the world's leading providers of sustainable specialty chemicals with applications mainly in the textile, home and personal care, geothermal, construction, and agrochemical markets. Bozzetto's management team owns the remaining 5.9%. The Bozzetto segment includes results since Bozzetto's acquisition on May 9, 2023, and the results since the acquisition of StarChem on January 2, 2024. Comparisons to Bozzetto's results for comparable three-month period ended March 31, 2023, are, as a result, not presented.

<b>Bozzetto<sup>2</sup></b>			
<b>(in millions of dollars except for margin data)</b>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>
Revenue from contracts with customers	88.1	70.3	-
Gross Profit	26.8	19.1	-
Gross Margin	30.4%	27.2%	
Operating Expenses <sup>3</sup>	(17.1)	(14.7)	-
Operating Income	10.1	5.3	-
Earnings before income taxes	5.9	0.5	-
Adjusted EBITDA <sup>4</sup>	15.5	10.4	-

- Bozzetto generated revenue of \$88.1 million in the first quarter of 2024, up 25.3% from \$70.3 million generated in Q4 2023. The quarter-over-quarter increase was driven by the acquisition of StarChem, which closed on January 2, 2024, and contributed \$7.3 million in new revenue. Excluding the contributions from StarChem, Bozzetto's revenue grew by 14.9%, largely due to stronger customer demand.
- Adjusted EBITDA for Q1 2024 was \$15.5 million, which represents a margin of 17.6%. These compare to \$10.4 million and 14.8%, respectively, for Q4 2023. The quarter-over-quarter improvement was largely driven by higher sales volumes to existing customers and by the StarChem acquisition.
- Bozzetto's efforts to mitigate the impact of shipping disruptions experienced in the fourth quarter of 2023 were reflected by increased local production in select markets.

### **Cortland International**

Aimia owns a 100% equity stake in Cortland International, the rebranded combination of Tufropes and Cortland Industrial, a global leader in the manufacturing of high-performance synthetic fiber ropes and netting solutions for maritime and other industrial customers.

The Cortland International segment includes the results of Tufropes and Cortland Industrial since their acquisition on March 17, 2023, and July 11, 2023, respectively.

<b>Cortland International</b>			
<b>(in millions of dollars except for margin data)</b>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>
Revenue from contracts with customers	34.0	29.7	1.7
Gross Profit	7.8	4.6	(0.2)
Gross Margin	22.9%	15.5%	nm
Operating Expenses <sup>5</sup>	(7.0)	(5.9)	(13.3)
Operating Income (loss)	1.1	(0.9)	(13.2)
Earnings (loss) before taxes	(1.5)	(6.5)	(25.3)
Adjusted EBITDA <sup>6</sup>	4.0	2.5	(1.5)

<sup>2</sup> Bozzetto's results for Q1 2024 include contributions from its acquisition of StarChem, closed on January 2, 2024. Prior periods exclude any StarChem contributions.

<sup>3</sup> Operating expenses for the three months ended March 31, 2024, include transaction costs of \$0.7 million, of which \$0.4 million were related to the StarChem acquisition. Operating expenses for the three months ended December 31, 2023, include transaction costs of \$0.9 million, of which \$0.6 million were related to the StarChem acquisition.

<sup>4</sup> Adjusted EBITDA is a non-GAAP measure.

<sup>5</sup> Operating expenses include transaction and transition costs related to the acquisition of Tufropes and Cortland amounting to \$0.2 million \$0.5 million, and \$11.6 million in the three months ended March 31, 2024, December 31, 2023, and March 31, 2023, respectively.

<sup>6</sup> Adjusted EBITDA is a non-GAAP measure.

- Cortland generated revenue of \$34 million for Q1 2024, up 14.5% from \$29.7 million generated in Q4 2023. The quarter-over-quarter increase was attributable to several factors, including stronger customer demand, particularly from Europe, and improved product mix.
- Adjusted EBITDA for Q1 2024 was \$4 million, up 60% from \$2.5 million generated in Q4 2023.
- Adjusted EBITDA margin for Q1 2024 was 11.8%, up from 8.4% for Q4 2023.
- Despite Cortland's improved performance in Q1, its results were impacted by ongoing shipping disruptions in the Red Sea first experienced in Q4 2023, although to a lesser extent.
- Cortland appointed Kris Volpenhein as Chief Technical Officer, responsible for research and development, engineering, and developing the technology roadmap for products, services, applications, and sustainability. Mr. Volpenhein brings more than 15 years of rope industry experience.

### Holdings Segment

The Holdings segment includes Aimia's investments in Clear Media Limited, Kognitiv, Capital A, as well as minority investments in public company securities and limited partnerships. Holdings also includes corporate operating costs, including costs related to public company disclosure and Board costs, executive leadership, legal, finance and administration.

<b>Holdings Segment</b>			
<b>(in millions of Canadian dollars)</b>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>
<b>Revenue from contracts with customers</b>	-	0.1	0.3
<b>Gross Profit</b>	-	0.1	0.3
<b>Other Income from investments</b>	(3.9)	(38.3)	11.8
<b>Operating Expenses</b>	(10.9)	(17.2)	(6.5)
<b>Earnings (loss) before taxes</b>	(5.8)	(54.0)	5.9
<b>Adjusted EBITDA<sup>7</sup></b>	(12.8)	(16.9)	(4.8)

- Operating expenses for the Holdings segment in Q1 2024 included \$6.9 million of expenses mainly related to shareholder activism including settlement agreements and \$1.6 million of separation related expenses for the departure of executives.
- In Q1 2024, Aimia recorded a negative net change in the realized and unrealized value of its investments totaling \$3 million. The net change was due to adjustments across its holdings and driven by a decrease in the fair value of the Capital A holdings of \$3.3 million from ongoing sales of Aimia's stock holdings.

### Aimia's Guidance for 2024

<b>(in millions of Canadian dollars)</b>	<b>2024</b>
<b>Adjusted EBITDA at Bozzetto and Cortland on a Combined Basis</b>	<b>\$80 - \$85</b>
<b>Holding Company Costs</b>	<b>\$13</b>
<b>One-time Costs Related to Shareholder Activism, Employee Severance, and Integration Initiatives at Cortland</b>	<b>\$13 - \$14</b>

### Quarterly Conference Call and Audio Webcast Information

Aimia will host a conference call to discuss its first quarter 2024 financial results at 8:30 am ET on May 15. The call will be webcast at the following URL link: <https://app.webinar.net/bMNjd78DP7I>. A slide presentation intended for simultaneous viewing with the conference call and an archived audio webcast will be available for 90 days following the original broadcast available at: <https://www.aimia.com/investor-relations/events-presentations/>

<sup>7</sup> Adjusted EBITDA is a non-GAAP measure.

## About Aimia

Aimia Inc. (TSX: AIM) is a diversified company focused on unlocking the growth potential of its two global businesses, Bozzetto, a sustainable specialty chemicals company, and Cortland International, a rope and netting solutions company. Headquartered in Toronto, Aimia's priorities include monetizing its non-core investments, returning capital to its shareholders, and efficiently utilizing its loss carry-forwards to create shareholder value. For more information about Aimia, visit [www.aimia.com](http://www.aimia.com).

### For more information, please contact:

Joe Racanelli  
Vice President, Investor Relations  
647 970 2200  
[Joseph.Racanelli@aimia.com](mailto:Joseph.Racanelli@aimia.com)

## Non-GAAP Financial Measures and Reconciliation to Comparable GAAP Measures

"GAAP" means Canadian Generally Accepted Accounting Principles (which are in accordance with the International Financial Reporting Standards).

### 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, Cortland International 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 believes 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, cost of sales expense related to inventory fair value step up resulting from purchase price allocation, 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 and Aimia warrants, 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 tables below.

## BOZZETTO

(in millions of Canadian dollars)

	Q1 2024	Q4 2023	Q1 2023
<b>Reconciliation of Adjusted EBITDA</b>			
<b>Earnings (loss) before income taxes</b>	<b>5.9</b>	0.5	—
Depreciation and amortization	5.1	5.1	—
Financial expense, net	4.3	5.1	—
Transaction related costs	0.7	0.9	—
(Income) expenses related to carried interest, call option and fair value (gain) loss on contingent consideration	(0.1)	(0.3)	—
Other income from investments	(0.4)	(0.9)	—
<b>Adjusted EBITDA</b>	<b>15.5</b>	<b>10.4</b>	<b>—</b>
<b>Adjusted EBITDA margin</b>	<b>17.6 %</b>	14.8%	

## CORTLAND INTERNATIONAL

<i>(in millions of Canadian dollars)</i>	Q1 2024	Q4 2023	Q1 2023
<b>Reconciliation of Adjusted EBITDA</b>			
<b>Earnings (loss) before income taxes</b>	<b>(1.5)</b>	(6.5)	(25.3)
Depreciation and amortization	<b>3.0</b>	3.0	0.4
Intercompany interest (income) expense	<b>2.2</b>	3.0	0.5
Cost of sales expense related to inventory fair value step result from purchase price allocation	—	0.3	—
Transaction and transition related costs	<b>0.2</b>	0.5	11.6
(Income) expenses related to carried interest and call option	<b>0.2</b>	(0.1)	10.8
Financial (income) expense, net	<b>0.2</b>	2.7	0.8
Other income from investments	<b>(0.3)</b>	(0.4)	(0.3)
<b>Adjusted EBITDA</b>	<b>4.0</b>	<b>2.5</b>	<b>(1.5)</b>
<b>Adjusted EBITDA margin</b>	<b>11.8 %</b>	8.4%	nm.

## HOLDINGS

<i>(in millions of Canadian dollars)</i>	Q1 2024	Q4 2023	Q1 2023
<b>Reconciliation of Adjusted EBITDA</b>			
<b>Earnings (loss) before income taxes</b>	<b>(5.8)</b>	(54.0)	5.9
Depreciation and amortization	—	—	1.1
Share-based compensation expense (reversal)	<b>(1.9)</b>	0.2	0.3
Intercompany interest (income) expense	<b>(2.2)</b>	(3.0)	(0.5)
(Income) expenses related to carried interest, call option and fair value (gain) loss on contingent consideration and Aimia warrants	<b>(3.8)</b>	(0.3)	—
Financial (income) expense, net	<b>(3.0)</b>	1.9	0.1
(Decrease) increase in limited partners' capital liability	—	—	0.1
Other income from investments	<b>3.9</b>	38.3	(11.8)
<b>Adjusted EBITDA</b>	<b>(12.8)</b>	(16.9)	(4.8)

## Forward-Looking Statements

This press release contains statements that constitute “forward-looking information” within the meaning of Canadian securities laws (“forward-looking statements”), which are based upon Aimia’s 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 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 press release include, but are not limited to, Aimia’s future growth and value creation; Bozzetto’s momentum in 2024; and Cortland growth opportunities; the monetization of Aimia’s other investments; Aimia’s accelerate shareholder value creation; Bozzetto and Cortland significant organic and accretive growth potential; monetize our non-core assets in an expedited manner; Aimia’s potential change in the capital structure in order to support the return capital to shareholders; Aimia’s launch of a normal course issuer bid in 2024; the value of PLM cash earn-out; The adjusted EBITDA in 2024 for Aimia’s core businesses in the range of \$80 to \$85 million; Aimia’s corporate operating costs of approximately \$13 million in 2024 and other one-time costs of \$13 to \$14 million in 2024; Aimia’s, Bozzetto and Cortland Adjusted EBITDA; StarChem potential earnout; Bozzetto’s customer and cost synergies with StarChem.

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 press release speak only as of the date hereof and reflect several material factors, expectations and assumptions. 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 the Company can be found in Aimia's current Management's Discussion and Analysis and Annual Information Form, each of which have been or will be filed on SEDAR+ and can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca). Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Aimia disclaims any intention and assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.