



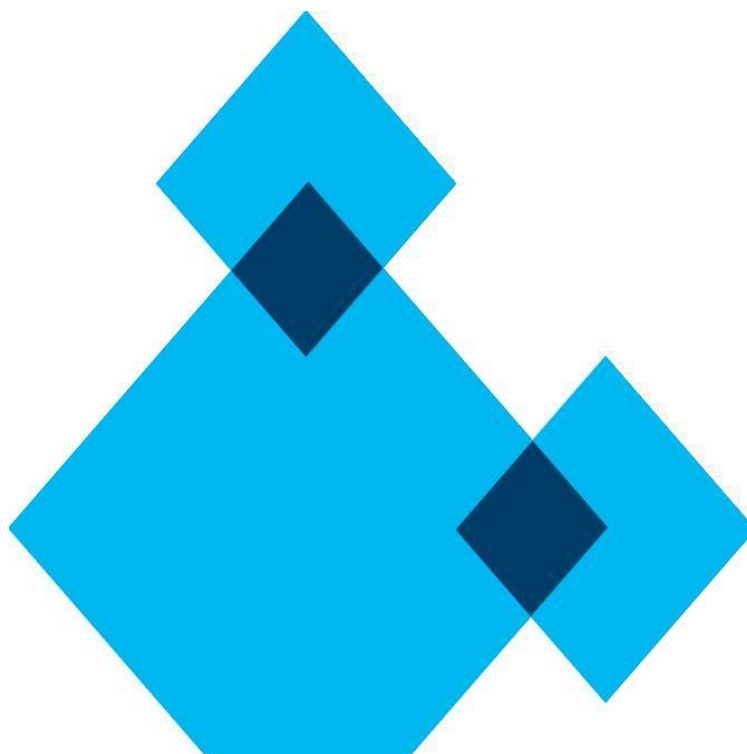
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# CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2024 and 2023

*Unaudited*

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## MANAGEMENT'S REPORT

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The accompanying consolidated financial statements of Aimia Inc. are the responsibility of management and have been approved by the Board of Directors. The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, which are International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The consolidated financial statements include some amounts and assumptions based on management's best estimates which have been derived with careful judgment.

In fulfilling its responsibilities, management of the corporation has developed and maintains a system of internal accounting controls. These controls are designed to provide reasonable assurance that the financial records are reliable for preparation of the financial statements. The Board of Directors reviews and approves the corporation's consolidated financial statements.

May 14, 2024

*(signed) "Thomas M. Finke"*

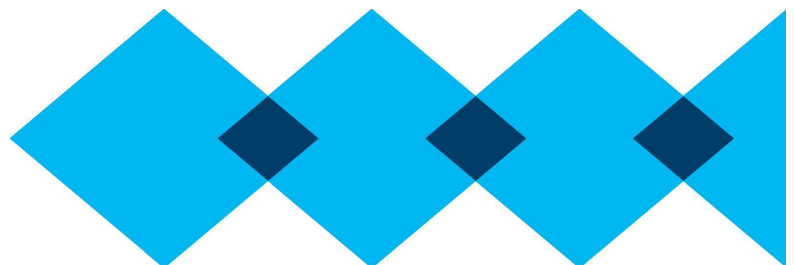
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THOMAS M. FINKE  
Executive Chairman

*(signed) "Steven Leonard"*

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STEVEN LEONARD  
Chief Financial Officer





## CONSOLIDATED STATEMENTS OF OPERATIONS

		Three Months Ended March 31,	
<i>(in millions of Canadian dollars, except share and per share amounts)</i>		2024	2023
		(unaudited)	(unaudited) Restated - Note 2(f)
<b>Revenue from contracts with customers</b>	Note 13A	\$ 122.1	\$ 2.0
Cost of sales		(87.5)	(1.9)
<b>Gross Profit</b>		<b>34.6</b>	<b>0.1</b>
<b>Other Income (loss) from investments</b>			
Net change in fair value of investments	Note 5	(3.0)	10.8
Interest, dividend and other investment income	Note 13A	5.2	7.2
Share of net earnings (loss) from equity-accounted investments	Note 6	(5.4)	(5.9)
		<b>(3.2)</b>	<b>12.1</b>
<b>Operating expenses</b>			
Selling, general and administrative expenses		(35.0)	(19.8)
<b>Loss before the following items:</b>		<b>(3.6)</b>	<b>(7.6)</b>
Financial expenses, net		(1.5)	(0.9)
Income (expenses) related to carried interest, call option, fair value gain (loss) on contingent consideration and Aimia warrants		3.7	(10.8)
Decrease (increase) in limited partners' capital liability		—	(0.1)
<b>Loss before income taxes</b>		<b>(1.4)</b>	<b>(19.4)</b>
Income tax expense		(2.8)	(1.3)
<b>Net loss</b>		<b>\$ (4.2)</b>	<b>\$ (20.7)</b>
<b>Net earnings (loss) attributable to:</b>			
Equity holders of the Corporation		(4.9)	(20.7)
Non-controlling interests		0.7	—
<b>Net loss</b>		<b>(4.2)</b>	<b>(20.7)</b>
<b>Weighted average number of shares - Basic and diluted</b>	Note 11	<b>93,073,929</b>	<b>82,598,929</b>
<b>Loss per common share</b>			
Basic	Note 11	\$ (0.09)	\$ (0.29)
Diluted	Note 11	\$ (0.09)	\$ (0.29)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.



## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in millions of Canadian dollars)	Three Months Ended March 31,	
	2024	2023
	(unaudited)	(unaudited) Restated - Note 2(f)
<b>Net loss</b>	\$ (4.2)	\$ (20.7)
<b>Other comprehensive income (loss):</b>		
<i>Items that may be reclassified subsequently to net earnings (loss)</i>		
Foreign currency translation adjustments	2.8	(1.2)
Cash flow hedge gains, net of reclassification adjustments and taxes	0.5	—
Share of other comprehensive income (loss) of equity-accounted investments	0.1	(0.3)
<b>Other comprehensive income (loss)</b>	<b>3.4</b>	<b>(1.5)</b>
<b>Comprehensive loss</b>	<b>\$ (0.8)</b>	<b>\$ (22.2)</b>
<b>Comprehensive income (loss) attributable to:</b>		
Equity holders of the Corporation	(1.5)	(22.2)
Non-controlling interests	0.7	—
<b>Comprehensive loss</b>	<b>\$ (0.8)</b>	<b>\$ (22.2)</b>



## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at		March 31,	December 31,
<i>(in millions of Canadian dollars)</i>		2024	2023
		(unaudited)	
<b>ASSETS</b>			
<i>Current assets</i>			
Cash and cash equivalents		\$ 98.2	\$ 109.1
Restricted cash		—	0.4
Investments in marketable securities	Note 5	13.0	27.8
Income taxes receivable		3.8	4.1
Accounts receivable		117.2	91.1
Inventories		79.3	61.2
Prepaid expenses		4.6	4.0
Other current assets	Note 13B	33.8	33.2
Receivable from related party	Note 12	7.0	7.1
		<b>356.9</b>	<b>338.0</b>
<i>Non-Current assets</i>			
Deferred income taxes		8.5	8.8
Investments in private companies and other financial instruments	Note 5	30.6	33.8
Equity-accounted investments	Note 6	6.9	12.2
Property, Plant and equipment		151.9	149.5
Intangible assets		215.7	218.7
Goodwill	Note 4	185.0	164.0
Other non-current assets	Note 13B	42.4	38.6
		<b>\$ 997.9</b>	<b>\$ 963.6</b>
<b>LIABILITIES AND EQUITY</b>			
<i>Current liabilities</i>			
Accounts payable and accrued liabilities		105.7	75.7
Income taxes payable		6.2	4.1
Current portion of long-term debt		11.8	8.3
Other current borrowings		6.0	6.0
Lease Liabilities		3.7	2.9
		<b>133.4</b>	<b>97.0</b>
<i>Non-Current liabilities</i>			
Lease liabilities		9.9	8.5
Long-term debt		149.4	149.7
Other non-current liabilities	Note 13B	80.1	65.0
Deferred income taxes		57.1	60.3
		<b>429.9</b>	<b>380.5</b>
<b>Total equity attributable to equity holders of the Corporation</b>	Note 8	<b>545.5</b>	<b>568.6</b>
Non-controlling interests	Note 4	22.5	14.5
<b>Total equity</b>		<b>568.0</b>	<b>583.1</b>
		<b>\$ 997.9</b>	<b>\$ 963.6</b>
<b>Contingencies and commitments</b>			
	Note 9		

Approved by the Board of Directors

*(signed) Karen Basian*

Karen Basian  
Director

*(signed) Jordan G. Teramo*

Jordan G. Teramo  
Director



## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2023 and 2024 (unaudited) Restated - Note 2(f)	Common shares outstanding	Share capital	Retained earnings (deficit)	Accumulated other comprehensive income (loss)	Contributed surplus	Total attributable to the equity holders of the corporation	Non- controlling interests	Total equity
<i>(In millions of Canadian dollars, except share amounts)</i>								
<b>Balance, December 31, 2022</b>	84,164,614	\$ 235.5	\$ (1,702.3)	\$ 14.4	\$ 2,229.3	\$ 776.9	\$ —	\$ 776.9
<b>Comprehensive income (loss)</b>								
Net loss			(20.7)			(20.7)		(20.7)
Other comprehensive income (loss):								
Foreign currency translation adjustments				(1.2)		(1.2)		(1.2)
Share of other comprehensive loss of equity-accounted investments				(0.3)		(0.3)		(0.3)
Total comprehensive loss	—	—	(20.7)	(1.5)	—	(22.2)	—	(22.2)
<b>Transactions with owners, recorded directly in equity</b>								
Dividends			(3.2)			(3.2)		(3.2)
Contingent common shares cancellation			0.6		(0.6)	—		—
Issuance of call options over subsidiaries' shares						—	2.8	2.8
Total transactions with owners	—	—	(2.6)	—	(0.6)	(3.2)	2.8	(0.4)
<b>Balance, March 31, 2023</b>	84,164,614	\$ 235.5	\$ (1,725.6)	\$ 12.9	\$ 2,228.7	\$ 751.5	\$ 2.8	\$ 754.3
<b>Balance, December 31, 2023</b>	94,639,614	\$ 256.9	\$ (1,910.0)	\$ (7.1)	\$ 2,228.8	\$ 568.6	\$ 14.5	\$ 583.1
<b>Comprehensive income (loss)</b>								
Net earnings (loss)			(4.9)			(4.9)	0.7	(4.2)
Other comprehensive income (loss):								
Foreign currency translation adjustments				2.8		2.8		2.8
Cash flow hedge gains, net of reclassification adjustments and taxes				0.5		0.5		0.5
Share of other comprehensive income of equity-accounted investments				0.1		0.1		0.1
Total comprehensive income (loss)	—	—	(4.9)	3.4	—	(1.5)	0.7	(0.8)
<b>Transactions with owners, recorded directly in equity</b>								
Dividends			(3.2)			(3.2)		(3.2)
Business acquisition						—	7.3	7.3
Counterpart entry to liability related to put options granted to non-controlling interests			(18.4)			(18.4)		(18.4)
Accretion related to stock-based compensation plans						—		—
Total transactions with owners	—	—	(21.6)	—	—	(21.6)	7.3	(14.3)
<b>Balance, March 31, 2024</b>	94,639,614	\$ 256.9	\$ (1,936.5)	\$ (3.7)	\$ 2,228.8	\$ 545.5	\$ 22.5	\$ 568.0

The accompanying notes are an integral part of these condensed interim consolidated financial statements.



## CONSOLIDATED STATEMENTS OF CASH FLOWS

Three Months Ended March 31,

(in millions of Canadian dollars)

	2024	2023
	(unaudited)	(unaudited) Restated - Note 2(f)
<b>CASH FLOWS FROM (USED IN)</b>		
<b>Operating activities</b>		
Net loss	\$ (4.2)	\$ (20.7)
Adjustments for:		
Depreciation and amortization	8.1	1.5
Share-based compensation	(1.9)	0.3
(Income) Expense related to carried interest, call option and fair value (gain) loss on contingent consideration and Aimia warrants	(3.7)	10.8
Share of net (earnings) loss of equity-accounted investments	5.4	5.9
Net financial expense (income)	(3.7)	(6.3)
Income tax expense	2.8	1.3
Net change in fair value of investments in equity instruments	3.0	(10.8)
Changes in Limited Partners' Capital Liability	—	0.1
Changes in operating assets and liabilities	Note 13C (9.1)	5.1
Other	0.7	(0.2)
	1.6	7.7
Cash used in operating activities before the following items:	(2.6)	(13.0)
Proceeds from disposal of marketable securities held for trading	Note 5 —	0.3
Purchases of marketable securities held for trading	Note 5 —	(0.9)
Interest and dividend received	0.8	4.7
Interest paid	(0.3)	—
Income taxes paid	(3.6)	(1.3)
Net cash used in operating activities	(5.7)	(10.2)
<b>Investing activities</b>		
Business acquisitions, net of cash acquired	Note 4 (15.5)	(255.6)
Proceeds from disposal of investments in marketable securities, private companies and other financial instruments	Note 5 11.4	—
Proceeds from redemption of special purposes vehicles	Note 5 0.9	6.3
Proceeds from redemption of an investment fund	Note 5 3.5	—
Additions to property, plant & equipment and intangibles assets	(2.0)	—
Loan repayment from related parties	Note 12 1.3	5.0
Loan granted to related parties	Note 12 (1.0)	(3.0)
Net cash used in investing activities	(1.4)	(247.3)
<b>Financing activities</b>		
Preferred dividends	Note 10 (3.2)	(3.2)
Principal elements of lease payments	(1.0)	—
Reimbursement of other borrowings	(0.4)	—
Net cash used in financing activities	(4.6)	(3.2)
Net change in cash and cash equivalents	(11.7)	(260.7)
Translation adjustment related to cash	0.8	(0.2)
Cash and cash equivalents, beginning of period	109.1	505.3
<b>Cash and cash equivalents, end of period</b>	<b>98.2</b>	<b>244.4</b>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

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# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

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## THESE FINANCIAL STATEMENTS CONTAIN THE FOLLOWING NOTES:

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# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

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## 1. STRUCTURE OF THE CORPORATION

Aimia Inc. ("Aimia" or the "Corporation") was incorporated on May 5, 2008 under the *Canada Business Corporations Act*. The registered and head office of Aimia is located at 1 University Avenue, 3rd Floor, Toronto, Ontario, M5J 2P1.

The Corporation is a diversified company which owns: a 94.1% interest in Giovanni Bozzetto S.p.A. ("Bozzetto") which was acquired on May 9, 2023, 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, a 100% ownership of Cortland International, which is comprised of: (1) Tufropes, which was acquired on March 17, 2023, a manufacturer of synthetic fiber ropes and netting solutions for maritime and other various industrial customers, and (2) Cortland Industrial LLC ("Cortland"), which was acquired on July 11, 2023, a designer, manufacturer, and supplier of ropes, slings and tethers to the aerospace & defense, marine, renewables, and other diversified industrial end markets.

On January 2, 2024, Aimia, through Bozzetto, completed the acquisition of 65% of StarChem S.A. ("StarChem"), a manufacturer of auxiliary chemical solutions primarily involved in the preparation, dyeing, and finishing processes for customers within the textile industry (*Note 4*).

In addition, the Corporation owns a 10.85% stake in Clear Media Limited, an outdoor advertising firm in China and a 48.5% equity stake in Kognitiv Corporation ("Kognitiv"), a B2B SaaS company inspiring customer loyalty through data-driven personalization.

The Corporation also held a wholly owned investment advisory business, Mittleman Investment Management, LLC ("MIM"), as well as a minority equity stake in TRADE X, a B2B cross-border automotive trading platform, both of which were no longer in operations as of December 31, 2023. The Corporation is still in the process of finalizing the wind down of the MIM operations. Starting December 22, 2023, TRADE X has been placed under receivership pursuant to an order granted by the Ontario Superior Court of Justice (*Note 5*).

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### BASIS OF PREPARATION

#### *(a) Statement of Compliance*

These condensed unaudited consolidated interim financial statements ("interim financial statements") were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and in compliance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). Accordingly, certain information and note disclosures normally included in the audited annual consolidated financial statements have been omitted or condensed. These interim financial statements should be read in conjunction with the Corporation's audited annual consolidated financial statements for the year ended December 31, 2023.

The interim financial statements include all adjustments considered necessary by management to fairly state the Corporation's results of operations, financial position and cash flows. The operating results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year.

These interim financial statements were authorized for issue by the Corporation's Board of Directors on May 14, 2024.

#### *(b) Basis of Measurement*

These consolidated financial statements have been prepared on the historical cost basis except for the following balance sheet items:

- The StarChem opening balances and the contingent consideration (earn-out) payable are measured at fair value (*Note 4*);
- The Paladin carried interests in Bozzetto and Cortland International are measured at fair value (*Note 13B*);
- Investment in marketable securities, private companies and other financial instruments are measured at fair value (*Note 5*);
- Liabilities for cash-settled share-based payment arrangements are measured at fair value (*Notes 12 & 13B*);
- Contingent considerations related to business acquisition or disposal are measured at fair value (*Note 13B*);
- Aimia warrants issued in connection with a private placement are measured at fair value (*Note 13B*).

#### *(c) Presentation Currency*

These consolidated financial statements are expressed in Canadian Dollars.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (d) Use of Judgments and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported as assets, liabilities, income and expenses in the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are accounted for prospectively.

#### Judgments

Judgments made in applying accounting policies that have the most significant effects on the amounts reflected in these consolidated financial statements are as follows:

- Consolidation: whether the Corporation has control or significant influence over an investee.
- The determination of the functional currencies of the Corporation's subsidiaries when the primary indicators are mixed.
- Whether or not the Corporation is reasonably certain to exercise extension options over certain leases.
- Whether the Corporation acts as a principal or an agent when performing certain toll manufacturing activities.

#### Estimates

Information about assumptions and estimation with a significant risk of resulting in material adjustments within the next year are presented below. Additional information about these assumptions and estimation are included in Aimia's audited consolidated financial statements for the year ended December 31, 2023, unless otherwise noted below.

- The provisional purchase price allocation, the earn-out payable and the liability related to put options granted to non-controlling interests related to the StarChem acquisition (*Note 4*);
- Measurement of the fair value of the investment in Clear Media, which include significant unobservable inputs. These inputs are detailed in *Note 5*;
- Measurement of the Paladin carried interests in Bozzetto and Cortland International, which include significant unobservable inputs. These inputs are detailed in *Note 13B*;
- Recognition of deferred tax assets, availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized;
- Measurement of post-employment benefits obligations, including key actuarial assumptions;
- Recognition and/or measurement of contingent liabilities, including assumptions about the likelihood and magnitude of potential outflows of resources.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (e) Accounting Policies

These 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, 2023, except as described below.

#### *Accounting policies updates related to StarChem acquisition*

##### *Revenue recognition - Toll manufacturing activities*

The Corporation determines that it acts as an agent when performing certain toll manufacturing activities. Therefore, the direct costs associated to these activities, which are paid to external suppliers and recharged to customers, are recorded as a reduction to revenue, with only the margin being recognized as revenue.

##### *Adoption of revised accounting standards*

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

##### *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 January 1, 2024 and override the previous amendments. The amendments did not have any impact on the consolidated statements of the Corporation.

##### *Future accounting changes*

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

##### *Amendments to IAS 21 - Lack of exchangeability*

The IASB amended IAS 21 'The Effects of Changes in Foreign Exchange Rates' to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. These new requirements will apply from 2025, with early application permitted. At this time, management does not expect the amendments to have significant impact, if any, on its consolidated financial statements.

### (f) Finalization of purchase price allocation - Restatement of comparative financial information

The Corporation finalized the purchase price allocation for the Bozzetto, Tufropes and Cortland business acquisitions in the fourth quarter of 2023. Based on these updated estimated fair value, the Corporation has recalculated the results of previously reported periods as if the purchase price allocations were finalized at each acquisition dates. As a result, cost of sales, loss before income taxes and net loss for the three months ended March 31, 2023 increased by \$0.2 million and the consolidated statements of operations, comprehensive income, changes in equity and cash flows have all been restated accordingly.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

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## 3. SEGMENTED INFORMATION

As of March 31, 2024, Aimia, through its own operations and those of its subsidiaries, operates three reportable and operating segments, namely, Bozzetto, Cortland International and Holdings.

For each of the operating segments, the Corporation's Group Chief Executive Officer (role currently held by the Executive Chairman) reviews internal management reports on a monthly basis. Accounting policies applied for the Bozzetto, Cortland International and Holdings segments are identical to those used for the purposes of the consolidated financial statements.

### *Bozzetto*

The Bozzetto segment includes the results of Bozzetto and StarChem from their respective acquisitions on May 9, 2023 and January 2, 2024 (*Note 4*) as well as other expenses that relate to these acquisitions, including transaction costs, the Paladin option expense and the Paladin carried interest expense.

### *Cortland International*

The Cortland International segment includes the results of Tufropes and Cortland from their respective acquisitions on March 17, 2023 and July 11, 2023 as well as other expenses that relate to these acquisitions, including transaction costs, the Paladin option expense and the Paladin carried interest expense.

### *Holdings*

The Holdings segment includes Aimia's investments in Clear Media Limited, Kognitiv, MIM as well as minority investments in various 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. The comparative period also includes results associated with Aimia's investment in TRADE X.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 3. SEGMENTED INFORMATION (continued)

	Three Months Ended March 31,									
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Operating Segment</b>	<b>Bozzetto <sup>(b)</sup></b>		<b>Cortland International <sup>(c)</sup></b>		<b>Holdings</b>		<b>Eliminations</b>		<b>Total</b>	
<b>Revenue from contracts with customers</b>	<b>88.1</b>	—	<b>34.0</b>	1.7	—	0.3	—	—	<b>122.1</b>	2.0
Cost of sales	(61.3)	—	(26.2)	(1.9)	—	—	—	—	(87.5)	(1.9)
<b>Gross Profit</b>	<b>26.8</b>	—	<b>7.8</b>	(0.2)	—	0.3	—	—	<b>34.6</b>	0.1
<b>Other Income (loss) from investments</b>										
Net change in fair value of investments	—	—	—	0.2	(3.0)	10.6	—	—	(3.0)	10.8
Interest, dividend and other investment income	0.3	—	0.3	0.1	4.6	7.1	—	—	5.2	7.2
Share of net earnings (loss) from equity-accounted investments	0.1	—	—	—	(5.5)	(5.9)	—	—	(5.4)	(5.9)
	0.4	—	0.3	0.3	(3.9)	11.8	—	—	(3.2)	12.1
<b>Operating expenses</b>										
Selling, general and administrative expenses	(17.1)	—	(7.0)	(13.3)	(10.9)	(6.5)	—	—	(35.0)	(19.8)
<b>Earnings (loss) before the following items:</b>	<b>10.1</b>	—	<b>1.1</b>	(13.2)	<b>(14.8)</b>	5.6	—	—	<b>(3.6)</b>	(7.6)
Financial income (expense), net	(4.3)	—	(0.2)	(0.8)	3.0	(0.1)	—	—	(1.5)	(0.9)
Income (expenses) related to carried interest, call option, fair value gain (loss) on contingent consideration and Aimia warrants	0.1	—	(0.2)	(10.8)	3.8	—	—	—	3.7	(10.8)
Intercompany interest income (expense)	—	—	(2.2)	(0.5)	2.2	0.5	—	—	—	—
Decrease (increase) in limited partners' capital liability	—	—	—	—	—	(0.1)	—	—	—	(0.1)
<b>Earnings (loss) before income taxes <sup>(a)</sup></b>	<b>5.9</b>	—	<b>(1.5)</b>	(25.3)	<b>(5.8)</b>	5.9	—	—	<b>(1.4)</b>	(19.4)
<b>Total assets <sup>(d)</sup></b>	<b>538.6</b>	—	<b>285.7</b>	273.3	<b>282.5</b>	638.5	<b>(108.9)</b>	(103.5)	<b>997.9</b>	808.3

- (a) The reconciliation of the consolidated earnings (loss) before income taxes to the consolidated net earnings (loss) for the three months ended March 31, 2024, and March 31, 2023, is presented in the consolidated statements of operations.
- (b) The Bozzetto segment includes results of Bozzetto since its acquisition on May 9, 2023, as well as results of StarChem since its acquisition date on January 2, 2024. The results for the three months ended March 31, 2024 include transaction costs of \$0.7 million presented in Selling, general and administrative expenses, of which \$0.4 million were related to the StarChem acquisition.
- (c) The Cortland International segment includes results of Tufropes and Cortland since their acquisition date on March 17, 2023 and July 11, 2023, respectively. The results for the three months ended March 31, 2023 include transaction and transition costs of \$11.6 million presented in Selling, general and administrative expenses, a \$8.0 million non-cash expense related to the Paladin Carried Interest in Cortland International and a \$2.8 million non-cash expense related to the Paladin option to purchase up to 19.9% of Cortland International.
- (d) Total assets of the Holdings segment as of March 31, 2024 and 2023 includes \$108.9 million (2023:\$103.5 million) of intercompany interest bearing loan (including accrued interests) to Cortland International.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 4. ACQUISITION OF STARCHEM

On November 6, 2023, Aimia announced that its Bozzetto subsidiary had signed a definitive share purchase agreement to acquire 65% of StarChem. The transaction closed on January 2, 2024. StarChem, headquartered in San Pedro Sula, Honduras, is a manufacturer of specialty chemical solutions used primarily in preparation, dyeing, and finishing processes by its large, multi-national textile industry customers. StarChem has two production facilities, Merrill and StarChem Honduras. Bozzetto's acquisition of StarChem will expand its geographical presence and advance Aimia's stated plan to enter the Americas through mergers and acquisitions.

The purchase price for the acquisition amounted to \$24.1 million (US\$18.2 million), with a potential earn-out of up to \$12.3 million (US\$9.1 million) based on EBITDA targets to be met over the next two years, subject to customary adjustments related to net debt and working capital at closing as well as at the second anniversary of the transaction upon determination of the earn-out. Bozzetto incurred transaction costs of \$1.0 million for this acquisition, of which \$0.6 million were incurred in 2023. The purchase price was funded from Bozzetto's existing capex credit facility and Bozzetto's cash on hand, with 90% of the purchase price funded at closing. The remaining balance was paid subsequent to March 31, 2024 upon the finalization of the adjustments related to net debt and working capital. The executive management team of StarChem, retains a collective minority stake of 35% in the company.

The estimated fair value of the earn-out contingent consideration was based on the expected EBITDA target for StarChem to be achieved over the next two years, discounted as of acquisition date using a rate of 12.6%. The cash flows were projected based on past experience, actual operating results, and on the financial long-range plan prepared by management. At closing, the contingent consideration was estimated at \$7.7 million and is presented in Other non-current liabilities. As of March 31, 2024, the liability amounted to \$8.1 million (*Note 13B*).

### *Liquidity option*

A put option has been granted to StarChem's executive management in order to enable them to sell a portion of their ownership to Bozzetto at each of the fifth and 10<sup>th</sup> anniversary of the transaction. The purchase price to be paid by Bozzetto upon the exercise of the option will be based on the fair value of StarChem at that time (based on the same EBITDA multiple than the 65% initial acquisition). 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 5.7%. 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 \$17.8 million has been recorded for this liability and is presented in Other non-current liabilities. As of March 31, 2024, the liability amounted to \$18.4 million (*Note 13B*).

### *Revenue and earnings before income taxes contribution*

Results of StarChem since its acquisition by the Corporation are presented as part of the Bozzetto segment in *Note 3*.

During the three months ended March 31, 2024, StarChem has contributed revenue of \$7.3 million and earnings before income taxes of \$0.1 million. The earnings before income taxes includes transaction costs related to the acquisition of the business of \$0.4 million and incremental interests expense of \$0.9 million (including interest on the contingent consideration liability).

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 4. ACQUISITION OF STARCHEM (continued)

### Purchase price allocation

Given the timing of the closing of the acquisition of StarChem, 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 and is presented below.

<b>Purchase price</b>	
Base purchase price	<b>24.1</b>
Net debt and working capital adjustments	<b>1.3</b>
Provisional contingent consideration (earn-out) fair value at closing	<b>7.7</b>
<b>Net consideration to allocate</b>	<b>33.1</b>
<b>Provisional recognized amounts of identifiable assets acquired and liabilities assumed</b>	
Cash	7.6
Accounts receivable	8.6
Inventories	17.0
Other current assets	0.1
Property, Plant and Equipment	2.0
Accounts payables and accrued liabilities	(13.4)
Lease liabilities	(0.9)
Other non-current liabilities	(0.1)
<b>Total provisional identifiable net assets (liabilities)</b>	<b>20.9</b>
Provisional non-controlling interests <sup>(a)</sup>	(7.3)
Provisional goodwill and intangible assets <sup>(b)</sup>	19.5
<b>Total</b>	<b>33.1</b>

(a) The Corporation has presented the provisional non-controlling interests based on 35% of the identifiable net assets.

(b) The Corporation currently expects to recognize customer relationships 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. The provisional goodwill and intangible assets balance as of March 31, 2024, is presented as "Goodwill" in the consolidated statement of financial position.



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# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

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## 5. FAIR VALUE OF FINANCIAL INSTRUMENTS

### *Fair Value Hierarchy*

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices observed in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - valuation techniques with significant unobservable market inputs.

A financial instrument is classified at the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 5. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The following table presents the fair value of the Corporation's investments and their fair value hierarchy classification.

		March 31,	December 31,
	Hierarchy	2024	2023
<b>Investment in marketable securities</b>			
<b>Capital A</b>			
Capital A - Common shares	Level 1	11.4	25.5
Capital A - Warrants	Level 1	1.5	2.2
Other - held through Tufropes	Level 2	0.1	0.1
<b>Total</b>		<b>13.0</b>	<b>27.8</b>
<b>Investment in private companies and other financial instruments</b>			
Clear Media Limited	Level 3	28.2	27.7
Kognitiv - Warrants	Level 3	0.1	0.6
Investment funds	Level 2	2.3	5.5
<b>Total</b>		<b>30.6</b>	<b>33.8</b>

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 5. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The net change in fair value of investments for the three months ended March 31, 2024 and 2023 is detailed below.

	Hierarchy	Three Months Ended March 31,	
		2024	2023
<b>Realized fair value gain (loss)</b>			
Capital A - Common shares	Level 1	(1.9)	—
Marketable securities - held through Precog Capital Partners, L.P.	Level 1	—	(0.2)
Special purpose vehicles	Level 2	—	(0.4)
Investment funds	Level 2	1.0	—
<b>Net change in unrealized fair value</b>			
Clear Media	Level 3	0.5	(0.2)
<b>Capital A</b>			
<i>Capital A - Common shares</i>	Level 1	(0.8)	4.9
<i>Capital A - RCUIDS</i>	Level 1	—	1.2
<i>Capital A - Warrants</i>	Level 1	(0.6)	0.2
<b>TRADE X</b>			
<i>TRADE X - Preferred shares</i>	Level 3	—	(0.1)
<i>TRADE X - Convertible Note</i>	Level 3	—	1.4
Cineplex	Level 1	—	0.5
<b>Kognitiv</b>			
<i>Kognitiv - Convertible Note</i>	Level 3	—	(0.1)
<i>Kognitiv - Warrants</i>	Level 3	(0.5)	—
Marketable securities - held through Precog Capital Partners, L.P.	Level 1	—	1.0
Money Market Fund - held through Tufropes	Level 2	—	0.2
Special purpose vehicles	Level 2	—	2.0
Investment funds	Level 2	(0.7)	0.4
<b>Net change in fair value of investments</b>		<b>(3.0)</b>	<b>10.8</b>

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 5. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

March 31, 2024				
Investments	Valuation technique	Key valuation inputs	Range	Sensitivity
Clear Media Limited	<b>Income Approach</b> - Discounted cash flows	Discount rate	17.5% - 20%	+/- 1% = +/- \$2.5MM
		Long-term growth rate	3%	+/- 1% = +/- \$1.5MM
		Discretionary cash flows		
Kognitiv - Warrants	<b>Market Approach</b> - Black-Scholes option pricing model	Share price	\$0.34	
		Volatility	50%	Not significant
		Exercise price	\$1.5	
Investment funds	<b>Price Based</b>	<b>Net Asset Value</b> attributed based on investor statement	N/A	N/A

December 31, 2023				
Investments	Valuation technique	Key valuation inputs	Range	Sensitivity
Clear Media Limited	<b>Income Approach</b> - Discounted cash flows	Discount rate	17.5% - 20%	+/- 1% = +/- \$2.4MM
		Long-term growth rate	3%	+/- 1% = +/- \$1.4MM
		Discretionary cash flow		
Kognitiv - Warrants	<b>Market Approach</b> - Black-Scholes option pricing model	Share price	\$0.59	
		Volatility	50%	Not significant
		Exercise price	\$1.5	
Investment funds	<b>Price Based</b>	<b>Net Asset Value</b> attributed based on investor statement	N/A	N/A

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 5. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The table below provides additional details on the cash movements related to the following line items included in the consolidated statements of cash flows for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
<b>INCLUDED IN OPERATING ACTIVITIES</b>		
<b>Purchases of marketable securities held for trading</b>		
Marketable securities - held through Precog Capital Partners, L.P.	—	(0.9)
<b>Total</b>	<b>—</b>	<b>(0.9)</b>
<b>Proceeds from disposal of marketable securities held for trading</b>		
Marketable securities - held through Precog Capital Partners, L.P.	—	0.3
<b>Total</b>	<b>—</b>	<b>0.3</b>
<b>INCLUDED IN INVESTING ACTIVITIES</b>		
<b>Proceeds from disposal of investments in marketable securities, private companies and other financial instruments</b>		
Capital A - Common shares	11.4	—
<b>Total</b>	<b>11.4</b>	<b>—</b>

### Investments in equity instruments of Clear Media Limited

As of March 31, 2024, the fair value of the indirect investment in Clear Media Limited has been estimated at \$28.2 million. Aimia recognized an unrealized fair value gain of \$0.5 million during the three months ended March 31, 2024, due to the weakening of the Canadian dollar.

### Investment in Capital A Berhad

#### Common shares

During the three months ended March 31, 2024, the Corporation sold 51,199,700 common shares of Capital A for total proceeds of \$11.4 million (MYR 39.8 million), which resulted in a realized loss of \$1.9 million.

As of March 31, 2024, the fair value of the total investment remaining in common shares of Capital A was \$11.4 million and Aimia recognized an unrealized fair value loss of \$0.8 million during the three months ended March 31, 2024, compared to an unrealized fair value gain of \$4.9 million during the three months ended March 31, 2023, for this investment.

#### Warrants

As of March 31, 2024, the fair value of the warrants was \$1.5 million and Aimia recognized an unrealized fair value loss of \$0.6 million during the three months ended March 31, 2024 for this investment.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

## 5. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

### *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 ("Bursa Securities"). The company triggered the prescribed criteria given that (i) its December 31, 2020 audited financial statements included an 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.

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 January 19, 2024, Capital A announced that Bursa Securities had granted Capital A an extension of time up to June 30, 2024 to submit its regularization plan to the regulatory authorities. As of this date, Capital A is in the midst of formulating a regularization plan to address its financial condition. Aimia is closely monitoring the developments.

### *Investments in Special Purpose Vehicles*

#### *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. 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) and an unrealized fair value gain of \$0.4 million during the first quarter ended March 31, 2023.

### *Investments in investment funds*

During the three months ended March 31, 2024, Aimia redeemed its investment in one investment fund for an amount of \$3.5 million, resulting in a realized fair value gain of \$1.0 million. During the same period, Aimia recognized an unrealized fair value loss of \$0.7 million related to its investments in investment funds.

### *Financial assets and financial liabilities at amortized cost*

The carrying amounts reported in the consolidated statement of financial position for cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities approximate fair values based on the immediate or short-term maturities of these financial instruments. The carrying amount of the long-term debt approximates its fair value based on the variable rate characteristic of the debt, which resets every six months.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 6. EQUITY-ACCOUNTED INVESTMENTS

As at	March 31,	December 31,
	2024	2023
Kognitiv	2.5	7.8
Other investment in associates - held through Bozzetto	4.4	4.4
<b>Total</b>	<b>6.9</b>	<b>12.2</b>

Share of net earnings (loss) of equity-accounted investments	Three Months Ended March 31,	
	2024	2023
Kognitiv	(5.5)	(5.9)
Other investment in associates - held through Bozzetto	0.1	—
<b>Total</b>	<b>(5.4)</b>	<b>(5.9)</b>

## INVESTMENT IN KOGNITIV

### *Discontinued operations*

During the year ended December 31, 2023, Kognitiv divested two businesses. The operations of the divested businesses for the period ended March 31, 2023 are presented as discontinued operations in Kognitiv's summarized statement of operations presented below.

### *2024 Financing*

During the three months ended March 31, 2024, Kognitiv secured new short-term debt financing in the form of secured promissory notes amounting to \$2.0 million, which was provided by Aimia. This amount included \$1.0 million already advanced by Aimia as of December 31, 2023.

Refer to *Note 12* for additional details on the promissory note agreements Aimia entered into with Kognitiv.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 6. EQUITY-ACCOUNTED INVESTMENTS (continued)

### Summarized statement of operations

Presented below are the summarized 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.

	Three Months Ended March 31,	
	2024	2023
<b>Revenue</b> <sup>(a)</sup>	<b>11.3</b>	11.5
Cost of sale and operating expenses <sup>(a)</sup>	(16.0)	(17.5)
Depreciation and amortization	(0.1)	(0.1)
<b>Loss before net financial expense and income tax expense</b> <sup>(a)</sup>	<b>(4.8)</b>	(6.1)
<b>Net loss</b>	<b>(9.8)</b>	(10.3)
Other comprehensive income (loss)	0.3	(0.6)
<b>Comprehensive loss</b>	<b>(9.5)</b>	(10.9)
<i>Included in Net loss:</i>		
Net earnings (loss) from discontinued operations	(0.1)	(1.2)

(a) Revenue, cost of sale and operating expenses and loss before net financial expense and income tax expense for the three months ended March 31, 2024 and 2023 are presented on a continuing operations basis.

	Three Months Ended March 31,	
	2024	2023
<b>Net loss</b>	<b>(9.8)</b>	(10.3)
Share of net loss of Kognitiv	(4.8)	(5.0)
Amortization expense related to identifiable assets recognized on acquisition	(0.4)	(0.4)
Cumulative undeclared dividends on preferred shares not owned by Aimia	(0.3)	(0.5)
<b>Aimia's share of Kognitiv net loss</b>	<b>(5.5)</b>	(5.9)

## OTHER INVESTMENTS IN ASSOCIATES - HELD THROUGH BOZZETTO

During the three months ended March 31, 2024, Aimia recognized an amount of \$0.1 million, representing its share of net earnings of the other investments in associates held through Bozzetto.



# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

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## 7. LONG-TERM DEBT

### BOZZETTO CREDIT FACILITIES

During the three months ended March 31, 2024, Bozzetto cancelled the unused available commitment under each of the Capex A and Capex B facilities amounting to €3.5 million and €3.5 million, respectively.

## 8. CAPITAL STOCK

### PREFERRED SHARES, SERIES 3 AND SERIES 4

On February 22, 2024, Aimia announced that it would not be exercising its right to redeem all or part of the Series 3 Preferred Shares on March 31, 2024. As a result and subject to certain conditions, the holders of the Series 3 Preferred Shares had the right, at their option, to convert their shares into Cumulative Redeemable Floating Rate First Preferred Shares, Series 4 (the "Series 4 Shares"), subject to certain conditions. On March 22, 2024, Aimia announced that 2,706,112 of its 4,355,263 currently outstanding Series 3 Shares were tendered for conversion, on a one-for-one basis, into Series 4 Shares after having taken into account all election notices following the March 18, 2024 conversion deadline. As a result, as at April 1, 2024, the Corporation now has 1,649,151 Series 3 Shares issued and outstanding and 2,706,112 Series 4 Shares issued and outstanding.

With respect to the Series 3 Shares outstanding on or after April 1, 2024, the annual dividend rate for the five-year period from and including March 31, 2024 up to but excluding March 31, 2029 will be 7.773%, being 4.20% over the five-year Government of Canada bond yield, as determined in accordance with the rights, privileges, restrictions and conditions attaching to the Series 3 Shares. With respect to the Series 4 Shares outstanding on or after April 1, 2024, the dividend rate for the floating rate period from and including March 31, 2024 to, but excluding, June 30, 2024 will be 9.181%, being equal to the three-month Government of Canada Treasury Bill yield plus 4.20% per annum, calculated on the basis of the actual number of days in such quarterly period divided by 366, as determined in accordance with the rights, privileges, restrictions and conditions attaching to the Series 4 Shares (the "Floating Quarterly Dividend Rate"). The Floating Quarterly Dividend Rate will be reset every quarter.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

## 9. CONTINGENT LIABILITIES

### LITIGATION AND LEGAL PROCEEDINGS

#### *Actions against alleged joint actors*

On April 12, 2023, Aimia commenced an action against Christopher Mittleman before the Ontario Superior Court. Aimia alleged that Christopher Mittleman communicated with various Aimia shareholders relating to the acquisition and voting of Aimia shares. The Corporation subsequently amended its claim to name Mithaq Capital SPC (“Mithaq”) and Milkwood Capital (UK) Ltd. (“Milkwood”) as defendants. Aimia alleged, among other things, that Mithaq, Milkwood and Mr. Mittleman engaged in an undisclosed campaign to acquire Aimia shares in an effort to reconstitute Aimia’s board and alter its business strategy. Mr. Mittleman, Milkwood, and Mithaq each commenced counterclaims against Aimia. Aimia’s action and the defendants’ counterclaims were scheduled to be heard at a trial on January 8, 2024.

Additionally, on April 27, 2023, Mithaq commenced an application against Aimia before the Ontario Superior Court, seeking a review of the proxies cast at Aimia’s April 18, 2023 annual general meeting of shareholders (the “AGM”) and additional unspecified “ancillary relief”. On October 5, 2023, Mithaq brought a motion seeking a declaration that none of Aimia’s directors were elected at the AGM and an order calling a special meeting of Aimia shareholders. Mithaq’s motion was scheduled to be heard at the January 8, 2024 trial of Aimia’s action and the defendants’ counterclaims.

On December 29, 2023, Aimia announced that it had entered into a settlement agreement with Milkwood through which both Aimia and Milkwood agreed to dismiss all legal proceedings against each other. On January 3, 2024, Aimia announced that it had entered into a settlement agreement with Mr. Mittleman through which both Aimia and Mr. Mittleman agreed to dismiss all legal proceedings against each other.

Litigation settlement expenses related to these two settlement agreements have been recorded in selling, general and administrative expenses in the consolidated statements of operations and are presented in accounts payable and accrued liabilities in the consolidated statements of financial position. These expenses were not material.

On January 7, 2024 the trial of the action, scheduled to commence on January 8, 2024, was vacated as Aimia and Mithaq believed they would be able to settle the litigation. No settlement was ultimately reached, and so all of Aimia’s and Mithaq’s claims remain outstanding.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 10. DIVIDENDS

Quarterly dividends declared to preferred shareholders of Aimia for the three months ended March 31, 2024 and 2023, were as follows:

Three months ended	2024		2023	
	Amount	Per preferred share	Amount	Per preferred share
<b>Series 1</b>				
March 31,	1.5	0.300125	1.5	0.300125
<b>Total</b>	<b>1.5</b>	<b>0.300125</b>	<b>1.5</b>	<b>0.300125</b>
<b>Series 3</b>				
March 31,	1.7	0.375688	1.7	0.375688
<b>Total</b>	<b>1.7</b>	<b>0.375688</b>	<b>1.7</b>	<b>0.375688</b>
<b>Total preferred dividends on Series 1 and Series 3</b>	<b>3.2</b>		<b>3.2</b>	

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 months ended March 31, 2024, the gross amount of Part VI.1 tax expense is \$1.3 million (2023: \$1.3 million). 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 three months ended March 31, 2024 and 2023, the Corporation paid \$2.9 million and \$1.3 million of Part VI.1 tax, respectively.

On May 14, 2024, the Board of Directors of Aimia 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.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 11. EARNINGS (LOSS) PER COMMON SHARE

	Three Months Ended March 31,	
	2024	2023
Earnings (loss) attributable to equity holders of the Corporation	(4.9)	(20.7)
Deduct: Dividends declared on preferred shares related to the period ( <i>Note 10</i> )	(3.2)	(3.2)
<b>Earnings (loss) attributable to common shareholders</b>	<b>(8.1)</b>	<b>(23.9)</b>
<b>Weighted average number of common shares - Basic and diluted <sup>(a)</sup></b>	<b>93,073,929</b>	82,598,929
<b>Basic earnings (loss) per common share</b>	<b>\$ (0.09)</b>	\$ (0.29)
<b>Diluted earnings (loss) per common share</b>	<b>\$ (0.09)</b>	\$ (0.29)

(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 March 31, 2024.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

## 12. RELATED PARTIES

### DEPARTURE OF EXECUTIVES

During the three months ended March 31, 2024, the Corporation announced the departure of its CEO, Phil Mittleman and President, Michael Lehmann. The executives were granted by the Corporation separation payments amounting to an aggregate of \$1.6 million. In addition, 416,667 unvested DSUs owned by the CEO vested. The intrinsic value of these DSUs represented \$1.4 million at the time of departure. All of the executives' vested DSUs will be settled in accordance with the DSU plan six months after the executives departure date. As of March 31, 2024, the value of the executives vested DSUs amounted to \$4.0 million and was presented in accounts payable and other accrued liabilities.

The departure of Phil Mittleman is not considered a termination event in the context of the MIM acquisition agreement and, as such, he remains entitled to potential escrow shares and contingent shares in accordance with the original acquisition agreement.

### TRANSACTIONS WITH A FORMER EXECUTIVE

#### *Deferred share units*

On March 27, 2023, the Corporation terminated the employment of a former executive, Christopher Mittleman. The termination of this former executive constituted a termination of service under the Corporation's DSU plan. Upon termination of service, this 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 the termination date, this 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 Christopher Mittleman an amount of \$1.3 million (US\$1.0 million). The secured promissory note bore interest at 7.5% annually and had a maturity date 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.

The termination of employment of this former executive was considered an event of default under the secured promissory note agreement. As a result, the principal as well as accrued and unpaid interests outstanding became immediately due. During the three months ended March 31, 2024, upon settlement of the DSUs, Aimia has received full payment of the promissory note and accrued interest.

#### *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 Christopher Mittleman was contingent upon his continued employment with the Corporation for a period of 10 years. Given the termination of his

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

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## 12. RELATED PARTIES (continued)

employment before the end of such period, the Corporation is entitled to claw back the pro rata portion of the consideration attributable to this 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 March 31, 2024, the escrow shares have not been cancelled yet. In addition, this former executive is no longer entitled to its 291,032 contingent shares in connection with the MIM acquisition.

As a result, an accrued liability for deferred compensation of \$0.4 million was 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 was reclassified to retained earnings.

## TRANSACTIONS WITH KOGNITIV

### *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, of which an amount of \$2.0 million was already advanced in 2022. 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.

#### *Amended and Restated second secured promissory note*

During the third quarter of 2023, the Corporation entered into a second secured promissory note agreement totaling up to \$4.5 million. During the three months ended March 31, 2024, the promissory note was amended and restated to include an additional \$2.0 million, of which an amount of \$1.0 million was already advanced in 2023. The amended and restated promissory note is now totaling \$6.5 million, excluding accrued interests. The promissory note now bears interest at 14%, and was originally subject to a \$0.2 million structuring fee. The amount, including accrued interest, is presented as Receivable from related party on the consolidated statements of financial position.

The amended and restated secured promissory note was set to mature on March 31, 2024. Aimia and Kognitiv agreed to extend the maturity of the amended and restated promissory note and are still negotiating terms of the extension at this time. The principal amount of \$6.5 million and accrued interest thereon under the promissory note is secured by all present and future accounts receivable of the borrowers and all proceeds thereof, and by all present and after-acquired personal property of Kognitiv and its subsidiary loan parties. Aimia recorded interest income of \$0.2 million during the three months ended March 31, 2024.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 13. ADDITIONAL FINANCIAL INFORMATION

The following sections provide additional information regarding certain primary financial statement captions:

### A) STATEMENTS OF OPERATIONS

#### REVENUE

##### Revenue by product & services

	Three Months Ended March 31,	
	2024	2023
<b>Revenue recognized at a point in time</b>		
<i>Cortland International segment:</i>		
Rope products	27.4	1.2
Netting and other products	6.6	0.5
<i>Bozzetto segment:</i>		
Textile solutions	55.6	—
Dispersion Solutions	24.9	—
Water Solutions	7.6	—
<b>Total revenue recognized at a point in time</b>	<b>122.1</b>	<b>1.7</b>
<b>Revenue recognized over time</b>		
<i>Holdings segment:</i>		
Investment Management fees	—	0.3
<b>Total revenue recognized over time</b>	<b>—</b>	<b>0.3</b>
<b>Total revenue</b>	<b>122.1</b>	<b>2.0</b>

##### Revenue by geographical location

	Three Months Ended March 31,	
	2024	2023
Europe	53.5	0.3
Asia & Oceania	37.8	1.0
Americas	27.1	0.7
Africa/Middle East	3.7	—
<b>Total revenue</b>	<b>122.1</b>	<b>2.0</b>

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 13. ADDITIONAL FINANCIAL INFORMATION (continued) INTEREST, DIVIDEND AND OTHER INVESTMENT INCOME

	Three Months Ended March 31,	
	2024	2023
<b>Interest income</b>		
Interest on cash and cash equivalents	0.9	5.2
Interest on convertible notes and other financial instruments	0.4	1.6
<b>Total interest income</b>	<b>1.3</b>	<b>6.8</b>
<b>Dividend income</b>		
Dividend income from marketable securities	—	0.2
<b>Total dividend income</b>	<b>—</b>	<b>0.2</b>
<b>Other investment income</b>		
Other investment income	3.9	0.2
<b>Total other investment income</b>	<b>3.9</b>	<b>0.2</b>
<b>Total interest, dividend and other investment income</b>	<b>5.2</b>	<b>7.2</b>

## B) STATEMENTS OF FINANCIAL POSITION

### OTHER CURRENT ASSETS

#### PLM earn-out

In connection with Aimia's divestiture of its investment in PLM on July 15, 2022, an earn-out in an amount of \$37.2 million (US\$27.5 million), would be payable to Aimia in cash should the PLM loyalty program achieve 100% of targeted annual gross billings amounts in either of the years 2022, 2023 or 2024 (the "earn-out years"). The earn-out that could be payable to Aimia is subject to an adjustment based on the actual gross billings achieved by PLM compared to the target and could vary from \$16.9 million (US\$12.5 million) based on 97.5% of the target, up to \$50.8 million (US\$37.5 million) based on 115% of the target. Aimia is only entitled to receive an earn-out amount once in respect of the earn-out years and, accordingly, to the extent that PLM's annual gross billings for any of the earn-out years are equal to or more than 97.5% of the target, Aimia shall receive such earn-out amount for that earn-out year. Once an earn-out amount is received, Aimia will not be entitled to receive an additional earn-out amount in respect of any subsequent earn-out year.

In the fourth quarter of 2023, the Corporation was informed by PLM that the company had achieved 99.4% of the targeted annual gross billings amount for the year ended December 31, 2023, and thus, that Aimia would be entitled to an earn-out, which resulted in the recognition of a gain of \$19.3 million during the year ended December 31, 2023 presented in "Gain on disposal of equity-accounted investments" in the consolidated statement of operations. As of March 31, 2024, the fair value of the earn-out has been estimated at \$32.6 million (US\$24.1 million). Aimia expects to



# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 13. ADDITIONAL FINANCIAL INFORMATION (continued)

receive payment of the earn-out before the end of the second quarter in 2024 and has therefore presented the earn-out in other current assets on the consolidated statement of financial position.

### OTHER NON-CURRENT ASSETS

As at	March 31,	December 31,
	2024	2023
Tax deposit	32.9	32.9
Other investment income receivable	8.0	4.2
Other	1.5	1.5
<b>Total</b>	<b>42.4</b>	<b>38.6</b>

### OTHER NON-CURRENT LIABILITIES

As at	March 31,	December 31,
	2024	2023
Carried interest	20.1	20.0
Provision for post-employment benefits	11.7	11.6
Aimia warrants	5.3	8.6
Share-based compensation (Note 12)	1.6	7.8
Liability related to put options granted to non-controlling interests (Note 4)	25.6	7.2
Litigation provision	4.0	4.0
Other non-current borrowings	1.4	2.5
Contingent consideration - Business acquisitions (Note 4)	8.1	0.9
Deferred compensation - Business acquisition	—	0.1
Other	2.3	2.3
<b>Total</b>	<b>80.1</b>	<b>65.0</b>

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

*Unaudited*

## 13. ADDITIONAL FINANCIAL INFORMATION (continued)

### *Carried interest - Bozzetto*

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 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 3.5%.
- The estimated fair value of Bozzetto's equity as of March 31, 2024.

A change in +/- 5% of the volatility would have resulted in a change of \$1.5 million / (\$1.7) million in the fair value of the carried interest, while a change of +/- 5% in the estimated fair value of Bozzetto's equity as of March 31, 2024 would have resulted in a change of \$0.6 million / (\$0.6) million.

### *Carried interest - Cortland International*

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 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 36%
- Credit spread of 11.1%.
- The estimated fair value of Cortland International's equity as of March 31, 2024.

A change in +/- 5% of the volatility would have resulted in a change of \$0.9 million / (\$0.9) million in the fair value of the carried interest, while a change of +/- 5% in the estimated fair value of Cortland International's equity as of March 31, 2024 would have resulted in a change of \$0.4 million / (\$0.4) million.

# NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Tables in millions of Canadian dollars, except share and per share amounts)

Unaudited

## 13. ADDITIONAL FINANCIAL INFORMATION (continued)

### C) STATEMENTS OF CASH FLOWS

#### CHANGES IN OPERATING ASSETS AND LIABILITIES

	Three Months Ended March 31,	
	2024	2023
Restricted cash	0.4	—
Accounts receivable	(18.9)	3.2
Inventories	(1.2)	(0.2)
Prepaid expenses	(0.3)	(0.2)
Other current assets	0.3	(0.2)
Other non-current assets	(0.1)	—
Accounts payable and accrued liabilities	10.9	2.8
Other non-current liabilities	(0.2)	(0.3)
<b>Total</b>	<b>(9.1)</b>	<b>5.1</b>