AIMIA

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

For the three months ended March 31, 2024 and 2023

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

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

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

The following management's discussion and analysis of financial condition and results of operations (the “MD&A”) presents a discussion of the financial condition and results of operations for Aimia. The MD&A is prepared as at May 14, 2024 and should be read in conjunction with the accompanying condensed interim consolidated financial statements of Aimia for the three months ended March 31, 2024 and the notes thereto, the audited consolidated financial statements of Aimia for the year ended December 31, 2023 and the notes thereto, and the Annual Information Form dated March 28, 2024. The earnings and cash flows of Aimia are affected by certain risks. For a description of those risks, please refer to the Risks and uncertainties affecting the business *section.*

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains statements that constitute "forward-looking information" within the meaning of Canadian securities laws ("forward-looking statements"), which are based upon our current expectations, estimates, projections, assumptions and beliefs. All information that is not clearly historical in nature may constitute forward-looking statements. Forward-looking statements are typically identified by the use of terms or phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “will”, “would” and “should”, and similar terms and phrases, including references to assumptions.

Forward-looking statements in this MD&A include, but are not limited to, statements with respect to Aimia's current and future strategic initiatives, investment opportunities and use of cash; availability of financing for Aimia's subsidiaries; optimization of its capital structure; Aimia's liquidity, the success of strategic initiatives involving Bozzetto, Cortland International and other Aimia investees; Aimia's relationship with Paladin, including the Paladin’s options and crystallization events; the put option granted to StarChem’s management; the growth of Bozzetto in the Americas; Cortland International and Bozzetto plans to mitigate the cost associated with the Red Sea crisis; the series of initiatives undertaken by Kognitiv to reduce costs and drive efficiency; Kognitiv’s growth initiatives; the ability of Kognitiv to secure additional sources of financing as necessary; the value of Aimia’s investment in Clear Media; the ability of Capital A to comply with any part of its obligations to regularize its Practice Note 17 condition within the timeframes permitted by Bursa Securities, including the submission of its regularization plan to address its financial condition; the PLM earn-out; Aimia’s annualized holding company cash expenses, cash requirements for preferred dividends and associated Part VI.1 tax going forward; cash requirements for additional expenses related to shareholders activism and the wind-down of MIM; the outcome of the contested matters with the CRA and Revenu Québec and other litigated matters.

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

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

THIS MD&A CONTAINS THE FOLLOWING SECTIONS:

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

OVERVIEW

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

The Corporation 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. 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.

The company 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 global leader in the manufacturing of high-performance 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 leading global designer, manufacturer, and supplier of technology advanced synthetic 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 large, multi-national customers within the textile industry.

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 global 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.

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

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

OVERVIEW (continued)

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, as well as other expenses that relate to its acquisition, 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.

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

SUBSIDIARIES AND INVESTMENTS IN PRIVATE EQUITY INSTRUMENTS AND ASSOCIATES

The table below summarizes Aimia's main subsidiaries and investments in private equity instruments, associates and joint arrangements at March 31, 2024:

Name	Nature of business	Nature of investment	Reporting segment	Place of business	% of ownership interest	Measurement method
Bozzetto	Specialty sustainable chemicals	Subsidiaries	Bozzetto	Worldwide	94.1 (a)	Consolidation
Tufropes	Synthetic fiber ropes and netting solutions	Subsidiaries	Cortland International	Worldwide	100 (b)	Consolidation
Cortland	Synthetic ropes, slings and tethers	Subsidiaries	Cortland International	Worldwide	100 (b)	Consolidation
Kognitiv	B2B Loyalty	Associate	Holdings	Worldwide	48.5	Equity (d)
Clear Media Limited (c)	Outdoor advertising	Equity instrument	Holdings	China	10.85	Fair value

(a) Bozzetto's executive management owns 5.9% of Bozzetto. Moreover, Paladin collaborated with Aimia on this acquisition. Within one year of closing, Paladin had the option to purchase a minimum of 10.0% and a maximum of 19.9% of Aimia's investment in Bozzetto. Paladin did not exercise its option and, in May 2024, the option expired. Paladin is entitled to a carried interest of up to 20% after a 8% preferred return to Aimia.

On January 2, 2024, Aimia, through Bozzetto, completed the acquisition of 65% of StarChem, a manufacturer of auxiliary chemical solutions. The StarChem management owns the remaining 35%.

(b) Paladin collaborated with Aimia on this acquisition. Within one year of the Bozzetto acquisition closing date (originally the Tufropes acquisition closing date), Paladin had the option to purchase a minimum of 10.0% and a maximum of 19.9% of Cortland International. Paladin did not exercise its option and, in May 2024, the option expired. Paladin is entitled to a carried interest of up to 20% after a 8% preferred return to Aimia.

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

(d) The Corporation also has an investment in warrants of Kognitiv. The investment in the Kognitiv warrants is measured at fair value.

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Q1 2024 HIGHLIGHTS

Q1 2024 PERFORMANCE

During the three months ended March 31, 2024, the Corporation showed good momentum, with improvement of all of its key financial metrics compared to the three months ended December 31, 2023, due to a number of factors, including stronger customer demand in each of its anchor businesses and improved product mix. The results also benefited from the acquisition, through Bozzetto, of StarChem.

However, Aimia's holding costs were again significantly impacted by legal and advisory fees incurred in relation to shareholder activism, including litigation settlement agreements.

For the three months period ended March 31, 2024, the Corporation reported consolidated revenues of $122.1 million, net loss of $4.2 million and Adjusted EBITDA of $6.7 million. Refer to the *Segmented Operating Results* section for additional details.

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, Merril 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.

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 10th 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

Q1 2024 HIGHLIGHTS (continued)

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.

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.

Purchase price	
(in millions of Canadian dollars)	
Base purchase price	**24.1**
Net debt and working capital adjustments	1.3
Provisional contingent consideration (earn-out) fair value at closing	7.7
Net consideration to allocate	**33.1**
Provisional recognized amounts of identifiable assets acquired and liabilities assumed	
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)
Total provisional identifiable net assets (liabilities)	**20.9**
Provisional non-controlling interests [(a)]	(7.3)
Provisional goodwill and intangible assets [(b)]	19.5
Total	**33.1**

(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.

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

Q1 2024 HIGHLIGHTS (continued)

MANAGEMENT AND BOARD OF DIRECTORS CHANGES

Following the departure of Aimia's CEO, Philip Mittleman, and President, Michael Lehmann in January 2024, Mr. Thomas Finke has been named Executive Chairman, effective January 11, 2024. With Mr. Finke's appointment as Executive Chairman, Karen Basian, a member of Aimia's Board since February 2020 and currently Chair of the Audit, Finance and Risk Committee, has been named as Lead Independent Director. Ms. Basian is working closely with Mr. Finke and provide oversight and guidance to Aimia's independent directors. Aimia's Board has also launched a search for a new CEO. The search is still ongoing.

On February 29, 2024, following the departure of a board member due to new professional commitments, Aimia appointed Robert Feingold, a finance and asset management professional with more than 30 years of industry and academic experience. Mr. Feingold has been a Senior Lecturer of Finance at the Isenberg School of Management at the University of Massachusetts Amherst since 2016. Previously, he served in a number of executive roles with asset management and financial services organizations, including Fleet Bank, Wellington Management, Triumph Capital Group, and Barings LLC.

STRATEGIC UPDATE

The Corporation and its Board of Directors remain actively engaged in and focused on three main objectives to create shareholder value:

- Unlock the growth potential of core holdings, Bozzetto and Cortland International, two global companies operating in specialty markets with significant organic and accretive growth potential.
- Responsibly monetize its non-core minority interest held assets in an expedited manner.
- Optimize its capital structure to support the return of capital to shareholders.

These objectives will be underscored by a number of supporting goals such as improving the reporting of our consolidated and segment results to more clearly articulate the key performance and financial metrics that will drive growth and value creation at each of our core businesses.

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

PERFORMANCE INDICATORS (INCLUDING CERTAIN NON-GAAP FINANCIAL MEASURES)

GAAP FINANCIAL MEASURES

To measure performance, the Corporation uses and presents several financial measures in accordance with GAAP, including, but not limited to, gross profit (loss), operating income (loss), Earnings (loss) before income taxes, Net earnings (loss) and Earnings (Loss) by Common Share. Aimia's material accounting policy information is included in *Note 2* of the audited consolidated financial statements for the year ended December 31, 2023 dated March 25, 2024. Please refer to the *Critical Accounting Estimates* section for a discussion on the identified areas that are the most subject to judgments, inherently uncertain and which could change significantly in subsequent periods, as well as the *Change in Accounting Policies* section for the list of revised accounting standards and accounting policies adopted during the three months ended March 31, 2024 and their impacts on the consolidated financial statements.

NON-GAAP FINANCIAL MEASURES

Adjusted EBITDA

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

Adjusted EBITDA is used by management to evaluate the performance of its Bozzetto, 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 *Bozzetto, Cortland International and Holdings Segmented Operating Results* sections.

Non-GAAP for investments in associates

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

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

OPERATING AND FINANCIAL RESULTS

Certain of the following financial information of Aimia has been derived from, and should be read in conjunction with, the condensed interim consolidated financial statements for the three months ended March 31, 2024 and 2023, and the notes thereto. Results of the Corporation are not significantly impacted by seasonality.

SELECTED QUARTERLY CONSOLIDATED OPERATING RESULTS

	Three Months Ended March 31,			
(in millions of Canadian dollars, except share and per share information)	2024		2023	
Revenue from contracts with customers	**122.1**		2.0	
Cost of sales	**(87.5)**		(1.9)	
Gross Profit	**34.6**		0.1	
Other Income from investments	**(3.2)**		12.1	
Operating expenses	**(35.0)**	*(b)*	(19.8)	*(b)*
Operating income (loss)	**(3.6)**		(7.6)	
Net earnings (loss)	**(4.2)**	*(c)*	(20.7)	*(c)*
Net earnings (loss) attributable to equity holders of the Corporation	**(4.9)**		(20.7)	
Weighted average number of common shares - Basic	**93,073,929**		82,598,929	
Weighted average number of common shares - Diluted	**93,073,929**		82,598,929	
Basic earnings (loss) per common share [(a)]	**(0.09)**		(0.29)	
Diluted earnings (loss) per common share [(a)]	**(0.09)**		(0.29)	
Total assets	**997.9**		808.3	
Total non-current liabilities	**296.5**		37.3	
Dividends paid on preferred shares	**3.2**		3.2	
Included in Cost of sales and Net earnings (loss):				
Depreciation and amortization	**(8.1)**		(0.4)	
Included in Operating expenses and Net earnings (loss):				
Share-based compensation	**1.9**		(0.3)	
Depreciation and amortization	**—**		(1.1)	
Additional information:				
Bozzetto Adjusted EBITDA [(d)]	**15.5**		—	
Cortland Adjusted EBITDA [(d)]	**4.0**		(1.5)	
Holdings Adjusted EBITDA [(d)]	**(12.8)**		(4.8)	
Consolidated Adjusted EBITDA [(d)]	**6.7**		(6.3)	

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

SELECTED QUARTERLY CONSOLIDATED OPERATING RESULTS (continued)

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

(b) The operating expenses include one-time transaction costs related to business acquisitions amounting to $0.9 million and $11.6 million in the three months ended March 31, 2024 and 2023, respectively. The operating expenses for the three months ended March 31, 2024 and 2023 also include $6.9 million and $1.0 million, respectively, incurred in relation to shareholders activism, including settlement agreements, and the termination of the employment of Christopher Mittleman, a former executive of one of the Corporation's subsidiary.

(c) Net earnings (loss) for the three months ended March 31, 2024 and 2023 include $1.3 million in each period of Part VI.1 tax expense recognized in the Canadian operations.

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

SEGMENTED OPERATING RESULTS

This section provides a discussion of the segmented operating results.

BOZZETTO

The following table presents the results of the Bozzetto segment, which includes the results of Bozzetto for the full quarter ended March 31, 2024, as well as the results of StarChem from January 2, 2024, date of its acquisition by Aimia, to March 31, 2024.

	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023 [(a)]
Revenue from contracts with customers	**88.1**	—
Cost of sales	**(61.3)**	—
Gross Profit	**26.8**	—
Other Income from investments		
Interest, dividend and other investment income	**0.3**	—
Share of net earnings (loss) from equity-accounted investments	**0.1**	—
	0.4	—
Operating expenses		
Selling, general and administrative expenses	**(17.1)** [(c)]	—
Operating income	**10.1**	—
Financial expense, net	**(4.3)**	—
Income (expenses) related to carried interest, call option and fair value gain (loss) on contingent consideration	**0.1**	—
Earning (loss) before income taxes	**5.9**	—
Reconciliation of Adjusted EBITDA [(b)]		
Earnings (loss) before income taxes	**5.9**	—
Depreciation and amortization	**5.1**	—
Financial expense, net	**4.3**	—
Transaction related costs	**0.7**	—
(Income) expenses related to carried interest, call option and fair value (gain) loss on contingent consideration	**(0.1)**	—
Other income from investments	**(0.4)**	—
Adjusted EBITDA [(b)]	**15.5**	**—**
Adjusted EBITDA margin	***17.6 %***	

(a) Bozzetto was acquired on May 9, 2023, therefore, the three month period ended March 31, 2023 does not include any results related to Bozzetto.

(b) A Non-GAAP measure.

(c) 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.

SEGMENTED OPERATING RESULTS - BOZZETTO (continued)

Results for the quarter ended March 31, 2024

The Bozzetto segment reported revenues of $88.1 million for the three months ended March 31, 2024 and a gross profit of $26.8 million. Excluding depreciation and amortization expense of $5.1 million included in cost of sales, the gross profit amounted to $31.9 million. The Adjusted EBITDA amounted to $15.5 million, representing a margin of 17.6%.

A comparison of the results is not meaningful given that the comparative period was prior to the acquisition of Bozzetto. A sequential analysis is provided below, which compares the results for the quarter ended March 31, 2024 to the quarter ended December 31, 2023, adjusted to exclude the StarChem results.

The following table presents the results for Bozzetto and StarChem included in the three months ended March 31, 2024.

	Three Months Ended March 31, 2024		
(in millions of Canadian dollars)	Bozzetto	StarChem [b]	Total
Revenue from contracts with customers	80.8	7.3	**88.1**
Cost of sales	(56.1)	(5.2)	**(61.3)**
Gross Profit	**24.7**	**2.1**	**26.8**
Other Income			
Interest, dividend and other investment income	0.3	—	**0.3**
Share of net earnings (loss) from equity-accounted investments	0.1	—	**0.1**
	0.4	**—**	**0.4**
Operating expenses			
Selling, general and administrative expenses	(16.0)	(1.1)	**(17.1)**
Earnings (loss) before the following items:	**9.1**	**1.0**	**10.1**
Financial (expenses) income, net	(3.4)	(0.9)	**(4.3)**
Income (expenses) related to carried interest and call option	0.1	—	**0.1**
Earnings (loss) before income taxes	**5.8**	**0.1**	**5.9**
Adjusted EBITDA [a]	**14.0**	**1.5**	**15.5**
Adjusted EBITDA margin	*17.3 %*	*20.5 %*	***17.6 %***

(a) A Non-GAAP measure.

(b) StarChem 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.

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SEGMENTED OPERATING RESULTS - BOZZETTO (continued)

Bozzetto results (excluding StarChem) for the quarter ended March 31, 2024 compared to the quarter ended December 31, 2023

	Q1 2024	Q4 2023	Variance
(in millions of Canadian dollars)			
Revenue from contracts with customers	80.8	70.3	10.5
Cost of sales	(56.1)	(51.2)	(4.9)
Gross Profit	**24.7**	**19.1**	**5.6**
Other Income			
Interest, dividend and other investment income	0.3	0.3	—
Share of net earnings (loss) from equity-accounted investments	0.1	0.6	(0.5)
	0.4	**0.9**	**(0.5)**
Operating expenses			
Selling, general and administrative expenses	(16.0)	(14.7)	(1.3)
Earnings (loss) before the following items:	**9.1**	**5.3**	**3.8**
Financial (expenses) income, net	(3.4)	(5.1)	1.7
Income (expenses) related to carried interest and call option	0.1	0.3	(0.2)
Earnings (loss) before income taxes	**5.8**	**0.5**	**5.3**
Adjusted EBITDA [(a)]	**14.0**	**10.4**	**3.6**
Adjusted EBITDA margin	*17.3 %*	*14.8 %*	*2.5 %*

(a) A Non-GAAP measure.

Revenue for the three months ended March 31, 2024 amounted to $80.8 million, representing an increase of $10.5 million or 14.9% compared to the previous quarter, of which $9.8 million is due to an increase in volume sold as a result of stronger market demand. The remaining $0.7 million increase is due to a small increase in pricing. Cost of sales for three months ended March 31, 2024 increased by $4.9 million or 9.6% compared to the previous quarter, mostly due to sales volume increase explained above.

Selling, general and administrative expenses for the three months ended March 31, 2024 and December 31, 2023 included $0.3 million and $0.9 million of transaction costs related to business acquisitions, respectively. Excluding these items, selling, general and administrative expenses increased by $1.9 million compared to the previous quarter mainly due an increase in direct selling costs as a result of the increase in volume sold and recent tensions in the Red Sea impacting freight costs. While the Red Sea crisis continued to provide headwinds during the quarter, Bozzetto's efforts to mitigate the impacts were reflected by increased local production in select markets.

Adjusted EBITDA for the three months ended March 31, 2024 amounted to $14.0 million, representing a margin of 17.3%. The increase of $3.6 million compared to the previous quarter, is mostly due to higher gross profit, offset in part by higher selling, general and administrative expenses.

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

SEGMENTED OPERATING RESULTS (continued)

CORTLAND INTERNATIONAL

The Cortland International segment presents the results of Tufropes and Cortland for the full quarter ended March 31, 2024. For the quarter ended March 31, 2023, the Cortland International segment includes the results of Tufropes from March 17, 2023, date of its acquisition by Aimia, to March 31, 2023.

	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023 [a]
Revenue from contracts with customers	**34.0**	1.7
Cost of sales	**(26.2)**	(1.9)
Gross Profit	**7.8**	(0.2)
Other Income from investments		
Net change in fair value of investments	—	0.2
Interest, dividend and other investment income	**0.3**	0.1
	0.3	0.3
Operating expenses		
Selling, general and administrative expenses	**(7.0)** (c)	(13.3) (c)
Operating income (loss)	**1.1**	(13.2)
Financial income (expense), net	**(0.2)**	(0.8)
Income (expenses) related to carried interest and call option	**(0.2)**	(10.8)
Intercompany interest income (expense)	**(2.2)**	(0.5)
Earning (loss) before income taxes	**(1.5)**	(25.3)
Reconciliation of Adjusted EBITDA [b]		
Earnings (loss) before income taxes	**(1.5)**	(25.3)
Depreciation and amortization	**3.0**	0.4
Intercompany interest (income) expense	**2.2**	0.5
Transaction and transition related costs	**0.2**	11.6
(Income) expenses related to carried interest and call option	**0.2**	10.8
Financial (income) expense, net	**0.2**	0.8
Other income from investments	**(0.3)**	(0.3)
Adjusted EBITDA [b]	**4.0**	**(1.5)**
Adjusted EBITDA margin	**11.8 %**	nm.

(a) Tufropes and Cortland were acquired on March 17, 2023 and July 11, 2023, respectively, therefore, the three month period ended March 31, 2023 included the results of Tufropes for the partial period from March 17, 2023 to March 31, 2023, and no results from Cortland.

(b) A Non-GAAP measure.

(c) Operating expenses include one-time transaction and transition costs related to the acquisition of Tufropes and Cortland amounting to $0.2 million and $11.6 million in the three months ended March 31, 2024 and 2023, respectively.

SEGMENTED OPERATING RESULTS - CORTLAND INTERNATIONAL (continued)

Results for the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023

Cortland International reported revenues of $34.0 million for the three months ended March 31, 2024 and a gross profit of $7.8 million. Excluding depreciation and amortization expense of $3.0 million included in cost of sales, the gross profit amounted to $10.8 million. The loss before income taxes includes a $2.2 million intercompany interest expense and a $0.2 million net financial expense. The Adjusted EBITDA amounted to $4.0 million, representing a margin of 11.8%.

Cortland International reported revenues of $1.7 million for the three months ended March 31, 2023 and a gross profit of $(0.2) million. Excluding depreciation and amortization expense of $0.4 million included in cost of sales, the gross profit amounted to $0.2 million. The loss before income taxes includes $11.6 million of transaction and transition costs related to the acquisition of the businesses, a $8.0 million non-cash expense related to the Paladin Carried Interest in Cortland International, a $2.8 million one-time non-cash expense related to the Paladin option to purchase up to 19.9% of Cortland International, a $0.5 million intercompany interest expense and a $0.8 million net financial expense (primarily attributable to a foreign exchange loss related to an intercompany loan). The Adjusted EBITDA amounted to $(1.5) million.

A comparison of the results is not meaningful given that the comparative period results only included results of Tufropes for a short, partial period (March 17 to March 31), and included no results from Cortland since it was acquired later in the year, and included sizable one-time expenses which are described above.

A sequential analysis is provided below, which compares the results for the quarter ended March 31, 2024 to the quarter ended December 31, 2023.

SEGMENTED OPERATING RESULTS - CORTLAND INTERNATIONAL (continued)

Results for the quarter ended March 31, 2024 compared to the quarter ended December 31, 2023

(in millions of Canadian dollars)	Q1 2024	Q4 2023		Variance
Revenue from contracts with customers	34.0	29.7		4.3
Cost of sales	(26.2)	(25.1)	*(b)*	(1.1)
Gross Profit	**7.8**	**4.6**		**3.2**
Other Income				
Interest, dividend and other investment income	0.3	0.4		(0.1)
	0.3	**0.4**		**(0.1)**
Operating expenses				
Selling, general and administrative expenses	(7.0)	(5.9)		(1.1)
Earnings (loss) before the following items:	**1.1**	**(0.9)**		**2.0**
Financial (expenses) income, net	(0.2)	(2.7)		2.5
Income (expenses) related to carried interest and call option	(0.2)	0.1		(0.3)
Intercompany interest income (expense)	(2.2)	(3.0)		0.8
Earnings (loss) before income taxes	**(1.5)**	**(6.5)**		**5.0**
Adjusted EBITDA [(a)]	**4.0**	**2.5**		**1.5**
Adjusted EBITDA margin	*11.8%*	*8.4%*		*3.4%*

(a) A Non-GAAP measure.

(b) Cost of sales for the three months ended December 31, 2023 include one-time non-cash expenses of $0.3 million related to the inventory fair value step up that was recognized as part of the purchase price allocation process.

Cortland International's revenue for the three months ended March 31, 2024 amounted to $34.0 million, representing an increase of $4.3 million or 14.5% compared to the previous quarter due to stronger market demand compared to the general softness observed in the prior quarter as well as an increase in rate per metric ton sold driven by product mix and underlying raw material price increases which are passed to customers. The increase was also due to increased freight costs as a result of the Red Sea crisis which were also passed to customers. Cost of sales for the three months ended March 31, 2024 increased by $1.1 million. Excluding depreciation and amortization expense of $3.0 million included in cost of sales included in both quarters, cost of sales increased by $1.1 million or 5.0% compared to the previous quarter, mostly due to sales volume increase and product mix explained above.

Selling, general and administrative expenses for the three months ended March 31, 2024 and December 31, 2023 included $0.2 million and $0.5 million of transaction and transition costs related to business acquisitions, respectively. Excluding these items, selling, general and administrative expenses increased by $1.4 million compared to the previous quarter mainly due an increase in direct selling costs as a result of the increase in volume sold and recent tensions in the Red Sea impacting freight costs as well as other integration related expenses.

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

SEGMENTED OPERATING RESULTS - CORTLAND INTERNATIONAL (continued)

Cortland International's Adjusted EBITDA amounted to $4.0 million for the three months ended March 31, 2024, representing an improvement of $1.5 million over the prior quarter. The improvement has been largely driven by the increase in volume sold and product mix discussed above.

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

SEGMENTED OPERATING RESULTS - HOLDINGS

HOLDINGS

	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023
Revenue from contracts with customers	**—**	0.3
Cost of sales	**—**	—
Gross Profit	**—**	0.3
Other Income from investments		
Net change in fair value of investments	**(3.0)**	10.6
Interest, dividend and other investment income	**4.6**	7.1
Share of net earnings (loss) from equity-accounted investments	**(5.5)**	(5.9)
	(3.9)	11.8
Operating expenses		
Selling, general and administrative expenses	**(10.9)** (a)	(6.5) *(b)*
Earnings (loss) before the following items:	**(14.8)**	5.6
Financial income (expense), net	**3.0**	(0.1)
Income (expenses) related to carried interest, call option and fair value gain (loss) on contingent consideration and Aimia warrants	**3.8**	—
Intercompany interest income (expense)	**2.2**	0.5
Decrease (increase) in limited partners' capital liability	**—**	(0.1)
Earnings (loss) before income taxes	**(5.8)**	5.9
Included in Selling, general and administrative expenses and Net earnings (loss) before income taxes:		
Share-based compensation (expense) reversal	**1.9**	(0.3)
Reconciliation of Adjusted EBITDA *(c)*		
Earnings (loss) before income taxes	**(5.8)**	5.9
Depreciation and amortization	**—**	1.1
Share-based compensation expense (reversal)	**(1.9)**	0.3
Intercompany interest (income) expense	**(2.2)**	(0.5)
(Income) expenses related to carried interest, call option and fair value (gain) loss on contingent consideration and Aimia warrants	**(3.8)**	—
Financial (income) expense, net	**(3.0)**	0.1
(Decrease) increase in limited partners' capital liability	**—**	0.1
Other income from investments	**3.9**	(11.8)
Adjusted EBITDA *(c)*	**(12.8)**	(4.8)

(a) Selling, general and administrative expense for the three months ended March 31, 2024 include $6.9 million incurred in relation to shareholders activism and the termination of employment of Christopher Mittleman, a former executive of one of the Corporation's subsidiary.

(b) Selling, general and administrative expense for the three months ended March 31, 2023 include $1.0 million incurred in relation to shareholders activism and the termination of employment of Christopher Mittleman, a former executive of one of the Corporation's subsidiary. Selling, general and administrative expense for the same period include a depreciation and amortization expense of $1.1 million related to the accelerated depreciation of the MIM customer relationships intangible asset due to the decision to wind down the MIM operations.

(c) A Non-GAAP measure.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

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

The share of net earnings (loss) of equity-accounted investments amounted to $(5.5) million for the three months ended March 31, 2024, representing a positive variance of $0.4 million compared to the same period in the prior year, and is due to the underlying performance of the equity-accounted investment in Kognitiv analyzed below.

Share of net earnings (loss) of equity-accounted investments	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023
Kognitiv	(5.5)	(5.9)
Total	**(5.5)**	(5.9)

Investment in Kognitiv

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

Discontinued operations

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.

Kognitiv's Summarized balance sheet

As at	March 31,	December 31,
(in millions of Canadian dollars)	2024	2023
Cash and cash equivalents	3.4	6.0
Other current assets	30.8	34.6
Total current assets	34.2	40.6
Total non current assets	7.7	7.8
Total assets	**41.9**	48.4
Total current liabilities	(89.4)	(85.7)
Total non-current liabilities	(8.9)	(9.4)
Total liabilities	**(98.3)**	(95.1)
Net assets (liabilities)	**(56.4)**	(46.7)

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

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

Kognitiv's Summarized statement of operations

	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023
Revenue [b]	**11.3**	11.5
Cost of sales and operating expenses [b]	**(16.0)**	(17.5)
Depreciation and amortization	**(0.1)**	(0.1)
Loss before net financial expense and income tax expense [b]	**(4.8)**	(6.1)
Net loss	**(9.8)**	(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)
Aimia's share of Kognitiv's net loss	**(5.5)**	(5.9)
Additional financial information		
Adjusted EBITDA [a][b]	**(3.2)**	(5.6)
Included in Net loss:		
Net gain/(loss) from discontinued operations	**(0.1)**	(1.2)

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

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

Results for the quarter ended March 31, 2024 compared to quarter ended March 31, 2023

Revenue for the three months ended March 31, 2024 amounted to $11.3 million, a decrease of $0.2 million compared to the revenue for the three months ended March 31, 2023, with the reduction in loyalty platform revenue, mostly due to a customer program winding down, being almost entirely offset by higher service revenue.

Cost of sales and operating expenses for the three months ended March 31, 2024 amounted to $16.0 million, an improvement of $1.5 million compared to the three months ended March 31, 2023. This is mainly due to lower compensation and benefits expenses driven due to reduced headcount as well as lower technology expenses, offset in part by higher restructuring expenses related to headcount reduction.

The net loss for the three months ended March 31, 2024 amounted to $9.8 million, a favorable variance of $0.5 million compared to the three months ended March 31, 2023, as a result of the net improvement noted above, as well as a lower loss from discontinued operations, offset in part by an increase in financial expenses due to higher interest expense and unfavorable foreign exchange impact.

Kognitiv's Adjusted EBITDA for the three months ended March 31, 2024 amounted to $(3.2) million, an improvement of $2.4 million compared to the same period in the prior year, mainly due to reduced cost of sales and operating expenses driven by lower compensation and benefits expenses as a result of reduced headcount.

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

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

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 the *Related Parties Transactions* section for additional details on the promissory note agreements Aimia entered into with Kognitiv.

Kognitiv continues to undertake a series of initiatives to reduce costs and drive efficiency as it rolls out its commercial offering centered around its AI-driven loyalty platform and to secure additional sources of financing as necessary.

NET CHANGE IN FAIR VALUE OF INVESTMENTS

As of March 31, 2024, the value of the Holdings segment's investments in marketable securities and other investments accounted for at fair value is detailed below:

(in millions of Canadian dollars)	Hierarchy	March 31, 2024	December 31, 2023
Investment in marketable securities			
Capital A			
Capital A - Common shares	Level 1	11.4	25.5
Capital A - Warrants	Level 1	1.5	2.2
Total		**12.9**	27.7
Investment in private companies and other financial instruments			
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
Total		**30.6**	33.8

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

The net change in fair value of investments for the three months ended March 31, 2024 and 2023 is detailed below. A discussion follows on the main events and movements that occurred during these periods.

		Three Months Ended March 31,	
(in millions of Canadian dollars)	Hierarchy	2024	2023
Realized fair value gain (loss)			
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)
Investments funds	Level 2	**1.0**	—
Net change in unrealized fair value			
Clear Media	Level 3	**0.5**	(0.2)
Capital A			
Capital A - Common shares	Level 1	**(0.8)**	4.9
Capital A - RCUIDS	Level 1	**—**	1.2
Capital A - Warrants	Level 1	**(0.6)**	0.2
TRADE X			
TRADE X - Preferred shares	Level 3	**—**	(0.1)
TRADE X - Convertible Note	Level 3	**—**	1.4
Cineplex	Level 1	**—**	0.5
Kognitiv			
Kognitiv - Convertible Note	Level 3	**—**	(0.1)
Kognitiv - Warrants	Level 3	**(0.5)**	—
Marketable securities - held through Precog Capital Partners, L.P.	Level 1	**—**	1.0
Special purpose vehicles	Level 2	**—**	2.0
Investment funds	Level 2	**(0.7)**	0.4
Net change in fair value of investments		**(3.0)**	10.6

Investment in Clear Media

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.

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

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

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

Investments 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.

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.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

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.

INTEREST, DIVIDEND AND OTHER INVESTMENT INCOME

	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023
Interest income		
Interest on cash and cash equivalents	0.6	5.2
Interest on convertible notes and other financial instruments	0.4	1.6
Total interest income	**1.0**	6.8
Dividend income		
Dividend income from marketable securities	—	0.2
Total dividend income	**—**	0.2
Other investment income		
Other investment income	3.6	0.1
Total other investment income	**3.6**	0.1
Total interest, dividend and other investment income	**4.6**	7.1

Interest, dividend and other investment income for the three months ended March 31, 2024 amounted to $4.6 million, a decrease of $2.5 million compared to the same period in the prior year, primarily due to a reduction of $4.6 million from interest on cash and cash equivalents due to a higher level of liquidity in the early part of 2023 prior to the business acquisitions of Tufropes, Bozzetto and Cortland Industrial on March 17, May 9 and July 11, 2023, respectively. The decrease is also due to a reduction of $1.2 million in interest on convertible notes and other financial instruments primarily due to no interest income being recorded in the current period on the TRADE X and Kognitiv convertible notes as a result of TRADE X being put under receivership in December 2023 as well as the Corporation's conversion of Kognitiv's convertible notes into preferred shares in the third and fourth quarter of 2023. The decrease in interest income was partially offset by an increase in other investment income of $3.5 million, due to higher investment income receivable from Forward Elite in the current period.

SEGMENTED OPERATING RESULTS - HOLDINGS (continued)

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Quarter ended March 31, 2024 compared to quarter ended March 31, 2023

Selling, general and administrative expenses for the three months ended March 31, 2024 amounted to $10.9 million, an increase of $4.4 million compared to the three months ended March 31, 2023, mainly resulting from:

- an increase of $5.9 million of legal and other professional fees incurred in relation to shareholder activism, including litigation settlement agreements, and the termination of employment of Christopher Mittleman, a former executive of one of the Corporation's subsidiary;
- an amount of $1.6 million in separation payments related to the departure of Aimia's CEO, Phil Mittleman, and President, Michael Lehmann, which occurred during the quarter; and
- the reversal of an accrued liability for deferred compensation of $0.4 million as a result of to the termination of employment of Christopher Mittleman in the first quarter of 2023; offset in part by
- a favorable variance of $2.2 million related to share-based compensation, which is in part due to a net decrease of $1.0 million of the accrued liability related to the unvested DSUs previously granted to former executives due to their departures in the current period. Excluding this impact, share-based compensation had a favorable impact of $1.2 million, mainly due to a more important share price decrease during the current period; and
- a reduction of expenses of $1.4 million related to MIM operations, including lower amortization expense of $1.1 million related to the accelerated depreciation of the MIM customer relationships intangible asset, due to the decision to wind down MIM.

Excluding the items noted above, selling, general and administrative expenses increased by $0.1 million, mainly due to higher other professional, advisory and service fees due in part to higher audit fees and other compliance requirements as a result of the Bozzetto and Cortland International acquisitions, offset in part by lower executive compensation costs.

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

SUMMARY OF QUARTERLY RESULTS

This section includes selected sequential quarterly data for the eight quarters ended March 31, 2024.

	2024	2023				2022		
(in millions of Canadian dollars, except per share amounts)	Q1 [m]	Q4	Q3 [k](l)	Q2 [i](l)	Q1 [f](l)	Q4	Q3	Q2
Revenue from contracts with customers	**122.1**	100.1	114.3	74.8	2.0	0.3	0.3	0.4
Cost of sales	**(87.5)**	(76.3)	(91.4)	(55.7)	(1.9)	—	—	—
Gross Profit	**34.6**	23.8	22.9	19.1	0.1	0.3	0.3	0.4
Other Income from investments	**(3.2)** (c)	(37.0) (c)(d)	(24.4) (c)	(34.2) (c)	12.1 (c)	(11.4) (c)(d)	533.6 (c)(d)	(32.4) (c)
Operating expenses	**(35.0)** (j)	(37.8) (g)(j)	(30.4) (g)	(31.8) (g)(j)	(19.8) (g)	(7.4) (g)	(16.7) (e)	(3.9)
Net earnings (loss) attributable to equity holders of the Corporation	**(4.9)** (j)	(59.2) (j)	(34.2)	(73.9) (j)	(20.7) (h)	(23.3)	517.5	(35.2)
Basic earnings (loss) per common share [a]	**(0.09)**	(0.69)	(0.45)	(0.93)	(0.29)	(0.32)	5.93	(0.42)
Diluted earnings (loss) per common share [a]	**(0.09)**	(0.69)	(0.45)	(0.93)	(0.29)	(0.32)	5.89	(0.42)
Adjusted EBITDA - Bozzetto [b]	**15.5**	10.4	11.7	8.5	N/A	N/A	N/A	N/A
Adjusted EBITDA - Cortland International [b]	**4.0**	2.5	5.7	4.6	(1.5)	N/A	N/A	N/A
Adjusted EBITDA - Holdings [b]	**(12.8)**	(16.9)	(7.7)	(7.6)	(4.8)	N/A	N/A	N/A
Adjusted EBITDA - Consolidated [b]	**6.7**	(4.0)	9.7	5.5	(6.3)	N/A	N/A	N/A

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

SUMMARY OF QUARTERLY RESULTS (continued)

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

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

(c) Includes net change in fair value of investments of $(3.0) million for the three months ended March 31, 2024, $(54.9) million for the three months ended December 31, 2023, ($25.7) million for the three months ended September 30, 2023, ($28.8) million for the three months ended June 30, 2023, $10.8 million for the three months ended March 31, 2023, $(10.2) million for the three months ended December 31, 2022, $7.8 million for the three months ended September 30, 2022 and $(25.0) million for the three months ended June 30, 2022.

(d) Other Income from investments for the three months ended December 31, 2023, December 31, 2022 and September 30, 2022, includes a gain of $19.3 million, a loss of $0.1 million and a gain of $530.6 million, respectively, on the divestiture of the PLM equity-accounted investment.

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

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

(g) Operating expenses for the three months ended December 31, 2023 include transaction costs related to the Tufropes/Cortland acquisitions of $0.5 million, $2.8 million for the three months ended September 30, 2023, $0.3 million for the three months ended June 30, 2023 and $11.6 million for the three months ended March 31, 2023. Operating expenses for the three months ended December 31, 2022, also include $2.1 million of transactions costs related to Tufropes.

(h) Net loss for the three months ended March 31, 2023 include $2.8 million non-cash expense related to the Paladin option and a $8.0 million non-cash expense related to the Paladin Carried Interest in Cortland International.

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

(j) Operating expenses and Net loss for the three months ended March 31, 2024 include transaction costs of $0.9 million related to business acquisitions, $0.9 million in the three months ended December 31, 2023 related to the Bozzetto/StarChem acquisitions and $12.4 million for the three months ended June 30, 2023 related to the Bozzetto acquisition. Net loss for the three months ended June 30, 2023 also includes a $4.3 million non-cash expense related to the Paladin option in Bozzetto and a $12.9 million non-cash expense related to the Paladin Carried Interest in Bozzetto.

(k) The three months ended September 30, 2023, results include the results of Cortland from July 11 to September 30, 2023.

(l) The previously reported figures for the three months ended September 30, 2023, June 30, 2023 and March 31, 2023 have been restated to reflect the finalization of the purchase price allocations of Bozzetto, Tufropes and Cortland as well as the reclassification of certain expenses in alignment with the presentation format adopted in its annual audited consolidated financial statements in which freight cost and certain fees paid to distributors are presented in selling, general and administrative expenses.

(m) The three months ended March 31, 2024, results include the results of StarChem which was acquired on January 2, 2024.

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

LIQUIDITY AND CAPITAL RESOURCES

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

	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023
Cash and cash equivalents, beginning of period	**109.1**	505.3
Cash used in operating activities	(5.7)	(10.2)
Cash used in investing activities	(1.4)	(247.3)
Cash used in financing activities	(4.6)	(3.2)
Translation adjustment related to cash	0.8	(0.2)
Cash and cash equivalents, end of period	**98.2**	244.4

OPERATING ACTIVITIES

Cash from (used in) operating activities are mainly generated by revenues from contract with customers, reduced by cost of sales, operating expenses, interest paid on external financing as well as income taxes paid. Prior to the acquisitions of operating businesses in the prior year, cash from (used in) operating activities was mainly generated from distributions received from equity-accounted investments, proceeds of marketable securities held for trading, revenues from investment management activities as well as interest, dividend and other investment income, and was reduced by operating expenses, purchases of marketable securities held for trading as well as income taxes paid.

Cash flows from (used in) operating activities amounted to $(5.7) million for the three months ended March 31, 2024, compared to $(10.2) million for the three months ended March 31, 2023.

Cash flows from (used in) operating activities for the three months ended March 31, 2024 and 2023 include $1.6 million and $8.9 million, respectively, of transaction and transition costs paid related to businesses acquisitions. Cash flows from (used in) operating activities for the three months ended March 31, 2024 and 2023 also include $7.0 million and $0.6 million, respectively, of expenses paid in relation to shareholder activism, including litigation settlement agreements, and the termination of the employment of Christopher Mittleman, a former executive of one of the Corporation’s subsidiary. Cash outflows for the current period also include a total of $1.6 million in separation payments related to the departure of Aimia's CEO, Phil Mittleman, and President, Michael Lehmann.

Excluding these items, cash flows from operating activities for the three months ended March 31, 2024 amounted to $4.5 million, representing a favorable variance of $5.2 million which is primarily due to:

- a positive Adjusted EBITDA contribution from Bozzetto of $15.5 million in the current period;
- an improvement in Adjusted EBITDA from Cortland International of $5.5 million;
- $0.6 million of purchase of investments through Precog, net of proceeds from disposal of investments, in the first quarter of 2023; offset in part by
- an unfavorable variance of $9.9 million, which includes the variation in the change in net operating assets and other as well as the variance the Holdings segment cash costs;
- a decrease in interest and dividend received by $3.9 million;
- an increase in income tax paid of $2.3 million; and
- an increase in interest paid of $0.3 million.

LIQUIDITY AND CAPITAL RESOURCES (continued)

INVESTING ACTIVITIES

Cash from (used in) investing activities for the three months ended March 31, 2024 amounted to $(1.4) million and included the following:

- $15.5 million, net of cash acquired, paid for the acquisition of 65% of StarChem, representing 90% of the initial purchase price;
- $2.0 million of additions to property plant and equipment and intangible assets; and
- $1.0 million loaned to Kognitiv; offset in part by
- $11.4 million of proceeds from the disposal of 51,199,700 Capital A common shares;
- $3.5 million of proceeds from the redemption of an investment fund;
- $1.3 million loan repayment from a related party; and
- $0.9 million of proceeds from the redemption of an investment in a special purpose vehicle.

Cash from (used in) investing activities for the three months ended March 31, 2023 amounted to $(247.3) million and included the following:

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

FINANCING ACTIVITIES

Cash used in financing activities for the three months ended March 31, 2024 reflect the payment of $3.2 million related to preferred shares dividends. In addition, cash used in financing activities for the three months ended March 31, 2024 reflect the principal elements of lease payments of $1.0 million as well as the reimbursement of other borrowings of $0.4 million.

Cash used in financing activities for the three months ended March 31, 2023 reflect the payment of $3.2 million related to preferred shares dividends.

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

LIQUIDITY AND CAPITAL RESOURCES (continued)

LIQUIDITY

The following table presents an overview of Aimia's liquidity as of March 31, 2024.

As at	March 31,
(in millions of Canadian dollars)	2024
Cash and cash equivalents	98.2
Investments in marketable securities	13.0
Liquidity position	**111.2**

Of the $98.2 million cash and cash equivalents balance presented above, $44.0 million is held in Bozzetto, $9.3 million in Cortland International and $44.9 million in the Holdings segments, respectively.

Excluding any investing activities, Aimia anticipates having an annualized holding company cash expenses of approximately $13.0 million going forward. In addition, cash outflows associated with the payments of DSUs related to the January 2024 management change as well as additional legal and professional fees related to shareholder activism (including litigation settlement agreements) and remaining expenses associated with the MIM wind-down are currently estimated to amount to $7.2 million.

Aimia also estimates, for the next twelve months, cash requirements for preferred shares dividends of $15.5 million (based on the most recent rate reset of the Series 3 and Series 4 preferred shares), if and when declared and paid, and up to $7.5 million of associated Part VI.1 tax (which includes $1.3 million of Part VI.1 tax related to preferred dividends paid in the three months ended March 31, 2024).

These cash requirements are expected to be met from the Corporation’s source of capital listed above.

The amount held in cash, cash equivalents and investments, as well as the types of securities in which it may be invested, are based on policies established by the Board of Directors, which are reviewed periodically.

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.

CONTINGENT LIABILITIES AND LEGAL PROCEEDINGS

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.

Hostile Take-Over Bid and Aimia Application

On October 5, 2023, Mithaq Canada Inc. ("Mithaq Canada"), a wholly-owned subsidiary of Mithaq, formally commenced an unsolicited take-over bid to acquire all of the issued and outstanding common shares of Aimia (the "Common Shares") not already owned by Mithaq Canada or its affiliates, together with the associated rights issued and outstanding under the shareholder rights plan of Aimia, including any Common Shares that may become issued and outstanding after the date of the Hostile Offer, but prior to January 18, 2024, upon the exercise of options to acquire Common Shares or upon any other exercise, exchange or conversion of securities of the Corporation into Common Shares, at a price of $3.66 per Common Share (the "Hostile Offer").

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

CONTINGENT LIABILITIES AND LEGAL PROCEEDINGS (continued)

On November 28, 2023, Mithaq Canada filed a notice of variation to the Hostile Offer, and on January 18, 2024, Mithaq Canada filed a notice of extension extending the Expiry Time until 11:59 p.m. (Vancouver time) on February 15, 2024.

In connection with the Hostile Offer, Aimia filed an application with the Capital Markets Tribunal of the Ontario Securities Commission (the "Capital Markets Tribunal") against Mithaq Canada in connection with various breaches of the Securities Act (Ontario) on February 13, 2024. Aimia alleges that Mithaq Canada breached Ontario securities law by failing to disclose that it: (i) was acting jointly with other Aimia shareholders; (ii) planned to change the Board and alter Aimia's business model and strategy; and (iii) planned to acquire additional Common Shares. Aimia also alleges that Mithaq Canada failed to comply with the take-over bid rules by failing to put an offer of $4.13 per share to all shareholders, despite having purchased shares at that price at a time when its holdings exceeded 20%, in combination with joint actors. Aimia seeks: (i) a declaration that Mithaq Canada breached sections 2.8 and 5.2(2) of NI 62-104; and (ii) an order directing Mithaq Canada to make a take-over bid to all Aimia shareholders at a share price of $4.13. Aimia's application was scheduled to be heard on May 1 and 2, 2024.

On March 5, 2024, Mithaq brought a preliminary motion requesting that Aimia's application be dismissed.

Mithaq's motion to dismiss Aimia's application was heard on April 10, 2024. On April 11, 2024, the Tribunal dismissed Aimia's application, with reasons to follow.

CAPITAL STOCK

At March 31, 2024, Aimia had 94,639,614 common shares, 5,083,140 Series 1 Preferred Shares and 4,355,263 Series 3 Preferred Shares issued and outstanding for an aggregate amount of $256.9 million. In addition, there were 516,733 stock options issued and outstanding under the Aimia Long-Term Incentive Plan.

At March 31, 2024, there were also 10,475,000 warrants issued and outstanding, with a $3.70 exercise price. Given their cashless exercise option feature, the warrants are classified as a liability and are measured at fair value through profit and loss at each reporting period.

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.

DIVIDENDS

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

Three months ended	2024		2023	
(in millions of Canadian dollars, except per share information)	Amount	Per preferred share	Amount	Per preferred share
Series 1				
March 31,	1.5	0.300125	1.5	0.300125
Total	**1.5**	**0.300125**	1.5	0.300125
Series 3				
March 31,	1.7	0.375688	1.7	0.375688
Total	**1.7**	**0.375688**	1.7	0.375688
Total preferred dividends on Series 1 and Series 3	**3.2**		3.2	

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.

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

EARNINGS (LOSS) PER COMMON SHARE

	Three Months Ended March 31,			
(in millions of Canadian dollars, except share and per share information)		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		**(3.2)**		(3.2)
Earnings (loss) attributable to common shareholders		**(8.1)**		(23.9)
Weighted average number of common shares - Basic and diluted [(a)]		**93,073,929**		82,598,929
Basic earnings (loss) per common share	**$**	**(0.09)**	$	(0.29)
Diluted earnings (loss) per common share	**$**	**(0.09)**	$	(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.

RELATED PARTIES TRANSACTIONS

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.

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

RELATED PARTIES TRANSACTIONS (continued)

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 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

RELATED PARTIES TRANSACTIONS (continued)

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.

CHANGES IN ACCOUNTING POLICIES

This MD&A and the interim financial statements have been prepared using the same accounting policies as those presented in the Corporation's audited annual consolidated financial statements for the year ended December 31, 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.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with the International Financial Reporting Standards (“IFRS”) requires management to make estimates, judgments and assumptions that management believes are reasonable based upon the information available. These estimates, judgments and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results can differ from those estimates (refer to *Caution regarding forward-looking information*). For the three months ended March 31, 2024, significant judgments and estimates made in preparation of the condensed interim consolidated financial statements are listed below.

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. Refer to the *Q1 2024 Highlights* section for additional information;
- Measurement of the fair value of the investment in Clear Media, which include significant unobservable inputs. These inputs are detailed in the table below;
- Measurement of the Paladin carried interest in Bozzetto and Cortland International, which include significant unobservable inputs;
- 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.

CRITICAL ACCOUNTING ESTIMATES (continued)

Measurement of fair value of the investments in private companies and other financial instruments

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	**Income Approach** - Discounted cash flows	Discount rate	17.5% - 20%	+/- 1% = +/- $2.5MM
		Long-term growth rate	3%	+/- 1% = +/- $1.5MM
		Discretionary cash flow		
Kognitiv - Warrants	**Market Approach** - Black-Scholes option pricing model	Share price	$0.34	Not significant
		Volatility	50%	
		Exercise price	$1.5	
Investment funds	**Price Based**	**Net Asset Value** attributed based on investor statement	N/A	N/A

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

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

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.

CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

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

During the interim period ended on March 31, 2024, there were no changes in the Corporation's internal controls over financial reporting that have significantly affected, or are reasonably likely to significantly affect, Aimia’s internal controls over financial reporting, except as noted in the scope limitation section below.

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

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

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

CONTROLS AND PROCEDURES (continued)

SCOPE LIMITATION

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

Cortland Industrial

The financial information of Cortland Industrial is reported under the Cortland International segment along with Tufropes. The summary financial information related to Cortland Industrial presented in Aimia's condensed interim consolidated financial statements and MD&A for the three months ended March 31, 2024 is as follows:

	Three Months Ended March 31,
(in millions of Canadian dollars)	2024
Revenue	9.4
Earnings (loss) before income taxes	0.3
Total Assets	35.9
Total Liabilities [(a)]	22.0

(a) Total liabilities reported for Cortland Industrial include an intercompany interest bearing loan payable (including accrued interests) of $13.7 million.

Bozzetto & StarChem

The summary financial information related to Bozzetto and StarChem (reported together under the Bozzetto segment) presented in Aimia's condensed interim consolidated financial statements and MD&A for the three months ended March 31, 2024 is as follows:

	Three Months Ended March 31,
(in millions of Canadian dollars)	2024
Revenue	88.1
Earnings (loss) before income taxes	5.9
Total Assets	538.6
Total Liabilities [(a)]	359.7

(a) Total liabilities reported for Bozzetto include a carried interest liability of $12.5 million.

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

RISKS AND UNCERTAINTIES AFFECTING THE BUSINESS

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

For more information, and for a complete description of the risk factors that could materially affect the business, please refer to the corresponding section in the MD&A of the Corporation for the financial years ended December 31, 2023 and 2022 dated March 25, 2024.

The risks described therein and in the MD&A of the Corporation for the financial years ended December 31, 2023 and 2022 may not be the only risks faced by Aimia. Other risks which currently do not exist or which are deemed immaterial may surface and have a material adverse impact on Aimia's results of operations and financial condition.

NON-GAAP FINANCIAL MEASURES FOR INVESTMENTS

KOGNITIV

Kognitiv Adjusted EBITDA

Adjusted EBITDA for Kognitiv ("Kognitiv Adjusted EBITDA") is earnings before net financial income (expense) and net income tax expense adjusted to exclude depreciation, amortization, shared-based compensation, restructuring expenses, business acquisition/disposal related expenses and impairment charges related to non-financial assets.

Kognitiv Adjusted EBITDA is not a measurement based on GAAP, is not considered an alternative to net earnings in measuring profitability, does not have a standardized meaning and is not comparable to similar measures used by other issuers. A reconciliation to earnings before net financial income (expense) and net income tax expense is provided below.

Kognitiv Adjusted EBITDA is used by Aimia and Kognitiv's management to evaluate performance. Aimia and Kognitiv's management believe Adjusted EBITDA assists investors in comparing Kognitiv's performance on a consistent basis excluding depreciation, amortization, impairment charges related to non-financial assets, share-based compensation, which are non-cash in nature and can vary significantly depending on accounting methods as well as non-operating factors such as historical cost. Aimia and Kognitiv's management believe that the exclusion of restructuring and business acquisition/disposal related expenses assists investors by excluding expenses that are not representative of the run-rate cost structure of Kognitiv.

	Three Months Ended March 31,	
(in millions of Canadian dollars)	2024	2023
Loss before net financial expense and income tax expense [(b)]	**(4.8)**	(6.1)
Depreciation and amortization	0.1	0.1
Share-based compensation	(0.2)	0.2
Restructuring expenses	1.7	0.2
Kognitiv's Adjusted EBITDA [(a)(b)]	**(3.2)**	(5.6)

(a) A non-GAAP measure.

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

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

GLOSSARY

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

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

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

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

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

"Cortland" - means Cortland Industrial LLC;

"CRA" - means the Canada Revenue Agency;

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

"IFRS" - means International Financial Reporting Standards;

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

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

"MIM" - means Mittleman Investment Management LLC;

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

"Precog" - means Precog Capital Partners L.P., a Delaware limited partnership whose general partner and investment manager was MIM;

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

"StarChem" - means Giovanni StarChem S.A.;

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

ADDITIONAL INFORMATION

Additional information relating to Aimia and its operating businesses, including Aimia's Annual Information Form dated March 28, 2024, is available on SEDAR+ at www.sedarplus.ca or on Aimia's website at www.aimia.com under “Investor Relations”.