

AIMIA

# Aimia

## Q1 Presentation

May 15, 2024



# Forward-looking and cautionary statements

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

Forward-looking statements in this presentation include, but are not limited to, Aimia’s future growth and value creation; Bozzetto’s momentum in 2024; and Cortland growth opportunities; the monetization of Aimia’s other investments; Aimia’s accelerate shareholder value creation; Bozzetto and Cortland significant organic and accretive growth potential; monetize our non-core assets in an expedited manner; Aimia’s potential change in the capital structure in order to support the return capital to shareholders; Aimia’s launch of launch a normal course issuer bid in 2024; the value of PLM cash earn-out; The adjusted EBITDA in 2024 for Aimia’s core businesses in the range of \$80 to \$85 million; Aimia’s corporate operating costs of approximately \$13 million in 2024; Aimia’s, Bozzetto and Cortland Adjusted EBITDA; StarChem potential earnout; Bozzetto’s customer and cost synergies with StarChem.

Forward-looking statements, by their nature, are based on assumptions and are subject to known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the forward-looking statement will not occur. The forward-looking statements in this presentation speak only as of the date hereof and reflect several material factors, expectations and assumptions. Undue reliance should not be placed on any predictions or forward-looking statements as these may be affected by, among other things, changing external events and general uncertainties of the business. A discussion of the material risks applicable to the Company can be found in Aimia’s current Management’s Discussion and Analysis and Annual Information Form, each of which have been or will be filed on SEDAR+ and can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca). Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Aimia disclaims any intention and assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

# GAAP and 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 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 believe that the exclusion of business acquisition and/or disposal related expenses assists investors by excluding expenses that are not representative of the run-rate cost structure of its operations.

Adjusted EBITDA is earnings (losses) before income taxes adjusted to exclude depreciation, amortization, impairment charges related to non-financial assets, 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 of Aimia's Financial Statements and MD&A.

# Today's presenters



**Tom Finke**  
Executive Chairman



**Steve Leonard**  
Chief Financial Officer

# Key highlights and recent developments

- Q1 results driven by strong performances of Bozzetto and Cortland
- StarChem acquisition serves as model for future growth opportunities
- Monetization of Capital A shares contributed \$11.4M of cashflow
- Recent momentum and developments pave the way for the new strategic focus

Progress in Q1 expected to be sustained through 2024





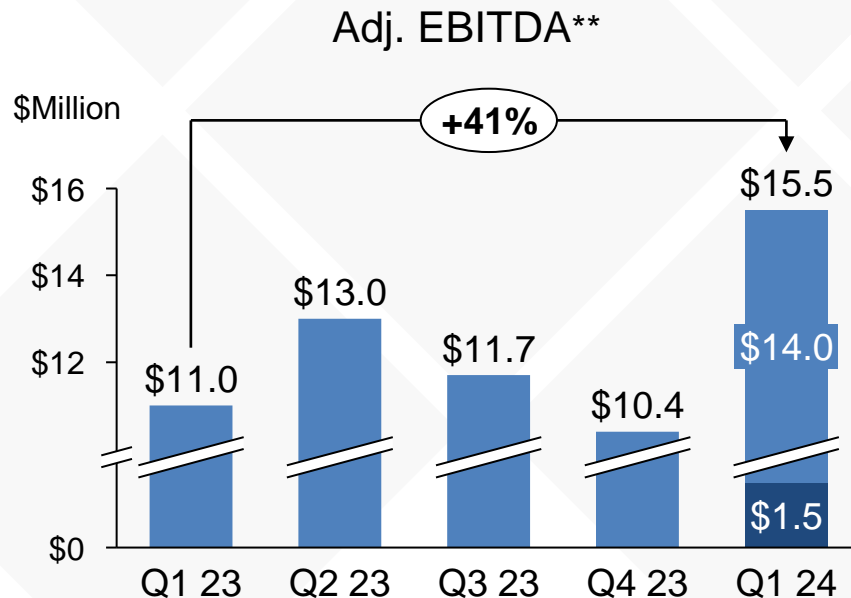
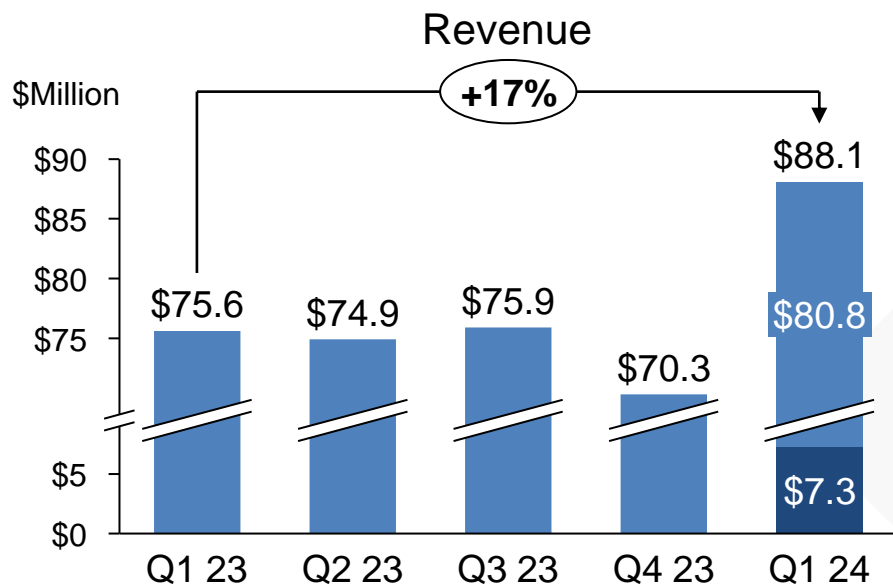
# Financial & Operating Results

# Consolidated financial highlights

\$ million except EPS	Q1 2024*	Q4 2023
Revenue	\$122.1	\$100.1
Gross Profit	\$34.6	\$23.8
Gross Profit Margin	28.3%	23.8%
OPEX	\$35.0	\$37.8
Adjusted EBITDA**	\$6.7	(\$4.0)
Net earnings (loss)	(\$4.2)	(\$59.0)
Earnings per share (loss)	(\$0.09)	(\$0.69)

- Q1 2024 marked by improvements of all key financial indicators
- Revenue growth driven by strong customer demand at anchor companies
- OPEX includes \$6.9M of shareholder activist costs
- Bozzetto and Cortland combined to generate \$19.5M of adjusted EBITDA\*\*

# Bozzetto financial highlights\*

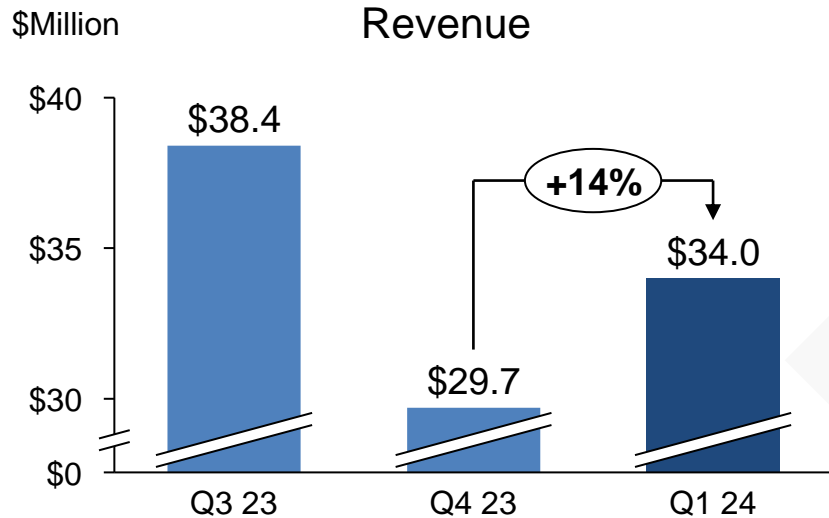


- Q1 2024 results driven by strong market demand and improved product mix

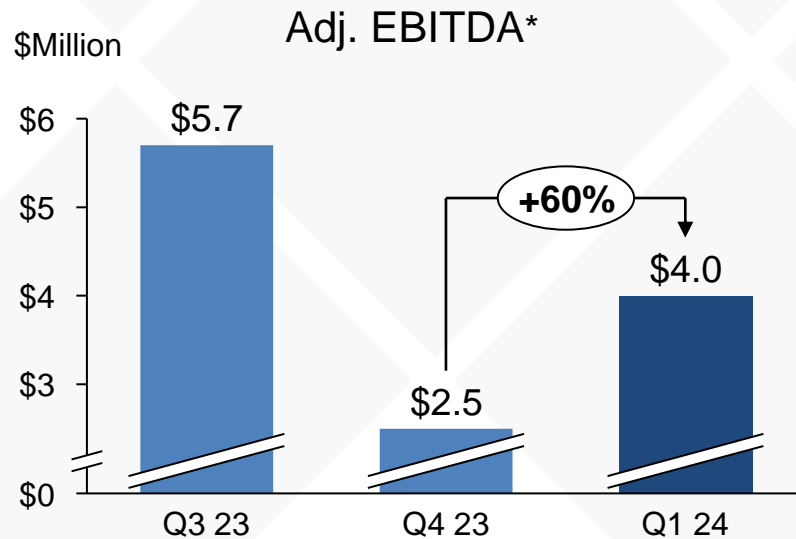
- Q1 2023 impacted by post-pandemic economic conditions and inflation pressures



# Cortland International financial highlights



- Q1 2024 improvement reflects stronger market conditions and customer demand



- Q1 2024 increase due to improved product mix

# Highlights at investment companies

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- Continued improvements of key financial metrics due to restructuring and cost-cutting initiatives

capital 

- \$11.4M worth of shares monetized in Q1

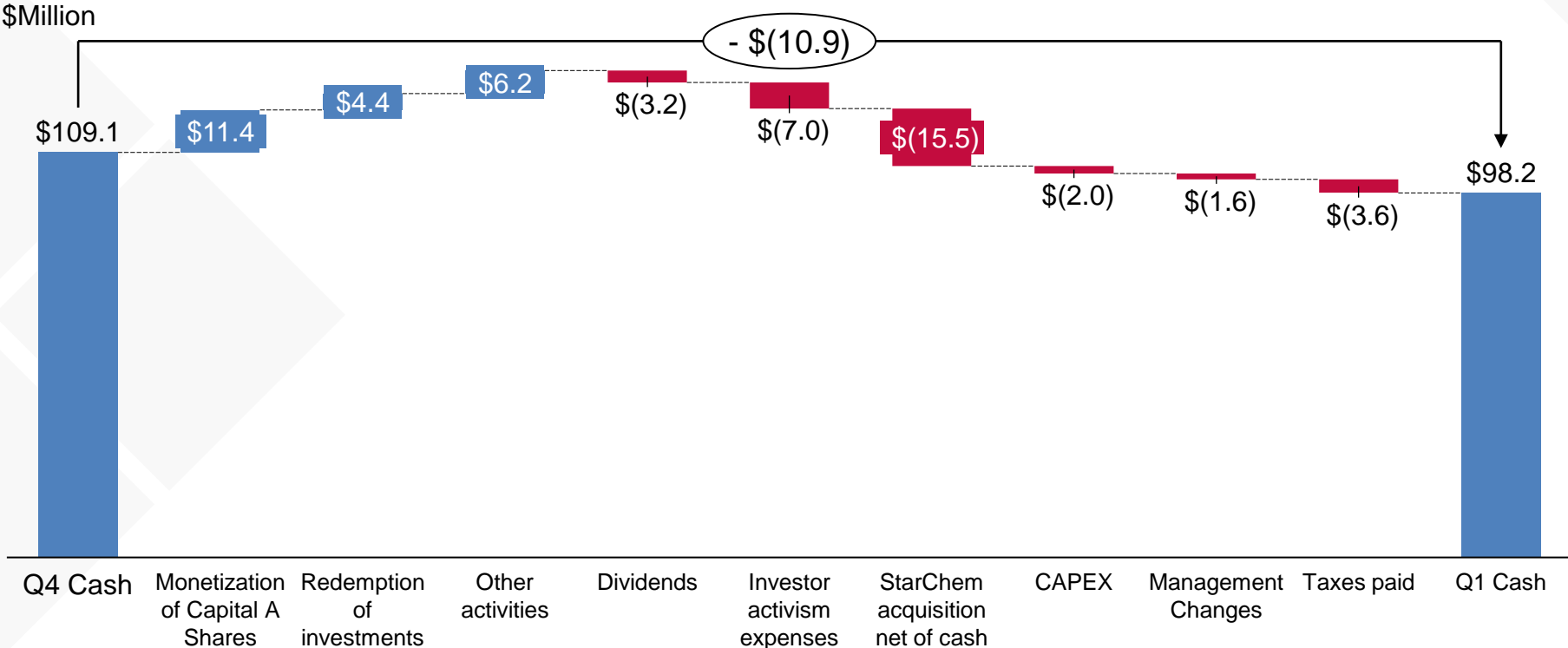
CLEAR MEDIA LIMITED

白馬戶外媒體有限公司 

- Slow recovery of China's economy continues to weigh on advertising market

**Monetizing non-core assets will be key component of new strategy**

# Cash waterfall through March 31\*



\*Represents major movements of Aimia's cash position in Q1 2024. Other activities include all other cash flow movements not otherwise noted, including cash flows from operations for Bozzetto and Cortland and Holdco costs.

# FY2024 Guidance\*

	FY 2024
Adjusted EBITDA at Bozzetto and Cortland*	\$80 - \$85M
Holdco Costs	\$13M
One-time Costs	\$13 - \$14M

- Adjusted EBITDA is based on the combined contributions of core holdings
- Holdco costs exclude one-time expenses
- One-time costs include shareholder activism expenses, severance costs, and integration initiative expenses

**Guidance is based on current visibility and recent progress**



# Strategic direction

# Re-alignment of Aimia's strategy

Recent developments provided opportunity to re-calibrate Aimia's vision and strategy

- Launched CEO search
- Strengthened Board and committees
- Monetized more than \$11M of Capital A shares
- Improved reporting and disclosures to highlight Bozzetto and Cortland contributions
- Actively engaged with investors

**Aimia has established momentum since start of 2024**



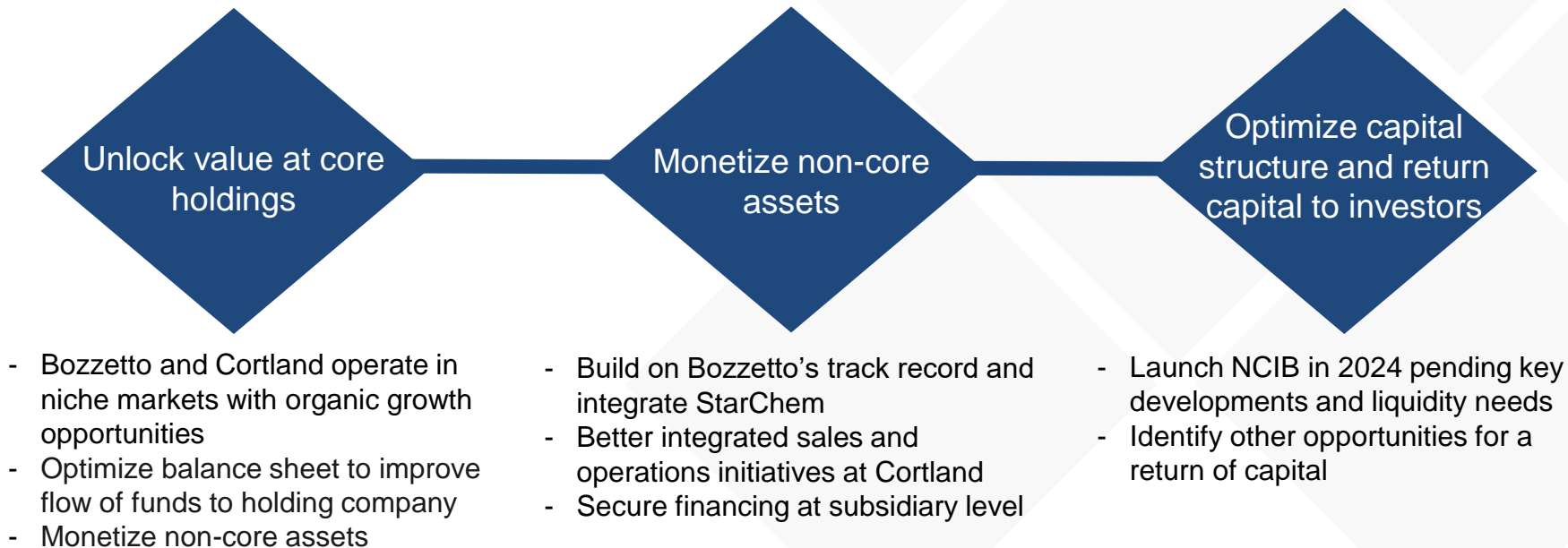
# Key considerations for priorities

1. Reflect on shareholder feedback
2. Determine if holding company structure is optimal
3. Identify assets that are core
4. Assess which assets can be monetized
5. Close gap between share price & NAV/PS
6. Create catalysts for growth
7. Determine best use of available capital



Re-aligned strategy paves the way for value creation

# Path going forward



**Milestones will serve as catalysts for value creation**





# Questions?

# AIMIA



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# Appendix Non-GAAP Financial Measures

# Reconciliation of Adjusted EBITDA

## BOZZETTO

*(in millions of Canadian dollars)*

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

# Reconciliation of Adjusted EBITDA

## CORTLAND INTERNATIONAL

(in millions of Canadian dollars)

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

# Reconciliation of Adjusted EBITDA

## HOLDINGS

(in millions of Canadian dollars)

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