

AIMIA ANNOUNCES TERMINATION OF PALADIN AGREEMENTS

Termination of agreements will reduce Aimia's liabilities and end Paladin's carried interests in Bozzetto and Cortland

TORONTO, May 17, 2024 /CNW/ - Aimia Inc. (TSX: AIM) ("**Aimia**" or the "**Company**") announced today that as part of its ongoing efforts to continue unlocking shareholder value, the Company and Paladin Private Equity, LLC ("**Paladin**") have agreed to terminate existing agreements (the "**Existing Paladin Agreements**") related to various rights and obligations in favour of Paladin (and/or its affiliates and related parties) (collectively, the "**Paladin Group**") in Aimia's subsidiaries, Bozzetto Group ("**Bozzetto**") and Cortland International ("**Cortland**").

"Our decision to terminate our existing agreements with Paladin was driven by our commitment to unlocking value for our shareholders," said Tom Finke, Aimia's Executive Chairman. "Among the benefits our decision will deliver include retaining our current ownership interests in Bozzetto and Cortland, eliminating all future carried-interest payments upon the exercise of put options or monetization of our anchor investments, removal of minority governance rights and ending all related advisory service payments."

Under the terms of the Existing Paladin Agreements, members of the Paladin Group were entitled to, among other things, carried interests in certain entities in Bozzetto and Cortland, which represented a \$12.6 million and \$7.4 million non-cash expense in Aimia's audited consolidated financial statements for the year ended December 31, 2023, minority governance rights, including director representation rights and registration rights in certain entities in Bozzetto and Cortland, and the payment of certain advisory service fees.

Pursuant to the agreements between members of the Paladin Group and Aimia, Paladin and Aimia have agreed to terminate the Existing Paladin Agreements, and terminate such rights and settle all amounts due thereunder. In exchange for Paladin's carried interest in Bozzetto, Aimia issued 5,040,000 common shares of Aimia valued at \$12.6 million at a price per share equal to \$2.50. The exchange price per share was based on a five-day volume weighted average price to May 6 2024 of \$2.35, which represents a premium of 6.4%. In addition, Aimia made a total cash payment of \$10.3 million as consideration for the Cortland carried interests and for the termination of the advisory agreements with Paladin. The total consideration is \$22.9 million. Shares issued as part of the settlement will be under customary lock-up provisions for a six-month period through November 17, 2024.

"We have enjoyed working with Aimia and helping it find two undervalued assets with tremendous growth potential," said Tariq Osman, Paladin's founder and Managing Partner. "The structure of our settlement ensures that we are able to retain an upside in the potential growth in Aimia's value as it executes on its vision and strategy. We are delighted to become Aimia shareholders."

Mr. Finke added, "I want to thank Tariq and the Paladin team for their partnership over the last year and a half and for helping Aimia secure with the acquisitions of Bozzetto and Cortland."

Aimia and Paladin first entered into the Existing Paladin Agreements in March 2023 with Aimia's acquisition of Tufropes, a global leader in the manufacturing of high-performance synthetic fiber ropes and netting solutions for maritime and other industrial customers, for \$238.2 million for 100 per cent of Tufropes.

Aimia's agreements with Paladin were expanded in May 2023 with Aimia's acquisition of Bozzetto, a sustainable specialty chemicals company, for \$257.8 million for a 93.94 per cent equity stake in

Bozzetto. Aimia subsequently purchased a 0.16 per cent equity interest from a Bozzetto management team member, increasing its total equity stake to 94.1 per cent.

About Aimia

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

For more information about Aimia, visit www.aimia.com.

Forward-Looking Statements

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

Forward-looking statements in this press release include, but are not limited to, Aimia's future growth and value creation, the benefits of terminating the Existing Paladin Agreements, Bozzetto and Cortland growth opportunities, costs and liability reduction at the holding level, and future upside resulting from the Company executing on its strategy. Forward-looking statements, by their nature, are based on assumptions and are subject to known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the forward-looking statement will not occur. The forward-looking statements in this press release speak only as of the date hereof and reflect several material factors, expectations and assumptions. Undue reliance should not be placed on any predictions or forward-looking statements as these may be affected by, among other things, changing external events and general uncertainties of the business. A discussion of the material risks applicable to the Company can be found in Aimia's current Management's Discussion and Analysis and Annual Information Form, each of which have been or will be filed on SEDAR+ and can be accessed at www.sedarplus.ca. 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.

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