

AIMIA LAUNCHES SUBSTANTIAL ISSUER BID ON ITS PREFERRED SHARES IN CONSIDERATION OF NOTES

TORONTO, Nov. 26, 2024 /CNW/ - Aimia Inc. (TSX: AIM) ("**Aimia**" or the "**Company**") today announced the launch, as of the date hereof, of its previously announced substantial issuer bid pursuant to which Aimia offers to purchase for cancellation (the "**Offers**") up to 100% of its Cumulative Rate Reset Preferred Shares, Series 1 (the "**Series 1 Shares**"), Cumulative Rate Reset Preferred Shares, Series 3 (the "**Series 3 Shares**") and Cumulative Floating Rate Preferred Shares, Series 4 (the "**Series 4 Shares**" and collectively with the Series 1 Shares and the Series 3 Shares, the "**Preferred Shares**") in consideration for 9.75% senior unsecured notes (the "**2030 Notes**"). All amounts are denominated in Canada dollars.

The Offers are based on the following exchange considerations:

- i. Series 1 Shares: \$17.00 per Series 1 Share;
- ii. Series 3 Shares: \$17.50 per Series 3 Share; and
- iii. Series 4 Shares: \$18.4375 per Series 4 Share.

The purchase price per Preferred share (the "**Purchase Price**") will be paid per Series on the basis of:

- (i) the issuance of \$100 principal amount of 2030 Notes for each \$97 aggregate amount of Exchange Consideration, and
- (ii) where a Preferred Shareholder's entitlement to 2030 Notes would result in the Preferred Shareholder receiving an amount of 2030 Notes that is not an integer multiple of \$100, such Preferred Shareholder will receive such Preferred Shareholder's entitlement to the remaining amount satisfied through a cash payment equal to 100% of the remaining amount of 2030 Notes to which they would otherwise be entitled (the "**Cash Balance**"), upon the terms and subject to the conditions set forth in the offers to purchase (the "**Offers to Purchase**"), the issuer bid circular (the "**Circular**" and, together with the Offers to Purchase, the "**Offers and Circular**"), and in the accompanying letter of transmittal (the "**Letter of Transmittal**") and notice of guaranteed delivery (the "**Notice of Guaranteed Delivery**" and, collectively with the Offers and Circular and the Letter of Transmittal, the "**Offer Documents**") to be sent to shareholders and filed with the applicable Canadian securities regulatory authorities and made available on SEDAR+ at www.sedarplus.ca.

The Offers commence today and expire on January 10, 2024 at 5 pm (Eastern Time) (the "**Expiry Time**"), unless withdrawn, extended or varied by the Company. Assuming that (i) the Offers are not withdrawn by the Company, (ii) the Expiry Time is not extended or varied by the Company, and (iii) all the conditions to the Offers are complied with (or waived), it is expected that the Preferred Shares tendered under the Offers will be taken-up and paid for by Aimia on or about January 14, 2025 (the "**Closing Date**").

The Substantial Issuer Bid marks the first initiative introduced as a result of Aimia's strategic review process designed to unlock the Company's value. The Offers provide Preferred Shareholders with an opportunity to realize all or a portion of their investment in the Corporation based on (i) the limited liquidity and perpetual nature of the Preferred Shares, (ii) the higher annual yield the 2030 Notes will provide relative to the current dividend (annualized) of each Series of Preferred Shares, (iii) the fixed maturity date of the 2030 Notes, and (iv) the accelerated liquidity available to holders of 2030 Notes in certain events. The Strategic Review Committee and the Board of Directors believe that the exchange of Preferred Shares for the 2030 Notes under the Offers for the Purchase Price represents an effective recapitalization of the Corporation and is in the best interests of the Corporation and its security holders.

Assuming that all holders of Preferred Shares tender to the Offers and subject to the assumptions detailed in the Offer Documents, the Offers will result in (i) approximately \$8 million in estimated annual cash savings when comparing the annual preferred dividends and Part VI.1 tax to the annual cash coupon interest payments, and (ii) approximately \$65 million gain on the transaction, based on the exchange value of the 2030 Notes and the carrying value of the Preferred Shares exchanged net of transaction fees. Aimia considers this transaction as accretive to holders of common shares as (i) it reduces cash outflows on an annual basis, (ii) it increases the net asset value for holders of

common shares and (iii) provides a payment in kind option on the interest related to 2030 Notes.

The 2030 Notes will bear interest at an annual rate of 9.75% payable semi-annually in arrears on June 30 and December 31 in each year (or following Business Day) commencing on June 30, 2025. The 2030 Notes will mature on or about January 14, 2030, which represents five years after the anticipated Closing Date.

The 2030 Notes will not be listed on a securities exchange or quotation system and consequentially, there will be no market through which the 2030 Notes may be sold and depositing Preferred Shareholders may not be able to resell the 2030 Notes acquired under the Offers.

Aimia and The Alternative Investment Management Team of Phillips, Hager & North Investment Management, a division of RBC Global Asset Management Inc. ("**PH&N**") entered into a support agreement dated November 10, 2024 (the "**Support Agreement**"), pursuant to which PH&N has agreed to support the Offers and deposit the 7.2 million Preferred Shares it beneficially owns or controls pursuant to the Offers.

TD Securities Inc. is acting as financial advisor to Aimia with respect to the Offers.

This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of offers to sell Preferred Shares. The formal offers to purchase the Preferred Shares in consideration for 2030 Notes are detailed in the Offer Documents.

The Offer Documents, which contain the terms and conditions of the Offers and instructions for tendering Preferred Shares, have been sent to registered shareholders and filed with the applicable Canadian securities regulatory authorities and made available on SEDAR+ at www.sedarplus.ca.

In light of the Canada Post workers' strike and the resulting disruption of mail services, the Company has been unable to mail the Offer Documents to beneficial (non-registered) holders. However, upon resumption of normal mail service, the Company intends to arrange for the mailing of the Offer Documents to the beneficial holders to be completed.

Beneficial owners can retrieve the Offer Documents on www.sedarplus.ca or the Company's website at www.aimia.com. Copies of the Offer Documents can also be obtained on request without charge from the Corporate Secretary of Aimia at its registered and head office at 1 University Avenue, 3rd Floor, Toronto, Ontario, Canada, M5J 2P1.

Beneficial holders who wish to deposit Preferred Shares under the Offers should immediately contact their investment dealer, stock broker, commercial bank, trust company or other nominee in order to take the necessary steps to be able to deposit their Preferred Shares under the Offers.

The Offers are not to be made to, nor will tenders be accepted from or on behalf of, holders of Preferred Shares in any jurisdiction in which the making or acceptance of offers to purchase Preferred Shares for 2030 Notes would not be in compliance with the laws of that jurisdiction. None of Aimia, its Board of Directors or TD Securities Inc. makes any recommendation to shareholders as to whether to tender or refrain from tendering any or all of their Preferred Shares to the Offers. Shareholders are urged to read the Offer Documents, when available, carefully and in their entirety, and to consult their own financial, tax and legal advisors and to make their own decisions with respect to participation in the Offers.

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, enhancing the value of our core holdings, and returning capital to its shareholders. 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 in this release include, without limitation, statements regarding the Company's intentions and expectations with respect to the Offers, the expected Expiry Time and Closing Date of the Offers and the effects and benefits of the Offers. 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, 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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