

AIMIA

# Investor Presentation

**August 2021**

# FORWARD-LOOKING AND CAUTIONARY STATEMENTS

---

*Forward-looking statements are included in this presentation. These forward-looking statements are identified by the use of terms and 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. Such statements may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions.*

*Forward-looking statements, by their nature, are based on assumptions and are subject to important risks and uncertainties. Any forecasts, predictions or forward-looking statements cannot be relied upon due to, among other things, changing external events and general uncertainties of the business and its corporate structure. Results indicated in forward-looking statements may differ materially from actual results for a number of reasons, including without limitation, business and industry disruptions related to natural disasters, security issues and global health crises particularly as they might affect the airline, travel and hospitality sectors, risks and uncertainties related to Aimia's investment in PLM arising from Aeromexico's Chapter 11 filings, the execution of the strategic plan, investment risks, including in connection with how and when to deploy and invest Aimia's considerable cash and other liquid assets, holding company liquidity risk, investment partnerships risks, airline industry changes and increased airline costs, reliance on key personnel, market price and trading volume of the common shares and preferred shares, uncertainty of dividend declarations and/or payments on either common shares or preferred shares, passive foreign investment company risk, limitations on utilization of tax losses, technological disruptions and inability to use third-party software and outsourcing, regulatory matters related to privacy, foreign operations, interest rate and currency fluctuations, legal proceedings, audit by tax authorities, as well as the other factors identified throughout Aimia's public disclosure records on file with the Canadian securities regulatory authorities.*

*The forward-looking statements contained herein represent Aimia's expectations as of August 20, 2021 and are subject to change after such date. However, Aimia disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.*

# AGENDA

---

## 01

### COMPANY OVERVIEW

- Aimia Inc. snapshot
- Asset mix
- Corporate transformation
- Strategic vision and focus
- Capital allocation priorities
- Holding company financial profile

## 02

### ASSET MIX

- PLM
- Kognitiv
- Clear Media
- TRADE X
- Mittleman Investment Management
- Special Purpose Vehicle
- Public Securities Portfolio

## 03

### GOVERNANCE & LEADERSHIP

- Board and Management Team

## 04

### INVESTMENT HIGHLIGHTS





- Reasons to Invest

# AIMIA IS A HOLDING COMPANY

## Strong Leadership Team

- **Highly aligned Board** overseeing heavily invested management team
- **Proven capital allocators** on the Investment Committee
- **Lean organization** with 18 employees (including MIM)

## Valuable Asset Mix

Coalition Loyalty	<b>CLUB PREMIER</b> 
Outdoor Advertising	<b>CLEAR MEDIA LIMITED</b> 白馬戶外媒體有限公司 
Technology and loyalty services	<b>Kognitiv</b> 
Automotive trading platform	<b>TRADE</b> 
Asset Management	<b>Mittleman Investment Management</b>
Special Purpose Vehicle and Public Securities Portfolio	

## Holdco Structure

- **Significant available cash** and liquid investments in public securities
- **Debt-free** balance sheet
- **Sizeable tax losses** offer potential to shelter future gains and income
- **Attractive capital structure** comprised of 92.5 million common shares<sup>(1)</sup> and 9.4 million preferred shares<sup>(1)</sup>

(1) As of June 30, 2021.

# GLOBAL PORTFOLIO WITH SIGNIFICANT UPSIDE POTENTIAL



**With deep pipeline under consideration in public and private markets sourced by directors, management, and other top-tier professional contacts**

1. Holdings are represented by their country of domicile and does not reflect actual global sales exposure.

# RAPIDLY TRANSFORMED WITH COMPELLING GROWTH OPPORTUNITIES

**Aimia's stock price performance since Board reconstitution<sup>(1)</sup>**



(1) February 25, 2020, to August 20, 2021.

# FOCUSED STRATEGY TO DELIVER ENDURING VALUE

## Strategic Vision

to build a portfolio of investments that can deliver sustainable value for stakeholders, uniquely accessible to investors through Aimia's stock

## Strategic Focus

### CURRENT PORTFOLIO

Ongoing enhancement of existing assets and investments as strategic partners with an active owner's mentality

### FUTURE PORTFOLIO

Continually pursuing opportunities to deploy capital that can deliver strong returns to stakeholders

## Strategic Direction

Aimia will seek to make long-term investments in private and public companies, on a global basis, through controlling or minority stakes

# EFFICIENT CAPITAL DEPLOYMENT FOR ATTRACTIVE RETURNS

---

## Accretive acquisitions

Minority or controlling stakes in cash generative businesses, public or private, on a global basis:

- Seeking annual IRR >15%
- Highly disciplined selection process, targeting businesses with durable economic advantages, high barriers to entry, owner-operator situations with proven ability to generate high cash-on-cash returns
- Tax losses as a potential competitive advantage
- Aimia is not a SPAC, and can be patient with its capital to invest in the best investment opportunities that are available globally
- Any potential investment will be structured as a ring-fenced, standalone entity
- Leverage, if used, will be focused at the subsidiary level

## Buybacks

Opportunistic repurchase of shares that is accretive to long term stakeholders

- Aimia has repurchased over 40% of its common shares over the past 2.5 years at an average price of \$4.16 after fees<sup>(1)</sup>

---

1. Period ending June 30, 2021.



# COMPANY OVERVIEW: HOLDING COMPANY FINANCIAL PROFILE

## HOLDCO APPROACHING CASH FLOW NEUTRAL

---

### Cash Inflows

---

- Distributions from PLM
- Investment income
- Investment gains



### Cash Outflows

---

- Holdco costs
- Preferred dividends
  - Taxes

**Long term goal is holdco being FCF positive, interim target of FCF neutral is attainable with PLM distributions and investment income and gains covering the corporate cash costs, preferred dividends, and related Part VI.1 tax**

# LEADING TRAVEL LOYALTY PROGRAM IN MEXICO



## Key Highlights:

- Launched in 1991, PLM is the owner and operator of Club Premier, the largest travel loyalty program in Mexico and FFP of Aeromexico
- Long track record of distributions paid to its shareholders Aeromexico (51.1%) and Aimia (48.9%)
- Aimia occupies 3 of the 9 board seats with strong minority shareholder rights including veto power over major decisions governing the joint venture
- Initial costs: \$123.6M<sup>(1)</sup>
- Book value: \$47.0M<sup>(2)</sup>

## Investment Highlights:

### Contract Revision:

- June 29, 2020: 20-year extension of current CPSA term to 2050 between Aeromexico and PLM.
- Aeromexico granted 7-year option to purchase Aimia's 48.9% stake in PLM for the greater of 7.5x EBITDA or US\$400 million, plus Aimia's pro-rata share of PLM's cash, net of any third-party financial debt.

### Coveted Asset:

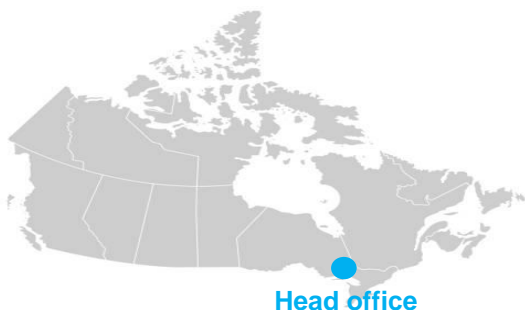
- Highly successful loyalty program with a growing enrolled base of 7.2 million<sup>(3)</sup> members.
- PLM's business model is durable and cash generative.
- Aimia has received \$194.7 million in total PLM distributions since its investment<sup>(3)</sup>.
- Strategic importance to Aeromexico as a source of liquidity and competitive differentiation to attract and acquire new customers.

### Bankruptcy Remote:

- PLM is a separate corporation that is ringfenced from Aeromexico which filed for Chapter 11 bankruptcy protection on June 30, 2020.
- Aeromexico's ownership stake in PLM is held in a trust.

1. \$24.1M on Sept 13, 2010, \$11.8M on Feb 28, 2011, taking total equity stake to 28.86% and acquiring another 20% equity stake for \$87.7M on Dec 17, 2012, for a total of 48.86%  
2. Book value based on equity-accounting as of June 30, 2021.  
3. As of June 30, 2021.

# B2B TECH COMPANY ENABLING COLLABORATIVE COMMERCE



## Investment Highlights:

### Key Highlights:

- Founded in 2008, Kognitiv is a B2B technology growth company enabling collaborative commerce for brands to create hyper-personalized offers that drive customer lifetime value
- Aimia occupies 2 of 9 board seats with strong minority shareholder rights
- Aimia owns 48.4%<sup>(1)</sup>
- Book value: \$60.4M<sup>(2)</sup>

- Kognitiv's collaborative commerce platform allows brands to **collaborate directly with zero-party data** and create personalized and enhanced rewards to **target mutually desirable consumers** identified through Kognitiv's proprietary AI and machine learning capabilities.
- In June 2020, **Aimia invested \$20.4 million in Kognitiv's convertible preferred equity, and Aimia Loyalty Solutions was combined with Kognitiv** to create significant global scale, provide strong revenue and significant cost synergies.
- **Kognitiv continues to focus on the commercialization of its PaaS offering** and has been successful in securing contract renewals and extensions from major clients, while developing a strong pipeline of new clients to onboard their collaborative commerce platform.
- **Kognitiv continues to execute its cost synergy plan** in order to align with its new business following the sale of the ISS business to IRI in March 2021.
- **Revenue growth is forecasted to significantly improve in 2022 and reach adjusted EBITDA profitability by 2023** following the sale of the ISS business and Kognitiv's continued focus on investing in the development of its collaborative commerce platform to deliver against its growth plans.

1. As of June 30, 2021.

2. Book value based on equity-accounting as of June 30, 2021.

# ONE OF THE LARGEST OUTDOOR ADVERTISING FIRMS IN CHINA



## Key Highlights:

- Founded in 1986, Clear Media Limited is one of the largest outdoor advertising firms operating in China with market shares of more than 70% in top-tier cities like Beijing, Shanghai, and Guangzhou
- Network covering 24 cities with over 58,000 display panels in China
- Aimia owns 10.85%<sup>(1)</sup>
- Investment: \$76.2M<sup>(2)</sup>
- Book value: \$66.9M<sup>(3)</sup>

## Investment Highlights:

- **The company is undergoing a privatization transaction** led by a blue-chip consortium with an ownership stake of 88.2% in Clear Media comprised of:
  - **Consortium shareholding structure:** Clear Media CEO **40%**, Ant Group **30%**, JCDecaux **23%**, China Wealth Growth Fund III L.P. **7%**.
- On July 5, 2021, **the consortium made a voluntary conditional offer with Clear Media to acquire all the remaining outstanding issued shares.**
- Following Aimia's review of the Composite Document dated August 2, 2021, **Aimia has elected to accept the share offer and will maintain an indirect 10.85% shareholding in the privatized Clear Media<sup>(4)</sup>.**

## Clear Media's network across China<sup>(5)</sup>



1. As of June 30, 2021.

2. Invested \$76.2 million (HKD 419.6 million) to acquire 58.7 million common shares of Clear Media Limited for a 10.85% stake in May 2020.

3. Book value as of June 30, 2021, based on a combination of valuation techniques and inputs, including the July 5, 2021, voluntary conditional offer made by Ever Harmonic Global Ltd. to acquire all outstanding shares of Clear Media at a price of HK\$7.12 per common share. The resulting unrealized fair value loss to date is almost exclusively due to the strengthening of the Canadian dollar versus the Hong Kong dollar since the time of Aimia's investment in Clear Media.

4. The transaction is expected to close in the third quarter of 2021.

5. Clear Media's website.

# B2B CROSS-BORDER AUTOMOTIVE TRADING PLATFORM



## Key Highlights:

- Founded in 2018, TRADE X is an innovative solutions provider to the global pre-owned car industry through its B2B cross-border automotive trading platform
- Aimia occupies 1 of the 5 board seats and has customary preferred shareholder protections
- Aimia owns 12.3%
- Investment: \$44.0M<sup>(1)</sup>

## Investment Highlights:

- **Aimia invested \$44 million (US\$35 million) as the lead investor** of the most recent funding round for TRADE X, an innovative solutions provider to the global pre-owned car industry through its **B2B cross-border automotive trading platform at a pre-money valuation of \$314 million (US\$250 million)**.
  - Following an additional US\$10 million of funding from other strategic investors in a subsequent closing, **Aimia's fully diluted stake in TRADE X is 12.3%**.
- The automotive trading platform is **powered by the 'Brain', a machine-learning, AI-driven technology that connects buyers and sellers through a transparent and highly effective marketplace** that aids sellers in finding the world's highest bidders and gives buyers access to the best source markets.
- **TRADE X has been growing at a remarkable rate** as they expand their market reach to other countries. Gross vehicle sales for the first half of 2021 have already exceeded 2020's full year sales:
  - For the 12-months ending December 31, 2020, TRADE X achieved gross vehicle sales<sup>(2)</sup> of \$65 million.
  - Gross vehicle sales for the six months to June 30, 2021, were \$77 million, generating positive EBITDA<sup>(2)</sup>.
- With recent sales volume activity demonstrating strong momentum, **sales are expected to trend even higher in the second half of 2021.**

1. July 27, 2021, press release: [Aimia Invests in TRADE X](#).  
2. A non-GAAP metric.

# ASSET MIX: MITTLEMAN INVESTMENT MANAGEMENT (“MIM”) GLOBAL VALUE-ORIENTED INVESTMENT MANAGER



## Key Highlights:

- SEC-registered investment adviser that provides discretionary portfolio management to institutional investors and high net worth individuals
- Pursues superior returns through long-term investments in what it deems to be severely undervalued securities, while maintaining its focus on limiting risk
- Firm AUM (6/30/2021): US\$182.7 million<sup>(1)</sup>

## Business Highlights:

- **Global value investor pursuing superior returns** through a concentrated portfolio of long-term investments in significantly undervalued securities.
- **MIM composite performance ranked in the top 1% of global equity universe<sup>(2)</sup>** since inception (12/31/2002) as of 6/30/2021.
- **Solid investment manager** acquired that complements Aimia’s core strategy as a holding company.
- **“Acquihire”** securing the management expertise of Phil Mittleman as CEO and investment capabilities of Chris Mittleman as CIO and new board member.
- **Synergistic opportunities between Aimia and MIM** already yielded Clear Media and Village Roadshow investment, special purpose vehicle opportunity, among others.

1. Fair value as of June 30, 2021.

2. Rankings provided through Informa Investment Solutions’ PSN Global Equity Universe database. Comparisons are represented as gross of investment management fees. Rankings are not a guarantee of future results. Rankings are for periods ending June 30, 2021.

# ASSET MIX: SPECIAL PURPOSE VEHICLE & PUBLIC SECURITIES PORTFOLIO

## UPSIDE POTENTIAL TO ENHANCE STAKEHOLDERS RETURNS

### Special Purpose Vehicle

- Committed an initial \$6.4 million (US\$5.0 million) to **pursue a leveraged buyout of a target company**, with the option to increase our ownership to 25% of the target.
- If an LBO is consummated, Aimia has an ability to **buy a stake in an industry leader expected to generate attractive returns** for Aimia stakeholders.
- We **do not expect the total investment to exceed \$50 million** if we exercise the option to acquire a 25% stake in the target.
- **Unrealized gain of \$1.1 million** to date.

### Public Securities Portfolio at June 30, 2021

- Aimia invests in public equities that have been identified as significantly undervalued businesses with discernible catalysts to surface stakeholder value
- **Total market value of public securities** portfolio totaled \$57.6 million:
  - **Newmark Group (NMRK)**
    - Market value: \$14.8 million
    - Unrealized gain: \$5.7 million
  - **Cineplex (CGX.TO)<sup>(1)</sup>**
    - Market value: \$10.5 million
    - Unrealized gain: \$2.2 million
  - **AirAsia (AAGB.MK)**
    - Market value: \$32.3 million<sup>(2)</sup>
    - Unrealized gain: \$0.6 million

1. Excludes Cineplex shares held through Precog.

2. Represents Aimia's total shares held in AirAsia which were acquired from a private placement by AirAsia and from the sale of Aimia's BIGLIFE investment to AirAsia.

# STRONG LEADERSHIP TEAM TO LEAD THE COMPANY

## Board of Directors



**David Rosenkrantz**  
Chairman



**Karen Basian**



**Sandra Hanington**



**Michael Lehmann**



**Jon Mattson**



**Chris Mittleman**



**Phil Mittleman**



**Jordan Teramo**

## Management Team



**Phil Mittleman**  
CEO



**Michael Lehmann**  
President



**Steven Leonard**  
CFO



**Chris Mittleman**  
CIO



**Eric Blondeau**  
Chief Legal Officer

**Highly aligned Board and management team with significant company ownership of approximately 4.0 million shares, representing an equity stake of 4.3%<sup>(1)</sup>**

1. SEDI filings, common shares held as of August 20, 2021.



# A COMPELLING INVESTMENT OPPORTUNITY

---

## REASONS TO INVEST:

- **VALUABLE ASSETS WITH SIGNIFICANT UPSIDE POTENTIAL** including PLM, Clear Media, Kognitiv, TRADE X, and Mittleman Investment Management.
- **ACCRETIVE GROWTH STRATEGY** focused on long-term investments in public and private companies on a global basis.
- **HOLDING COMPANY STRUCTURE** with significant available cash, no debt, sizeable tax losses, and perpetual preferred shares provide an attractive source of capital.
- **EXPERIENCED MANAGEMENT TEAM** with deep management expertise and investment capabilities to implement the strategy.
- **HIGHLY ALIGNED BOARD** with proven ownership mentality and the right skills mix to oversee the company.

The AIMIA logo is a dark blue downward-pointing triangle with the word "AIMIA" in white, uppercase, sans-serif font centered inside it.

AIMIA

---

## **INVESTOR RELATIONS CONTACT**

---

Tom Tran, MBA

Director, Investor Relations

Phone: +1 647 208 2166

Email: [tom.tran@aimia.com](mailto:tom.tran@aimia.com)

[www.aimia.com](http://www.aimia.com)