



FOR IMMEDIATE RELEASE

All amounts in U.S. dollars
unless otherwise stated

Onex Reports Fourth Quarter and Full Year 2023 Results

TORONTO, February 23, 2024 – Onex Corporation (TSX: ONEX) today announced its financial results for the fourth quarter and year ended December 31, 2023.

“Onex delivered solid overall performance in 2023, driven by good investment results, positive deployment and realization activity in a challenging environment, and continued progress on strategic initiatives and expense management,” said Bobby Le Blanc, Chief Executive Officer. “We continue to benefit from our operating capabilities and a strong balance sheet. We feel positive about the future and our ability to increase long-term shareholder value.”

Financial Results

(\$ millions except per share amounts)	Quarter Ended Dec. 31		Year Ended Dec. 31	
	2023	2022	2023	2022
Net earnings	\$ 373	\$ 435	\$ 529	\$ 235
Net earnings per diluted share	\$ 4.81	\$ 5.32	\$ 6.65	\$ 2.77
Investing segment net earnings	\$ 326	\$ 375	\$ 815	\$ 117
Asset management segment net earnings (loss)	46	117	2	(28)
Total segment net earnings ⁽¹⁾	\$ 372	\$ 492	\$ 817	\$ 89
Total segment net earnings per fully diluted share ⁽²⁾	\$ 4.80	\$ 5.94	\$ 10.23	\$ 1.03
Asset management fee-related earnings (loss) ⁽³⁾	\$ 3	\$ (1)	\$ 12	\$ (12)
Total fee-related earnings (loss) ⁽⁴⁾	\$ (2)	\$ (4)	\$ (14)	\$ (44)
Distributable earnings ⁽⁵⁾	\$ 139	\$ 67	\$ 797	\$ 308

⁽¹⁾ Refer to pages 28, 29 and 30 of Onex’ 2023 Annual MD&A for further details concerning the composition of segment net earnings. A reconciliation of total segment net earnings to net earnings is provided in the supplementary financial schedules in this press release.

⁽²⁾ Refer to the glossary in Onex’ 2023 Annual MD&A for details concerning the composition of fully diluted shares.

⁽³⁾ Asset management fee-related earnings (loss) excludes Onex’ public company expenses and other expenses associated with managing Onex’ investing capital and is a component of total fee-related earnings (loss).

⁽⁴⁾ Total fee-related earnings (loss) is a non-GAAP financial measure that does not have a standardized meaning prescribed under International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). Therefore, it may not be comparable to similar financial measures disclosed by other companies. The most directly comparable financial measure under IFRS Accounting Standards to fee-related earnings (loss) is Onex’ net earnings. Refer to the 2023 Results & Activity section of Onex’ 2023 Annual MD&A and the supplementary financial schedules in this press release for further details concerning fee-related earnings (loss).

⁽⁵⁾ Distributable earnings is a non-GAAP financial measure that does not have a standardized meaning prescribed under IFRS Accounting Standards. Therefore, it may not be comparable to similar financial measures disclosed by other companies. The most directly comparable financial measure under IFRS Accounting Standards to distributable earnings is Onex’ net earnings. Refer to the 2023 Results & Activity section of Onex’ 2023 Annual MD&A and the supplementary financial schedules in this press release for further details concerning distributable earnings.

Recent Highlights

- Onex' investing capital per fully diluted share⁽⁶⁾ had a return of 11% during the 12 months ended December 31, 2023 and a return of 4% from the previous quarter ended September 30, 2023. Onex had approximately \$8.4 billion of investing capital, or \$107.82 (C\$142.61) per fully diluted share at December 31, 2023. Over the last five years, Onex' investing capital per fully diluted share had an annualized return of 14%.
- Onex' private equity investments had net gains of \$250 million or a return of 5% in the fourth quarter of 2023⁽⁷⁾ (Q4 2022: net gains of \$368 million or a return of 7%). Investments in Credit strategies generated net gains of \$67 million or a return of 8% in the fourth quarter of 2023⁽⁸⁾ (Q4 2022: net gains of \$7 million or a return of 1%).
- Onex Partners V's pending acquisition of specialty insurance company Accredited, from R&Q Insurance Holdings, received approval from R&Q's shareholders. The transaction is expected to close in the first half of 2024, subject to customary closing conditions and regulatory approvals.
- Onex Partners V completed a majority investment in Morson Group, a leading UK-based engineering and technical staffing and workforce solutions business. The transaction marks the conclusion of Onex Partners V's initial investment period, following which Tawfiq Popatia and Nigel Wright assumed co-leadership of the Onex Partners platform.
- ONCAP III completed the sale of Hopkins Manufacturing Corporation, delivering a strong return on investment and valuable return of capital to Limited Partners.
- Onex closed its 29th U.S. CLO and 8th Euro CLO for aggregate fee-generating assets of approximately \$790 million. Onex closed a total of seven CLOs in 2023 for a total of \$2.7 billion in fee-generating assets. In January 2024, Onex closed its 30th U.S. CLO for aggregate fee-generating assets of approximately \$400 million and priced its 31st U.S. CLO which will add approximately \$500 million in fee-generating assets upon its expected closing in Q1 2024.
- Peter Brown has joined Onex as Head of Client and Products Solutions (CPS). Mr. Brown brings substantial experience in both fundraising and the management of distribution teams. He will work closely with the entire CPS team to enhance Onex' investor marketing, product development and fundraising activities.
- Onex repurchased 597,472 Subordinate Voting Shares (SVS) in Q4 2023 and January 2024 for a total cost of \$35 million (C\$48 million) or an average cost per share of \$58.99 (C\$80.52).

⁽⁶⁾ Refer to the glossary in Onex' 2023 Annual MD&A for details concerning the composition of investing capital per share. The investing capital per fully diluted share return excludes the impact of capital deployed in Onex' asset management segment, where applicable, and dividends paid by Onex.

⁽⁷⁾ The gross return on Onex' private equity investments is a non-GAAP ratio calculated using methodologies that are not in accordance with IFRS Accounting Standards. The presentation of this ratio does not have a standardized meaning prescribed under IFRS Accounting Standards and therefore may not be comparable to similar financial measures presented by other companies. The net gains (losses) used to calculate the gross return of Onex' private equity investments are gross of management incentive programs. Refer to page 12 of Onex' 2023 Annual MD&A for further details concerning the gross performance of Onex' private equity investments.

⁽⁸⁾ The percentage returns on Credit investments have been adjusted for capital deployed, realizations and distributions.

- Onex had \$33.7 billion of fee-generating assets under management (FGAUM) and \$191 million of run-rate management fees⁽⁹⁾ at December 31, 2023. Onex raised approximately \$3.7 billion in FGAUM across its platforms in 2023.
- Unrealized carried interest increased \$41 million from the prior quarter to \$281 million at December 31, 2023.
- Onex' cash and near-cash⁽¹⁰⁾ balance was \$1.5 billion or 17% of Onex' investing capital as of December 31, 2023 (December 31, 2022 – \$1.1 billion or 13% of Onex' investing capital).

Webcast

Onex management will host a webcast to review Onex' fourth quarter 2023 results on Friday, February 23, 2024 at 11:00 a.m. ET. The webcast will be available in listen-only mode from the Presentations and Events section of Onex' website, <https://www.onex.com/events-and-presentations>. A 90-day on-line replay will be available shortly following the completion of the event.

Additional Information

Enclosed are supplementary financial schedules related to Onex' consolidated net earnings, investing capital, fee-related earnings (loss), distributable earnings, and cash and near-cash changes for the quarter and year ended December 31, 2023. The financial statements prepared in accordance with IFRS Accounting Standards, including Management's Discussion and Analysis of the results, are posted on Onex' website, www.onex.com, and are also available on SEDAR+ at www.sedarplus.ca. A supplemental information package with additional information is available on Onex' website, www.onex.com.

About Onex

Onex is an investor and asset manager that invests capital on behalf of Onex shareholders and clients across the globe. Formed in 1984, we have a long track record of creating value for our clients and shareholders. Onex' two primary businesses are Private Equity and Credit. In Private Equity, we raise funds from third-party investors, or limited partners, and invest them, along with Onex' own investing capital, through the funds of our private equity platforms, Onex Partners and ONCAP. Similarly, in Credit, we raise and invest capital across several private credit, public credit and public equity strategies. Our investors include a broad range of global clients, including public and private pension plans, sovereign wealth funds, insurance companies, family offices and high-net-worth individuals. In total, Onex has \$49.6 billion in assets under management, of which \$8.4 billion is Onex' own investing capital. With offices in Toronto, New York, New Jersey, Boston and London, Onex and its experienced management teams are collectively the largest investors across Onex' platforms.

⁽⁹⁾ Refer to the glossary in Onex' 2023 Annual MD&A for details concerning the composition of run-rate management fees.

⁽¹⁰⁾ Cash and near-cash is a non-GAAP financial measure calculated using methodologies that are not in accordance with IFRS Accounting Standards and therefore might not be comparable to similar financial measures presented by other companies. The most directly comparable financial measure under IFRS Accounting Standards to cash and near-cash is Onex' consolidated cash and cash equivalents balance, which was \$265 million at December 31, 2023 (December 31, 2022 - \$111 million). Refer to the *Cash and Near-Cash* section of Onex' 2023 Annual MD&A and the supplementary financial schedules in this press release for further details concerning Onex' cash and near-cash.

Onex is listed on the Toronto Stock Exchange under the symbol ONEX. For more information on Onex, visit its website at www.onex.com. Onex' security filings can also be accessed at www.sedarplus.ca.

Forward-Looking Statements

This press release may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as “believes”, “expects”, “potential”, “anticipates”, “estimates”, “intends”, “plans” and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve significant and diverse risks and uncertainties that may cause actual operations, performance or results to be materially different from those indicated in these forward-looking statements. Except as may be required by Canadian securities law, Onex is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this press release.

Non-GAAP Financial Measures

This press release contains non-GAAP financial measures and ratios which have been calculated using methodologies that are not in accordance with IFRS Accounting Standards. The presentation of financial measures in this manner does not have a standardized meaning prescribed under IFRS Accounting Standards and is therefore unlikely to be comparable to similar financial measures presented by other companies. Onex management believes these financial measures and ratios provide helpful information to investors. Reconciliations of the non-GAAP financial measures to information contained in the consolidated financial statements have been presented where practical.

For Further Information:

Jill Homenuk
Managing Director – Shareholder
Relations and Communications
Tel: +1 416.362.7711

Zev Korman
Vice President, Shareholder
Relations and Communications
Tel: +1 416.362.7711

Supplementary Financial Schedules

<i>(\$ millions except per share amounts)</i>	Quarter ended December 31			
	2023 ⁽ⁱ⁾			2022 ⁽ⁱ⁾
	Investing	Asset Management	Total	Total
Segment income	\$ 326	\$ 109	\$ 435	\$ 566
Segment expenses	-	(63)	(63)	(74)
Segment net earnings	\$ 326	\$ 46	\$ 372	\$ 492
Stock-based compensation expense			(33)	(18)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(4)	(24)
Restructuring expenses			(6)	-
Unrealized carried interest included in segment net earnings – Credit			(6)	(1)
Unrealized performance fees previously recognized in segment net earnings			5	-
Impairment reversal of property and equipment			2	-
Integration expenses			(1)	(1)
Contingent consideration recovery (expense)			42	(14)
Other net income			2	-
Earnings before income taxes			373	434
Recovery of income taxes			-	1
Net earnings			\$ 373	\$ 435
Segment net earnings per fully diluted share	\$ 4.19	\$ 0.61	\$ 4.80	\$ 5.94
Net earnings per share				
Basic			\$ 4.82	\$ 5.33
Diluted			\$ 4.81	\$ 5.32

(i) Refer to pages 28 and 29 of Onex' 2023 Annual MD&A for further details concerning the composition of segmented results.

<i>(\$ millions except per share amounts)</i>	Year ended December 31			
	2023 ⁽ⁱ⁾			2022 ⁽ⁱ⁾
	Investing	Asset Management	Total	Total
Segment income	\$ 815	\$ 283	\$ 1,098	\$ 407
Segment expenses	-	(281)	(281)	(318)
Segment net earnings	\$ 815	\$ 2	\$ 817	\$ 89
Stock-based compensation recovery (expense)			(75)	222
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(24)	(54)
Impairment of goodwill, intangible assets and property and equipment			(162)	-
Restructuring expenses			(46)	-
Unrealized carried interest included in segment net earnings – Credit			(17)	(2)
Integration expenses			(4)	(6)
Contingent consideration recovery (expense)			42	(14)
Other net income (expenses)			1	(1)
Earnings before income taxes			532	234
Recovery of (provision for) income taxes			(3)	1
Net earnings			\$ 529	\$ 235
Segment net earnings per fully diluted share	\$ 10.20	\$ 0.03	\$ 10.23	\$ 1.03
Net earnings per share				
Basic			\$ 6.66	\$ 2.77
Diluted			\$ 6.65	\$ 2.77

(i) Refer to pages 28 and 30 of Onex' 2023 Annual MD&A for further details concerning the composition of segmented results.

Investing Capital⁽ⁱ⁾

(\$ millions except per share amounts)

	December 31, 2023	December 31, 2022
Private Equity		
Onex Partners Funds	\$ 4,445	\$ 4,228
ONCAP Funds	929	718
Other Private Equity	407	853
Carried Interest	252	265
	6,033	6,064
Private Credit		
Investments	907	701
Carried Interest	29	16
	936	717
Real Estate	18	34
Cash and Near-Cash	1,466	1,053
Other Net Liabilities	(20)	(5)
Investing Capital	\$ 8,433	\$ 7,863
Investing Capital per fully diluted share (U.S. dollars)⁽ⁱⁱ⁾	\$ 107.82	\$ 96.95
Investing Capital per fully diluted share (Canadian dollars)⁽ⁱⁱ⁾	\$ 142.61	\$ 131.31

(i) Refer to the glossary in Onex' 2023 Annual MD&A for further details concerning the composition of investing capital.

(ii) Fully diluted shares for investing capital per share were 78.2 million at December 31, 2023.

Fee-Related Earnings and Distributable Earnings

(\$ millions)

	Quarter Ended December 31, 2023	Quarter Ended December 31, 2022
Private Equity		
Management and advisory fees	\$ 26	\$ 30
Total fee-related revenues from Private Equity	26	30
Compensation expense	(24)	(19)
Support and other net expenses	(10)	(10)
Net contribution	\$ (8)	\$ 1
Credit		
Management and advisory fees	\$ 31	\$ 37
Performance fees	4	1
Other income	–	2
Total fee-related revenues from Credit	\$ 35	\$ 40
Compensation expense	(14)	(23)
Support and other net expenses	(10)	(19)
Net contribution	\$ 11	\$ (2)
Asset management fee-related earnings (loss)	\$ 3	\$ (1)
Public Company and Onex Capital Investing		
Compensation recovery (expense)	\$ (1)	\$ 2
Other net expenses	(4)	(5)
Total expenses	\$ (5)	\$ (3)
Total fee-related earnings (loss)	\$ (2)	\$ (4)
Realized carried interest	\$ 7	\$ 8
Realized net gain on investments	134	63
Distributable earnings	\$ 139	\$ 67

<i>(\$ millions)</i>	Year Ended December 31, 2023	Year Ended December 31, 2022
Private Equity		
Management and advisory fees	\$ 112	\$ 118
Total fee-related revenues from Private Equity	112	118
Compensation expense	(85)	(85)
Support and other net expenses	(39)	(41)
Net contribution	\$ (12)	\$ (8)
Credit		
Management and advisory fees	\$ 140	\$ 152
Performance fees	13	1
Other income	2	3
Total fee-related revenues from Credit	\$ 155	\$ 156
Compensation expense	(70)	(88)
Support and other net expenses	(61)	(72)
Net contribution	\$ 24	\$ (4)
Asset management fee-related earnings (loss)	\$ 12	\$ (12)
Public Company and Onex Capital Investing		
Compensation expense	\$ (11)	\$ (12)
Other net expenses	(15)	(20)
Total expenses	\$ (26)	\$ (32)
Total fee-related earnings (loss)	\$ (14)	\$ (44)
Realized carried interest	\$ 16	\$ 22
Realized net gain on investments	795	330
Distributable earnings	\$ 797	\$ 308

Fee-related earnings (loss) and distributable earnings are non-GAAP financial measures. The tables below provide reconciliations of Onex' net earnings to fee-related earnings (loss) and distributable earnings during the quarters and years ended December 31, 2023 and 2022.

<i>(\$ millions)</i>	Quarter Ended December 31, 2023	Quarter Ended December 31, 2022
Net earnings	\$ 373	\$ 435
Recovery of income taxes	–	(1)
Earnings before income taxes	373	434
Stock-based compensation expense	33	18
Amortization of property, equipment and intangible assets, excluding right-of-use assets	4	24
Impairment reversal of property and equipment	(2)	–
Restructuring expenses	6	–
Unrealized carried interest included in segment net earnings – Credit	6	1
Unrealized performance fees included in segment net earnings	(5)	–
Integration expenses	1	1
Contingent consideration expense (recovery)	(42)	14
Other net income	(2)	–
Total segment net earnings	372	492
Net unrealized increase in carried interest	(41)	(113)
Net unrealized gain on corporate investments	(187)	(311)
Interest and net treasury investment income	(5)	(1)
Distributable earnings	139	67
Less: Realized carried interest	(7)	(8)
Less: Net realized gain on corporate investments	(134)	(63)
Total fee-related earnings (loss)	\$ (2)	\$ (4)

<i>(\$ millions)</i>	Year Ended December 31, 2023	Year Ended December 31, 2022
Net Earnings	\$ 529	\$ 235
Provision for (recovery of) income taxes	3	(1)
Earnings before income taxes	\$ 532	\$ 234
Stock-based compensation expense (recovery)	75	(222)
Amortization of property, equipment and intangible assets, excluding right-of-use assets	24	54
Impairment of goodwill, intangible assets and property and equipment	162	–
Restructuring expenses	46	–
Unrealized carried interest included in segment net earnings – Credit	17	2
Integration expenses	4	6
Contingent consideration expense (recovery)	(42)	14
Other net expenses (income)	(1)	1
Total segment net earnings	817	89
Net unrealized decrease in carried interest	–	6
Net unrealized loss (gain) on corporate investments	(6)	214
Interest and net treasury investment income	(14)	(1)
Distributable earnings	797	308
Less: Realized carried interest	(16)	(22)
Less: Net realized gain on corporate investments	(795)	(330)
Total fee-related earnings (loss)	\$ (14)	\$ (44)

Cash and Near-Cash

The table below provides a breakdown of cash and near-cash at Onex as at December 31, 2023 and December 31, 2022.

<i>(\$ millions)</i>	December 31, 2023	December 31, 2022
Management fees and recoverable fund expenses receivable ⁽ⁱ⁾	\$ 615	\$ 460
Cash and cash equivalents within Investment Holding Companies ⁽ⁱⁱ⁾	398	253
Treasury investments within Investment Holding Companies	197	271
Cash and cash equivalents – Investing segment ⁽ⁱⁱⁱ⁾	142	–
Subscription financing and short-term loan receivable ^(iv)	114	69
Cash and near-cash	\$ 1,466	\$ 1,053

- (i) Includes management fees and recoverable fund expenses receivable from certain funds which Onex has elected to defer cash receipt from. At December 31, 2022, the amount presented is net of amounts allocated to the asset management segment related to accrued incentive compensation and contingent consideration related to the acquisition of Falcon Investment Advisors.
- (ii) Includes restricted cash and cash equivalents of \$22 million (December 31, 2022 – \$2 million) for which the Company can readily remove the external restriction or for which the restriction will be removed in the near term. Excludes cash and cash equivalents for Onex' share of uncalled expenses payable by the Investment Holding Companies of \$35 million (December 31, 2022 - \$27 million).
- (iii) Excludes cash and cash equivalents allocated to the asset management segment related to accrued incentive compensation (\$108 million (December 31, 2022 – \$122 million)) and contingent consideration related to the acquisition of Onex Falcon (\$15 million (December 31, 2022 – \$57 million)).
- (iv) The balance includes \$77 million of subscription financing receivable, including interest receivable, attributable to third-party investors in certain Credit Funds and ONCAP V (December 31, 2022 - \$69 million) and \$37 million related to a short-term loan receivable from an Onex Partners operating company (December 31, 2022 – nil) , which was fully repaid during the first quarter of 2024.

The table below provides a reconciliation of the change in cash and near-cash from December 31, 2022 to December 31, 2023.

<i>(\$ millions)</i>		
Cash and near-cash at December 31, 2022	\$	1,053
Private equity realizations and distributions		1,003
Private equity investments		(353)
Net private credit strategies investment activity		(40)
Share repurchases, dividends and net cash paid for stock-based compensation		(250)
Net other, including cash flows from asset management activities, capital expenditures, operating costs and changes in working capital		53
Cash and near-cash at December 31, 2023	\$	1,466