



FOR IMMEDIATE RELEASE

All amounts in U.S. dollars  
unless otherwise stated

## – Onex Reports Fourth Quarter and Full Year 2021 Results –

**TORONTO, February 25, 2022** – Onex Corporation (TSX: ONEX) today announced its financial results for the fourth quarter and full year ended December 31, 2021.

“Onex had a good year. We made progress across all our businesses and delivered solid performance,” said Gerry Schwartz, Chairman and Chief Executive Officer of Onex. “For 2022, we’re focused on continued strong execution and growing fee-generating assets under management. With the right culture, expertise and team in place, we’re confident in our ability to successfully achieve the strategic plan we’ve laid out and continue driving long-term value for all our stakeholders.”

### **Net Earnings and Segment Results**

<i>For the periods ended December 31</i> <i>(\$ millions except per share amounts)</i>	<b>Three Months Ended</b>		<b>Year Ended</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Net Earnings	\$ 214	\$ 597	\$ 1,405	\$ 730
Net earnings per diluted share	\$ 2.45	\$ 6.61	\$ 15.76	\$ 7.63
Investing segment net earnings	\$ 263	\$ 609	\$ 1,305	\$ 773
Asset management segment net earnings	67	99	384	87
Total segment net earnings <sup>(1)</sup>	\$ 330	\$ 708	\$ 1,689	\$ 860
Total segment net earnings per fully diluted share <sup>(2)</sup>	\$ 3.65	\$ 7.72	\$ 18.42	\$ 8.95

### **Highlights**

- Onex’ investing capital per share<sup>(2)</sup> grew 5% in the fourth quarter and 24% in the year. The full year result reflects the firm's strongest year of growth in its history. As of December 31, 2021, Onex had approximately \$8.2 billion of investing capital, or \$90.75 (C\$115.05) per fully diluted share.
- Onex’ private equity investments generated a gross return<sup>(3)</sup> of 5% in the quarter (2020 – 14%) and 32% in the year (2020 – 24%).

(1) A reconciliation of total segment net earnings to net earnings is provided in the supplementary financial schedules of this press release.

(2) The glossary in Onex’ 2021 annual MD&A, beginning on page 64, describes the composition of fully diluted shares and investing capital per share.

(3) The gross return from Onex’ private equity investments is a non-GAAP ratio calculated using methodologies that are not in accordance with International Financial Reporting Standards. The presentation of these ratios does not have a standardized meaning prescribed under IFRS and are therefore unlikely to be comparable to similar financial measures presented by other companies. The net gains used to calculate the gross performance of Onex’ private equity investments are gross of management incentive programs and an allocation of management fees and carried interest on Onex’ capital. Onex management believes that the gross performance of Onex’ private equity investments provides helpful information to investors in assessing the performance. During the three months and year ended December 31, 2021, Onex recognized a net gain on corporate investments of \$317 million and \$1.7 billion, respectively (2020 - \$702 million and \$848 million, respectively).

- In 2021, Onex' private equity platforms deployed approximately \$3.0 billion (\$845 million from Onex) and received more than \$3.3 billion (\$1.3 billion for Onex) of realizations and distributions.
- Onex generated carried interest of \$44 million in the fourth quarter and \$248 million in the year, including \$18 million from private credit strategies and the balance from private equity. In total, Onex has unrealized carried interest of \$287 million and realized carried interest of \$48 million in the year.
- Onex ended the year with third-party fee-generating assets under management ("FGAUM")<sup>(4)</sup> of more than \$33 billion, an 8% increase in the year. Run-rate management fees<sup>(4)</sup> from this capital are \$273 million.
  - Onex Credit FGAUM, which includes private credit and public strategies, increased 12% in the year to \$23 billion as of December 31, 2021.
  - Gluskin Sheff had net client inflows in the fourth quarter. In total, its fee-generating client capital<sup>(5)</sup> grew by 11% in the year.
- Onex had approximately \$1.6 billion of cash and near-cash<sup>(6)</sup> as of December 31, 2021 (2020 – \$1.4 billion), including \$547 million (2020 – \$706 million) of cash and cash equivalents held by its consolidated subsidiaries.
- Onex repurchased 3,521,526 Subordinate Voting Shares in 2021 for a total cost of \$249 million (C\$313 million), or at an average cost per share of \$70.63 (C\$88.85).

## **Financial Results**

For the three months ended December 31, 2021, total segment net earnings were \$330 million (\$3.65 per fully diluted share). Investing segment earnings of \$263 million (\$2.90 per fully diluted share) were primarily driven by net gains on Onex' private equity investments. The fourth-quarter net earnings from the asset management segment totalled \$67 million (\$0.75 per fully diluted share), driven largely by an increase in carried interest.

For the year ended December 31, 2021, total segment net earnings were \$1.7 billion (\$18.42 per fully diluted share). Investing segment earnings of \$1.3 billion (\$14.22 per fully diluted share) were primarily driven by net gains on Onex' private equity investments. Net earnings from the asset management segment in the same period totalled \$384 million (\$4.20 per fully diluted share), driven largely by an increase in carried interest.

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(4) The glossary in Onex' 2021 annual MD&A, beginning on page 64, describes the composition of FGAUM and run-rate management fees.

(5) Page 18 of Onex' 2021 annual MD&A includes details concerning the composition of Gluskin Sheff's fee-generating client capital.

(6) Cash and near-cash is a non-GAAP financial measure calculated using methodologies that are not in accordance with International Financial Reporting Standards. The presentation of these measures does not have a standardized meaning prescribed under IFRS and are therefore unlikely to be comparable to similar financial measures presented by other companies. Refer to the supplementary financial schedules of this press release and pages 40 and 41 of Onex' 2021 annual MD&A for further details concerning cash and near-cash items.

Enclosed are supplementary financial schedules related to Onex' consolidated net earnings for the three- and twelve-months ended December 31, 2021, investing capital at December 31, 2021 and cash and near-cash changes for the year ended December 31, 2021. The financial statements prepared in accordance with International Financial Reporting Standards (IFRS), including Management's Discussion and Analysis of the results, are posted on Onex' website, [www.onex.com](http://www.onex.com), and are also available on SEDAR at [www.sedar.com](http://www.sedar.com). A supplemental information package with additional information is available on Onex' website, [www.onex.com](http://www.onex.com).

### **Webcast**

Onex management will host a webcast to review Onex' fourth-quarter and full year 2021 results on Friday, February 25 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.

### **About Onex**

Founded in 1984, Onex manages and invests capital on behalf of its shareholders, institutional investors and high net worth clients from around the world. Onex' platforms include: Onex Partners, private equity funds focused on mid- to large-cap opportunities in North America and Western Europe; ONCAP, private equity funds focused on middle market and smaller opportunities in North America; Onex Credit, which manages primarily non-investment grade debt through tradeable, private and opportunistic credit strategies as well as actively managed public equity and public credit funds; and Gluskin Sheff's wealth management services. In total, Onex has approximately \$49 billion of assets under management, of which approximately \$8.2 billion is its 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.

Onex shares trade on the Toronto Stock Exchange under the stock symbol ONEX. For more information on Onex, visit its website at [www.onex.com](http://www.onex.com). Onex' security filings can also be accessed at [www.sedar.com](http://www.sedar.com).

### **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 may contain non-GAAP financial measures which have been calculated using methodologies that are not in accordance with IFRS. The presentation of financial measures in this manner does not have a standardized meaning prescribed under IFRS and is therefore unlikely to be comparable to similar financial measures presented by other companies. Onex management believes these financial measures 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**

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## Supplementary Financial Schedules

### *Summarized Consolidated Net Earnings*

Three months ended December 31	2021			2020
<i>(\$ millions except per share amounts)</i>	Investing <sup>(i)</sup>	Asset Management <sup>(i)</sup>	Total	Total
Segment income	\$ 263	\$ 154	\$ 417	\$ 781
Segment expenses	-	(87)	(87)	(73)
Segment net earnings	\$ 263	\$ 67	\$ 330	\$ 708
Stock-based compensation expense			(78)	(87)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(11)	(12)
Acquisition and integration expense			-	(12)
Contingent consideration expense			(10)	-
Unrealized carried interest revenue – Onex Credit Funds			(18)	-
Earnings before income taxes			\$ 213	\$ 597
Recovery for income taxes			1	-
<b>Net earnings</b>			<b>\$ 214</b>	<b>\$ 597</b>
Segment net earnings per share <sup>(ii)</sup>	\$ 2.90	\$ 0.75	\$ 3.65	\$ 7.72
<b>Net earnings per share</b>				
Basic			<b>\$ 2.45</b>	<b>\$ 6.62</b>
Diluted			<b>\$ 2.45</b>	<b>\$ 6.61</b>

(i) Refer to the consolidated financial statements for segment presentation and allocation considerations.

(ii) Calculated on a fully diluted basis.

Year ended December 31	2021			2020
<i>(\$ millions except per share amounts)</i>	Investing <sup>(i)</sup>	Asset Management <sup>(i)</sup>	Total	Total
Segment income	\$ 1,305	\$ 705	\$ 2,010	\$ 1,127
Segment expenses	-	(321)	(321)	(267)
Segment net earnings	\$ 1,305	\$ 384	\$ 1,689	\$ 860
Stock-based compensation recovery (expense)			(205)	21
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(47)	(47)
Acquisition and integration expense			(5)	(19)
Contingent consideration expense			(10)	-
Unrealized carried interest revenue – Onex Credit Funds			(18)	-
Impairment of goodwill			-	(85)
Earnings before income taxes			\$ 1,404	\$ 730
Recovery for income taxes			1	-
<b>Net earnings</b>			<b>\$ 1,405</b>	<b>\$ 730</b>
Segment net earnings per share <sup>(ii)</sup>	\$ 14.22	\$ 4.20	\$ 18.42	\$ 8.95
<b>Net earnings per share</b>				
Basic			<b>\$ 15.79</b>	<b>\$ 7.64</b>
Diluted			<b>\$ 15.76</b>	<b>\$ 7.63</b>

(i) Refer to the consolidated financial statements for segment presentation and allocation considerations.

(ii) Calculated on a fully diluted basis.

## Investing Capital<sup>(i)</sup>

<i>(\$ millions except per share amounts)</i>	<b>December 31, 2021</b>	
Private Equity		
Onex Partners Funds	\$	4,256
ONCAP Funds		534
Other Private Equity		692
Carried Interest		269
		<b>5,751</b>
Private Credit		
Investments		805
Carried Interest		18
		<b>823</b>
Real Estate		52
Other Net Liabilities		(37)
Cash and Near-Cash		1,623
<b>Investing Capital</b>	<b>\$</b>	<b>8,212</b>
<b>Investing Capital per share (U.S. dollars)<sup>(ii)</sup></b>	<b>\$</b>	<b>90.75</b>
<b>Investing Capital per share (Canadian dollars)<sup>(ii)</sup></b>	<b>\$</b>	<b>115.05</b>

(i) Refer to Onex' Supplemental Information Package for presentation considerations.

(ii) Calculated on a fully diluted basis using the treasury stock method. Fully diluted shares for investing capital per share were 90.5 million at December 31, 2021.

## Cash and Near-Cash

The table below provides a breakdown of cash and near-cash at Onex as at December 31, 2021 and December 31, 2020.

<i>(\$ millions)</i>	<b>December 31, 2021</b>	<b>December 31, 2020</b>
Cash and cash equivalents – Investing segment <sup>(i)</sup>	\$ 357	\$ 505
Cash and cash equivalents within Investment Holding Companies <sup>(ii)</sup>	228	111
Treasury investments <sup>(iii)</sup>	290	234
Treasury investments within Investment Holding Companies <sup>(iii)</sup>	310	307
Management fees and recoverable fund expenses receivable <sup>(iv)</sup>	308	122
Subscription financing receivable <sup>(v)</sup>	130	–
OCP senior Floating Income Fund <sup>(vi)</sup>	–	98
Cash and near-cash <sup>(vii)</sup>	\$ 1,623	\$ 1,377

(i) Excludes cash and cash equivalents allocated to the asset management segment related to accrued incentive compensation (\$147 million (2020 - \$125 million)) and contingent consideration related to the acquisition of Onex Falcon (\$43 million (2020 - \$33 million)). Cash and cash equivalents at December 31, 2020 were also reduced for the liability relating to the retirement of the Onex Credit chief executive officer (\$43 million).

(ii) Includes restricted cash and cash equivalents of \$21 million (December 31, 2020 – \$22 million) for which the Company can readily remove the external restriction. Excludes cash and cash equivalents reserved for payments under the management incentive programs.

(iii) Includes net working capital managed by a third-party investment manager.

(iv) Includes management fees receivable from the Onex Partners and ONCAP Funds. The December 31, 2021 balance also includes recoverable fund expenses from the Onex Partners and ONCAP Funds.

(v) Subscription financing receivable from the Onex Capital Solutions Fund attributable to third-party investors.

(vi) During the first quarter of 2021, Onex redeemed all of its investment in the Onex Credit Partners Senior Floating Income Fund. The proceeds from this redemption were invested in Onex Senior Credit Fund II, which was subsequently redeemed later in the year.

(vii) Cash and near-cash is a non-GAAP financial measure.

The table below provides a reconciliation of the change in cash and near-cash from December 31, 2020 to December 31, 2021.

<i>(\$ millions)</i>		
Cash and near-cash at December 31, 2020	\$	1,377
Private equity realizations		1,261
Private equity investments		(844)
Real Estate distributions		14
Net private credit strategies investment activity		103
Onex share repurchases, options exercised, DSUs exercised and dividends		(320)
Net other, including capital expenditures, management fees, operating costs, treasury income and changes in working capital		32
<b>Cash and near-cash at December 31, 2021</b>	<b>\$</b>	<b>1,623</b>