



FOR IMMEDIATE RELEASE

*All amounts in U.S. dollars  
unless otherwise stated*

## **Onex Reports Third Quarter 2022 Results and Provides Leadership Transition Update**

**TORONTO, November 11, 2022** – Onex Corporation (TSX: ONEX) today announced its financial results for the third quarter and nine months ended September 30, 2022. The company also provided an update on the intended next step in its leadership transition.

“Despite the challenging backdrop, Onex continues to focus on its foundational values of investing in high-quality assets with a long-term perspective and maintaining ample liquidity to take advantage of market cycles,” said Gerry Schwartz, Chairman and Chief Executive Officer of Onex. “Together with a strong culture, deep client relationships and an exceptionally strong balance sheet, we are again positioned to turn market uncertainty into long-term opportunity.”

“As we look to the future, I am delighted to announce our proposal to appoint Bobby Le Blanc as Chief Executive Officer following our next annual meeting of shareholders. Bobby has shown exemplary leadership over his 23 years with Onex and is ideally suited to guide Onex into its next phase of growth while providing for a smooth transition for the organization. The Board and I have complete faith in Bobby and his ability to continue to build value for all our stakeholders.”

Gerry Schwartz will remain closely involved with Onex as its Founder and Chairman. He will also remain the sole holder of Onex’ Multiple Voting Shares (MVS). The proposal is conditional upon an amendment to the MVS to maintain their current voting entitlement following the transition of roles. A five-year sunset provision will be added to the MVS. The Board has approved the proposal upon the report and positive recommendation of a Special Committee. Shareholder approval of the amendment will be sought at the company’s annual general meeting in 2023.

## Financial Results

<i>(unaudited)(\$ millions except per share amounts)</i>	<b>Three Months Ended September 30, 2022</b>	Three Months Ended September 30, 2021	<b>Nine Months Ended September 30, 2022</b>	Nine Months Ended September 30, 2021
Net earnings (loss)	\$ (180)	\$ 602	\$ (200)	\$ 1,191
Net earnings (loss) per diluted share	\$ (2.12)	\$ 6.76	\$ (2.33)	\$ 13.27
Investing segment net earnings (loss)	\$ (114)	\$ 542	\$ (258)	\$ 1,178
Asset management segment net earnings (loss)	(65)	65	(145)	190
Total segment net earnings (loss) <sup>(1)</sup>	\$ (179)	\$ 607	\$ (403)	\$ 1,368
Total segment net earnings (loss) per fully diluted share <sup>(2)</sup>	\$ (2.08)	\$ 6.60	\$ (4.62)	\$ 14.84
Asset management fee-related earnings (loss) <sup>(3)</sup>	\$ (6)	\$ (3)	\$ (11)	\$ 13
Total fee-related earnings (loss) <sup>(4)</sup>	\$ (15)	\$ (11)	\$ (40)	\$ (14)
Distributable earnings <sup>(5)</sup>	\$ 193	\$ 410	\$ 241	\$ 582

## Highlights

- Onex' investing capital per fully diluted share<sup>(6)</sup> decreased 1% and was largely unchanged in the three and nine months ended September 30, 2022, respectively. As of September 30, 2022, Onex had approximately \$7.6 billion of investing capital, or \$90.26 (C\$123.71) per fully diluted share. Investing capital per fully diluted share benefited from share buybacks during the quarter. In Canadian dollars, investing capital per fully diluted share increased 5% and 8% over the same periods largely reflecting the appreciation of the U.S. Dollar.
- The value of Onex' private equity investments declined 2%<sup>(7)</sup> in the quarter (2021: 11% increase), largely reflecting macroeconomic and market factors. The portfolio continued to perform well relative to public market benchmarks such as the S&P 500 and MSCI World indices which produced total returns of negative 5% and negative 6%, respectively, in the third quarter. Onex' Credit investments gained 1% in the third quarter (2021: 4%).

<sup>(1)</sup> Refer to pages 21 and 22 of Onex' Q3 2022 Interim MD&A for further details concerning the composition of segment net earnings (loss). A reconciliation of total segment net earnings (loss) to net earnings (loss) is provided in the supplementary financial schedules in this press release.

<sup>(2)</sup> Refer to the glossary in Onex' Q3 2022 Interim MD&A for details concerning the composition of fully diluted shares.

<sup>(3)</sup> 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).

<sup>(4)</sup> Total fee-related earnings (loss) is a non-GAAP financial measure that does not have a standardized meaning prescribed under International Financial Reporting Standards ("IFRS"). Therefore, it may not be comparable to similar financial measures disclosed by other companies. The most directly comparable financial measure under IFRS to fee-related earnings (loss) is Onex' net earnings (loss). Refer to the 2022 Year-To-Date Results & Activity section of Onex' Q3 2022 Interim MD&A and the supplementary financial schedules in this press release for further details concerning fee-related earnings (loss).

<sup>(5)</sup> Distributable earnings is a non-GAAP financial measure that does not have a standardized meaning prescribed under IFRS. Therefore, it may not be comparable to similar financial measures disclosed by other companies. The most directly comparable financial measure under IFRS to distributable earnings is Onex' net earnings (loss). Refer to the 2022 Year-To-Date Results & Activity section of Onex' Q3 2022 Interim MD&A and the supplementary financial schedules in this press release for further details concerning distributable earnings.

<sup>(6)</sup> Refer to the glossary in Onex' Q3 2022 Interim MD&A for details concerning the composition of investing capital per share. The percentage changes in investing capital per share exclude the impact of capital deployed in Onex' asset management segment, where applicable, and dividends paid by Onex.

<sup>(7)</sup> The gross return on Onex' private equity investments is a non-GAAP ratio calculated using methodologies that are not in accordance with IFRS. The presentation of this ratio does not have a standardized meaning prescribed under IFRS 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 10 of Onex' Q3 2022 Interim MD&A for further details concerning the gross performance of Onex' private equity investments.

- In November 2022, Onex completed the first close for Onex Partners VI, reaching aggregate commitments of approximately \$2.0 billion, including Onex' commitment of \$1.5 billion. In November 2022, Onex completed the first close for Falcon Fund VII, reaching aggregate commitments of approximately \$460 million, including \$30 million from Onex.
- Onex received \$295 million from its private equity platforms in the third quarter, including the closing of the previously announced sale of Partou and partial realizations of Advanced Integration Technology and Ryan LLC.
- Onex realized \$13 million of carried interest in the quarter, with unrealized carried interest of \$168 million at September 30, 2022.
- As of September 30, 2022, Onex had third-party fee-generating assets under management ("FG AUM")<sup>(8)</sup> of \$32.9 billion, which was largely unchanged since December 31, 2021 and an increase of 3% over the last twelve months. Run-rate management fees<sup>(8)</sup> from this capital are \$259 million.
- Onex had approximately \$1.3 billion of cash and near-cash<sup>(9)</sup> as of September 30, 2022 (December 31, 2021 – \$1.6 billion).
- During the four months ended October 31, 2022, Onex repurchased 3,495,412 Subordinate Voting Shares (SVS) at a total cost of \$174 million (C\$231 million) or an average cost per share of \$49.69 (C\$66.02), bringing the total number of SVS repurchased in the ten months ended October 31, 2022 to 4,732,554.

### **Webcast**

Onex management will host a webcast to review Onex' third quarter 2022 results on Friday, November 11, 2022 at 11:30 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, distributable earnings, and cash and near-cash changes for the three and nine months ended September 30, 2022. 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).

<sup>(8)</sup> Refer to the glossary in Onex' Q3 2022 Interim MD&A for details concerning the composition of FG AUM and run-rate management fees.

<sup>(9)</sup> Cash and near-cash is a non-GAAP financial measure calculated using methodologies that are not in accordance with IFRS. The presentation of these measures does not have standardized meaning prescribed under IFRS and therefore might not be comparable to similar financial measures presented by other companies. The most directly comparable financial measure under IFRS to cash and near-cash is Onex' consolidated cash and cash equivalents balance, which was \$151 million at September 30, 2022 (December 31, 2021 - \$547 million). Refer to the 2022 *Cash and Near-Cash* section of Onex' Q3 2022 Interim MD&A and the supplementary financial schedules in this press release for further details concerning Onex' cash and near-cash.

## **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 and family offices. In addition, through our private wealth platform, we service high net worth clients in Canada. In total, Onex has \$47.2 billion in assets under management, of which \$7.6 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.

Onex is listed on the Toronto Stock Exchange under the 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 contains non-GAAP financial measures and ratios 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 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:**

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## Supplementary Financial Schedules

### *Summarized Consolidated Net Earnings (Loss)*

<i>(Unaudited)(\$ millions except per share amounts)</i>	Three months ended September 30			2021 <sup>(i)</sup>
	2022 <sup>(i)</sup>			
	Investing	Asset Management	Total	
Segment income (loss)	\$ (114)	\$ 18	\$ (96)	\$ 688
Segment expenses	-	(83)	(83)	(81)
Segment net earnings (loss)	\$ (114)	\$ (65)	\$ (179)	\$ 607
Stock-based compensation recovery			11	7
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(9)	(10)
Unrealized carried interest included in segment net earnings (loss) – Credit			1	–
Integration expense			(1)	(1)
Other expense			(3)	-
Earnings (loss) before income taxes			(180)	603
Provision for income taxes			–	(1)
<b>Net earnings (loss)</b>			<b>\$ (180)</b>	<b>\$ 602</b>
Segment net earnings (loss) per share <sup>(ii)</sup>	\$ (1.32)	\$ (0.76)	\$ (2.08)	\$ 6.60
<b>Net earnings (loss) per share</b>				
Basic			<b>\$ (2.12)</b>	<b>\$ 6.77</b>
Diluted			<b>\$ (2.12)</b>	<b>\$ 6.76</b>

(i) Refer to pages 20 and 21 of Onex' Q3 2022 Interim MD&A for further details concerning the composition of segmented results.

(ii) Calculated on a fully diluted basis.

<i>(Unaudited)(\$ millions except per share amounts)</i>	Nine months ended September 30			2021 <sup>(i)</sup>
	2022 <sup>(i)</sup>			
	Investing	Asset Management	Total	
Segment income (loss)	\$ (258)	\$ 99	\$ (159)	\$ 1,602
Segment expenses	-	(244)	(244)	(234)
Segment net earnings (loss)	\$ (258)	\$ (145)	\$ (403)	\$ 1,368
Stock-based compensation recovery (expense)			240	(127)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(30)	(36)
Unrealized carried interest included in segment net earnings (loss) – Credit			(1)	–
Unrealized performance fees included in segment net earnings (loss)			–	(9)
Integration expense			(5)	(5)
Other net expenses			(1)	–
<b>Net earnings (loss)</b>			<b>\$ (200)</b>	<b>\$ 1,191</b>
Segment net earnings (loss) per share <sup>(ii)</sup>	\$ (2.96)	\$ (1.66)	\$ (4.62)	\$ 14.84
<b>Net earnings (loss) per share</b>				
Basic			<b>\$ (2.33)</b>	<b>\$ 13.29</b>
Diluted			<b>\$ (2.33)</b>	<b>\$ 13.27</b>

(i) Refer to pages 20 and 22 of Onex' Q3 2022 Interim MD&A for further details concerning the composition of segmented results.

(ii) Calculated on a fully diluted basis.

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

<i>(Unaudited)</i> (\$ millions except per share amounts)	September 30, 2022	December 31, 2021
Private Equity		
Onex Partners Funds	\$ 3,993	\$ 4,256
ONCAP Funds	707	534
Other Private Equity	658	692
Carried Interest	149	269
	5,507	5,751
Private Credit		
Investments	693	805
Carried Interest	19	18
	712	823
Real Estate	39	52
Cash and Near-Cash	1,336	1,623
Other Net Liabilities	(25)	(37)
<b>Investing Capital</b>	<b>\$ 7,569</b>	<b>\$ 8,212</b>
<b>Investing Capital per share (U.S. dollars)<sup>(ii)</sup></b>	<b>\$ 90.26</b>	<b>\$ 90.75</b>
<b>Investing Capital per share (Canadian dollars)<sup>(ii)</sup></b>	<b>\$ 123.71</b>	<b>\$ 115.05</b>

(i) Refer to the glossary in Onex' Q3 2022 Interim MD&A for further details concerning the composition of investing capital.

(ii) Calculated on a fully diluted basis using the treasury stock method. Fully diluted shares for investing capital per share were 83.9 million at September 30, 2022.

## Fee-Related Earnings (Loss) and Distributable Earnings

<i>(Unaudited)</i> (\$ millions)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021
<b>Private Equity</b>		
Management and advisory fees	\$ 29	\$ 30
Total fee-related revenues from Private Equity	29	30
Compensation expense	(26)	(19)
Support and other net expenses	(11)	(12)
<b>Net contribution</b>	<b>\$ (8)</b>	<b>\$ (1)</b>
<b>Credit</b>		
Management and advisory fees	\$ 38	\$ 39
Other income	1	1
Total fee-related revenues from Credit	\$ 39	\$ 40
Compensation expense	(19)	(24)
Support and other net expenses	(18)	(18)
<b>Net contribution</b>	<b>\$ 2</b>	<b>\$ (2)</b>
<b>Asset management fee-related earnings (loss)</b>	<b>\$ (6)</b>	<b>\$ (3)</b>
<b>Public Company and Onex Capital Investing</b>		
Compensation expense	\$ (4)	\$ (4)
Other net expenses	(5)	(4)
<b>Total expenses</b>	<b>\$ (9)</b>	<b>\$ (8)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ (15)</b>	<b>\$ (11)</b>
Realized carried interest	\$ 13	\$ 16
Realized net gain on investments	195	405
<b>Distributable earnings</b>	<b>\$ 193</b>	<b>\$ 410</b>

<i>(Unaudited)(\$ millions)</i>	<b>Nine Months Ended September 30, 2022</b>	<b>Nine Months Ended September 30, 2021</b>
<b>Private Equity</b>		
Management and advisory fees	\$ 88	\$ 95
Total fee-related revenues from Private Equity	88	95
Compensation expense	(66)	(56)
Support and other net expenses	(31)	(36)
<b>Net contribution</b>	<b>\$ (9)</b>	<b>\$ 3</b>
<b>Credit</b>		
Management and advisory fees	\$ 115	\$ 114
Performance fees	–	9
Other income	1	2
Total fee-related revenues from Credit	\$ 116	\$ 125
Compensation expense	(65)	(63)
Support and other net expenses	(53)	(52)
<b>Net contribution</b>	<b>\$ (2)</b>	<b>\$ 10</b>
<b>Asset management fee-related earnings (loss)</b>	<b>\$ (11)</b>	<b>\$ 13</b>
<b>Public Company and Onex Capital Investing</b>		
Compensation expense	\$ (14)	\$ (13)
Other net expenses	(15)	(14)
<b>Total expenses</b>	<b>\$ (29)</b>	<b>\$ (27)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ (40)</b>	<b>\$ (14)</b>
Realized carried interest	\$ 14	\$ 20
Realized net gain on investments	267	576
<b>Distributable earnings</b>	<b>\$ 241</b>	<b>\$ 582</b>

Fee-related earnings (loss) and distributable earnings are non-GAAP financial measures. The tables below provide reconciliations of Onex' net earnings (loss) to fee-related earnings (loss) and distributable earnings during the three months and nine months ended September 30, 2022 and 2021.

<i>(Unaudited)</i> (\$ millions)	<b>Three Months Ended September 30, 2022</b>	<b>Three Months Ended September 30, 2021</b>
<b>Net earnings (loss)</b>	<b>\$ (180)</b>	<b>\$ 602</b>
Provision for income taxes	–	1
Earnings (loss) before income taxes	<b>\$ (180)</b>	<b>\$ 603</b>
Stock-based compensation recovery	(11)	(7)
Amortization of property, equipment and intangible assets, excluding right-of-use assets	9	10
Unrealized carried interest – Credit	(1)	–
Integration expense	1	1
Other expense	3	–
<b>Total segment net earnings (loss)</b>	<b>(179)</b>	<b>607</b>
Net unrealized decrease (increase) in carried interest	63	(60)
Net unrealized loss (gain) on corporate investments	309	(137)
<b>Distributable earnings</b>	<b>193</b>	<b>410</b>
Less: Realized carried interest	(13)	(16)
Less: Net realized gain on corporate investments	(195)	(405)
<b>Total fee-related earnings (loss)</b>	<b>\$ (15)</b>	<b>\$ (11)</b>

<i>(Unaudited)</i> (\$ millions)	<b>Nine Months Ended September 30, 2022</b>	<b>Nine Months Ended September 30, 2021</b>
<b>Net earnings (loss)</b>	<b>\$ (200)</b>	<b>\$ 1,191</b>
Stock-based compensation expense (recovery)	(240)	127
Amortization of property, equipment and intangible assets, excluding right-of-use assets	30	36
Unrealized carried interest – Credit	1	–
Unrealized performance fees	–	9
Integration expense	5	5
Other net expenses	1	–
<b>Total segment net earnings (loss)</b>	<b>(403)</b>	<b>1,368</b>
Net unrealized decrease (increase) in carried interest	119	(184)
Net unrealized loss (gain) on corporate investments	525	(602)
<b>Distributable earnings</b>	<b>241</b>	<b>582</b>
Less: Realized carried interest	(14)	(20)
Less: Net realized gain on corporate investments	(267)	(576)
<b>Total fee-related earnings (loss)</b>	<b>\$ (40)</b>	<b>\$ (14)</b>



## Cash and Near-Cash

The table below provides a breakdown of cash and near-cash at Onex as at September 30, 2022 and December 31, 2021.

(Unaudited)(\$ millions)

	September 30, 2022	December 31, 2021
Cash and cash equivalents – Investing segment <sup>(i)</sup>	\$ 10	\$ 357
Cash and cash equivalents within Investment Holding Companies <sup>(ii)</sup>	497	228
Treasury investments	65	290
Treasury investments within Investment Holding Companies	281	310
Management fees and recoverable fund expenses receivable <sup>(iii)</sup>	427	308
Subscription financing receivable <sup>(iv)</sup>	56	130
<b>Cash and near-cash</b>	<b>\$ 1,336</b>	<b>\$ 1,623</b>

(i) Excludes cash and cash equivalents allocated to the asset management segment related to accrued incentive compensation (\$98 million (December 31, 2021 – \$147 million)) and contingent consideration related to the acquisition of Onex Falcon (\$43 million (December 31, 2021 – \$43 million)).

(ii) Includes restricted cash and cash equivalents of \$3 million (December 31, 2021 – \$21 million) for which the Company can readily remove the external restriction. Excludes cash and cash equivalents reserved for payments under the management incentive programs and Onex' share of fund expenses payable by the Investment Holding Companies of \$23 million.

(iii) Includes management fees and recoverable fund expenses receivable from the Onex Partners and ONCAP Funds and certain Credit Funds that Onex has elected to defer cash receipt from.

(iv) Subscription financing receivable attributable to third-party investors in certain Credit Funds.

The table below provides a reconciliation of the change in cash and near-cash from December 31, 2021 to September 30, 2022.

(Unaudited)(\$ millions)

Cash and near-cash at December 31, 2021	\$ 1,623
Private equity realizations	325
Private equity investments	(383)
Net private credit strategies investment activity	65
Onex share repurchases, options exercised, DSUs exercised and dividends	(223)
Net other, including capital expenditures, operating costs and changes in working capital	(71)
<b>Cash and near-cash at September 30, 2022</b>	<b>\$ 1,336</b>