



FOR IMMEDIATE RELEASE

All amounts in U.S. dollars  
unless otherwise stated

## – Onex Reports First Quarter 2022 Results –

**TORONTO, May 13, 2022** – Onex Corporation (TSX: ONEX) today announced its financial results for the first quarter ended March 31, 2022 and an update on matters following quarter-end.

“Onex had a solid start to the year. Our businesses continue to execute, and the fundamentals of our firm are strong. Despite a challenging backdrop, our portfolio is performing well, reflecting the diversification and resiliency of our investments overall,” said Gerry Schwartz, Chairman and Chief Executive Officer of Onex. “We remain focused on delivering on our plan to grow our asset management business and increase long-term value for shareholders.”

### **Financial Results**

<i>(unaudited)</i> (\$ millions except per share amounts)	<b>Three Months Ended March 31, 2022</b>	Three Months Ended March 31, 2021
Net earnings	\$ 164	\$ 415
Net earnings per diluted share	\$ 1.89	\$ 4.59
Investing segment net earnings	\$ 62	\$ 383
Asset management segment net earnings	5	92
Total segment net earnings <sup>(1)</sup>	\$ 67	\$ 475
Total segment net earnings per fully diluted share <sup>(2)</sup>	\$ 0.76	\$ 5.14
Asset management fee-related earnings (loss) <sup>(3)</sup>	\$ (7)	\$ 7
Total fee-related earnings (loss) <sup>(4)</sup>	\$ (15)	\$ (4)
Distributable earnings (loss) <sup>(5)</sup>	\$ 25	\$ (3)

<sup>(1)</sup> Refer to pages 19 and 20 of Onex’ Q1 2022 Interim 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.

<sup>(2)</sup> Refer to the glossary in Onex’ Q1 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> 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. Refer to the *2022 Year-To-Date Results & Activity* section of Onex’ Q1 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 (loss) 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 (loss) is Onex’ net earnings. Refer to the *2022 Year-To-Date Results & Activity* section of Onex’ Q1 2022 Interim MD&A and the supplementary financial schedules in this press release for further details concerning distributable earnings (loss).

## **Highlights**

- Onex' investing capital per fully diluted share grew 3% and 19%<sup>(6)</sup> in the three and twelve months ended March 31, 2022, respectively. As of March 31, 2022, Onex had approximately \$8.2 billion of investing capital, or \$92.94 (C\$116.14) per fully diluted share<sup>(6)</sup>.
- During the first quarter of 2022, Onex' corporate investments generated a net gain of \$82 million, which included a gross return of 2%<sup>(7)</sup> (2021 – 8%) on Onex' private equity investments.
- Onex deployed approximately \$230 million of capital through its private equity platforms during the first quarter, driven by the Onex Partners V investments in Resource Environmental Solutions and Tes Global and the ONCAP IV investment in Merrithew. In April, Onex deployed additional capital for the Onex Partners V investment in Analytic Partners.
- Onex generated carried interest of \$20 million in the first quarter of 2022 from its private equity and credit platforms, ending the quarter with total unrealized carried interest of \$307 million.
- As of March 31, 2022, Onex had third-party fee-generating assets under management ("FG AUM")<sup>(8)</sup> of approximately \$33.7 billion, a 2% increase from December 31, 2021 and an increase of 8% over the last twelve months. Run-rate management fees<sup>(8)</sup> from this capital are \$274 million.
  - Credit FG AUM, which includes private credit and public strategies, increased 3% in the quarter to \$23.4 billion, largely driven by growth from the CLO platform.
  - Private Equity FG AUM increased 1% in the quarter to \$10.3 billion, driven by a net gain on investments.
- Onex had approximately \$1.4 billion of cash and near-cash<sup>(9)</sup> as of March 31, 2022 (December 31, 2021 – \$1.6 billion).
- Onex repurchased 1,024,926 Subordinate Voting Shares in the first four months of 2022 for a total cost of \$67 million (C\$85 million), or at an average cost per share of \$65.70 (C\$82.90).

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<sup>(6)</sup> Refer to the glossary in Onex' Q1 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' Q1 2022 Interim MD&A for further details concerning the gross performance of Onex' private equity investments.

<sup>(8)</sup> Refer to the glossary in Onex' Q1 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 \$137 million at March 31, 2022 (December 31, 2021 - \$547 million). Refer to the 2022 *Cash and Near-Cash* section of Onex' Q1 2022 Interim MD&A and the supplementary financial schedules in this press release for further details concerning Onex' cash and near-cash.

## **Webcast**

Onex management will host a webcast to review Onex' first-quarter 2022 results on Friday, May 13 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, distributable earnings, and cash and near-cash changes for the three months ended March 31, 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).

## **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 \$49.2 billion in assets under management, of which \$8.2 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 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*

<i>(Unaudited)</i> (\$ millions except per share amounts)	Three months ended March 31,			2021 <sup>(i)</sup>
	Investing	Asset Management	Total	Total
Segment income	\$ 62	\$ 87	\$ 149	\$ 553
Segment expenses	-	(82)	(82)	(78)
Segment net earnings	\$ 62	\$ 5	\$ 67	\$ 475
Stock-based compensation recovery (expense)			107	(43)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(11)	(14)
Unrealized carried interest revenue – Credit			(1)	–
Unrealized performance fees			–	(3)
Other income			2	–
<b>Net earnings</b>			<b>\$ 164</b>	<b>\$ 415</b>
Segment net earnings per share <sup>(ii)</sup>	\$ 0.69	\$ 0.07	\$ 0.76	\$ 5.14
<b>Net earnings per share</b>				
Basic			<b>\$ 1.90</b>	<b>\$ 4.60</b>
Diluted			<b>\$ 1.89</b>	<b>\$ 4.59</b>

(i) Refer to pages 19 and 20 of Onex' Q1 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)	March 31, 2022
Private Equity	
Onex Partners Funds	\$ 4,451
ONCAP Funds	631
Other Private Equity	684
Carried Interest	288
	6,054
Private Credit	
Investments	758
Carried Interest	19
	777
Real Estate	50
Cash and Near-Cash	1,372
Other Net Liabilities	(36)
<b>Investing Capital</b>	<b>\$ 8,217</b>
<b>Investing Capital per share (U.S. dollars)<sup>(ii)</sup></b>	<b>\$ 92.94</b>
<b>Investing Capital per share (Canadian dollars)<sup>(ii)</sup></b>	<b>\$ 116.14</b>

(i) Refer to the glossary in Onex' Q1 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 88.4 million at March 31, 2022.

## Fee-Related Earnings and Distributable Earnings

<i>(Unaudited)</i> (\$ millions)	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
<b>Private Equity</b>		
Management and advisory fees	\$ 28	\$ 33
Total fee-related revenues from Private Equity	28	33
Compensation expense	(17)	(17)
Other net expenses	(13)	(12)
<b>Net contribution</b>	<b>\$ (2)</b>	<b>\$ 4</b>
<b>Credit</b>		
Management and advisory fees	\$ 39	\$ 38
Fee-related performance fees	-	3
Total fee-related revenues from Credit	\$ 39	\$ 41
Compensation expense	(26)	(20)
Other net expenses	(18)	(18)
<b>Net contribution</b>	<b>\$ (5)</b>	<b>\$ 3</b>
<b>Asset management fee-related earnings (loss)</b>	<b>\$ (7)</b>	<b>\$ 7</b>
<b>Public Company and Onex Capital Investing</b>		
Compensation expense	\$ (4)	\$ (6)
Other net expenses	(4)	(5)
<b>Total expenses</b>	<b>\$ (8)</b>	<b>\$ (11)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ (15)</b>	<b>\$ (4)</b>
Realized net gains on investments	\$ 40	\$ 1
<b>Distributable earnings (loss)</b>	<b>\$ 25</b>	<b>\$ (3)</b>

Fee-related earnings and distributable earnings are non-GAAP financial measures. The table below provides a reconciliation of Onex' net earnings to fee-related earnings and distributable earnings during the three months ended March 31, 2022 and 2021.

<i>(Unaudited)</i> (\$ millions)	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
<b>Net earnings</b>	<b>\$ 164</b>	<b>\$ 415</b>
Stock-based compensation expense (recovery)	(107)	43
Amortization of property, equipment and intangible assets, excluding right-of-use assets	11	14
Unrealized carried interest revenue – Credit	1	-
Other income	(2)	-
Unrealized performance fees	-	3
<b>Total segment net earnings</b>	<b>67</b>	<b>475</b>
Net unrealized increase in carried interest	(20)	(96)
Net unrealized gain on corporate investments	(22)	(382)
<b>Distributable earnings (loss)</b>	<b>25</b>	<b>(3)</b>
Net realized gain on corporate investments	(40)	(1)
<b>Total fee-related earnings (loss)</b>	<b>\$ (15)</b>	<b>\$ (4)</b>

## Cash and Near-Cash

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

<i>(Unaudited)</i> (\$ millions)	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Cash and cash equivalents – Investing segment <sup>(i)</sup>	\$ 51	\$ 357
Cash and cash equivalents within Investment Holding Companies <sup>(ii)</sup>	454	228
Treasury investments <sup>(iii)</sup>	123	290
Treasury investments within Investment Holding Companies <sup>(iii)</sup>	297	310
Management fees and recoverable fund expenses receivable <sup>(iv)</sup>	340	308
Subscription financing receivable <sup>(v)</sup>	107	130
<b>Cash and near-cash</b>	<b>\$ 1,372</b>	<b>\$ 1,623</b>

- (i) Excludes cash and cash equivalents allocated to the asset management segment related to accrued incentive compensation (\$43 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 \$21 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.
- (iii) Includes net working capital managed by a third-party investment manager.
- (iv) Includes management fees and recoverable fund expenses receivable from the Onex Partners and ONCAP Funds that Onex has elected to defer cash receipt from.
- (v) Subscription financing receivable from the Onex Capital Solutions Fund attributable to third-party investors.

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

<i>(Unaudited)</i> (\$ millions)	
Cash and near-cash at December 31, 2021	\$ 1,623
Private equity realizations	29
Private equity investments	(232)
Net private credit strategies investment activity	34
Onex share repurchases, options exercised and dividends	(51)
Net other, including capital expenditures, operating costs and changes in working capital	(31)
<b>Cash and near-cash at March 31, 2022</b>	<b>\$ 1,372</b>