



FOR IMMEDIATE RELEASE

All amounts in U.S. dollars
unless otherwise stated

– Onex Reports Second-Quarter 2020 Results –

Toronto, August 6, 2020 – Onex Corporation (TSX: ONEX) today announced its financial results for the second quarter and six-months ended June 30, 2020 and an update on matters following quarter end.

Gerry Schwartz, Chairman and Chief Executive Officer of Onex, stated: “As expected, valuations for the quarter rebounded significantly. As important is the significant progress made within our operating companies to ensure they manage any challenges ahead and prosper as economies gradually improve. The quarter’s performance is further evidence of the strength and depth of the Onex team.”

Highlights

- Onex reported segment net earnings for the three months ended June 30, 2020 of \$689 million (\$7.02 per fully diluted share), comprised of net earnings of \$657 million from its investing segment and net earnings of \$32 million from its asset and wealth management segment.
- Onex reported a segment net loss for the six months ended June 30, 2020 of \$363 million (\$3.64 per fully diluted share), comprised of a net loss of \$328 million from its investing segment and a net loss of \$35 million from its asset and wealth management segment.
- Onex’ private equity investments generated a gross return of 16% during the three-months ended June 30, 2020 and a gross loss of 4% in the first six months of the year.
- Onex’ total shareholder capital per fully diluted share increased by approximately 12% in the second quarter to \$67.11 (C\$91.46), primarily driven by net increases in Onex’ private equity and credit investments.
- In June, Onex Partners sold approximately 20.8 million shares of Clarivate (NYSE: CCC) at a price of \$22.50 per share. Onex’ share of the net proceeds was \$171 million as a Limited Partner in Onex Partners IV and as a co-investor.
- In June, Onex invested \$72 million in Onex Partners V as part of the Fund’s investment in preferred shares of Emerald (NYSE: EEX). In August, Onex expects to invest an additional \$35 million in Onex Partners V for preferred shares of Emerald as part of the Fund’s backstopping of a rights offering completed with existing public shareholders.
- In June, Onex agreed to invest up to an additional \$125 million in preferred shares of Ryan Specialty Group in connection with an add-on acquisition.

- In August, Onex Partners agreed to sell approximately 32.0 million shares of SIG Combibloc Group (SIX: SIGN) at a price of CHF 15.50 per share. Onex' share of the gross proceeds will be approximately \$190 million as a Limited Partner in Onex Partners IV and as a co-investor.
- Onex Credit increased its assets under management by approximately 5% year-to-date to \$12.2 billion. This was driven by the issuance of three collateralized loan obligations totalling \$1.1 billion. The firm has issued 23 CLOs since launching its CLO platform in 2012.
- Onex Credit continued to grow its team with four new senior hires, including a Head of Structured Credit, Head of High Yield and two Opportunistic Credit portfolio managers.

Financial Results

For the three-months ended June 30, 2020, total segment net earnings were \$689 million (\$7.02 per fully diluted share). Net earnings from the investing segment totalled \$657 million (\$6.68 per fully diluted share) in the quarter and were primarily driven by net gains on Onex' private equity and credit investments consistent with the recovery in those markets during the quarter. The second quarter net earnings from the asset and wealth management segment totalled \$32 million (\$0.34 per fully diluted share) driven by management and advisory fees as well as an increase in unrealized carried interest.

For the six-months ended June 30, 2020, total segment net loss was \$363 million (\$3.64 per fully diluted share). Net loss from the investing segment totalled \$328 million (\$3.31 per fully diluted share) in the same period which was primarily driven by net losses on Onex' private equity and credit investments associated with the significant decline in those markets during the quarter. The net loss for the six-months ended June 30, 2020 from the asset management segment totalled \$35 million (\$0.33 per fully diluted share) driven primarily by a net reversal of unrealized carried interest.

Enclosed are supplementary schedules and non-IFRS measures related to Onex' consolidated net earnings for the three- and six-months ended June 30, 2020, shareholder capital at June 30, 2020 and cash and near-cash change for the six-months ended June 30, 2020. The complete 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, and are also available on SEDAR at www.sedar.com. A supplemental information package with additional information is available on Onex' website, www.onex.com.

Webcast

Onex management will host a webcast to review Onex' second-quarter 2020 results on Thursday, August 6 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://ir.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 invests and manages 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 larger opportunities in North America and 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 collateralized loan obligations, senior loan strategies and other private credit strategies; and Gluskin Sheff's wealth management services including its actively managed public equity and public credit funds. In total, Onex has approximately \$35.6 billion of assets under management, of which approximately \$6.6 billion is its own shareholder capital. With offices in Toronto, New York, New Jersey and London, Onex and its experienced management teams are collectively the largest investors across Onex' platforms.

The Onex Partners and ONCAP businesses have assets of \$45 billion, generate annual revenues of \$25 billion and employ approximately 165,000 people worldwide. 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. Onex' security filings can also be accessed at 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 and Non-IFRS Measures

Summarized Consolidated Net Earnings (Loss)

<i>(Unaudited) (\$ millions except per share amounts)</i> <i>Three months ended June 30, 2020</i>	Investing ⁽ⁱ⁾	Asset and Wealth Management ⁽ⁱ⁾	Total
Segment income	\$ 657	\$ 97	\$ 754
Segment expenses	-	(65)	(65)
Segment net earnings	\$ 657	\$ 32	\$ 689
Stock-based compensation expense			(49)
Amortization of property and equipment and other intangible assets, excluding right-of-use assets			(11)
Integration expense			(1)
Earnings before income taxes			\$ 628
Recovery of income taxes			1
Net earnings			\$ 629
Segment net earnings per share ⁽ⁱⁱ⁾	\$ 6.68	\$ 0.34	\$ 7.02
Net earnings per share			
Basic			\$ 6.44
Diluted			\$ 6.43

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

(ii) Calculated on a fully diluted basis.

<i>(Unaudited) (\$ millions except per share amounts)</i> <i>Six months ended June 30, 2020</i>	Investing ⁽ⁱ⁾	Asset and Wealth Management ⁽ⁱ⁾	Total
Segment income (loss)	\$ (328)	\$ 89	\$ (239)
Segment expenses	-	(124)	(124)
Segment net loss	\$ (328)	\$ (35)	\$ (363)
Stock-based compensation recovery			105
Amortization of property and equipment and other intangible assets, excluding right-of-use assets			(23)
Integration expense			(2)
Impairment of goodwill			(85)
Net loss			\$ (368)
Segment net loss per share ⁽ⁱⁱ⁾	\$ (3.31)	\$ (0.33)	\$ (3.64)
Net loss per share			
Basic			\$ (3.72)
Diluted			\$ (3.72)

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

(ii) Calculated on a fully diluted basis.

Shareholder Capital

<i>(Unaudited) (\$ millions except per share amounts)</i> <i>As at June 30, 2020</i>	Investing	Asset and Wealth Management	Total
Total segmented assets	\$ 6,062	\$ 757	\$ 6,819
Accounts payable and accrued liabilities	-	(27)	(27)
Accrued compensation	-	(59)	(59)
Lease and other liabilities	-	(121)	(121)
DSU hedge assets	-	(61)	(61)
Total shareholder capital⁽ⁱ⁾	\$ 6,062	\$ 489	\$ 6,551
Shareholder capital per share⁽ⁱⁱ⁾	\$ 62.10	\$ 5.01	\$ 67.11

(i) Shareholder capital and shareholder capital per share are non-GAAP financial measures which have been calculated using methodologies that are not in accordance with IFRS. A reconciliation of total segmented assets to shareholder capital is presented in this table. 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. Management believes that shareholder capital is useful to investors as the metric is used, in part, to assess Onex' performance.

(ii) Calculated on a fully diluted basis using the treasury stock method. Fully diluted shares for shareholder capital per share were 97.6 million at June 30, 2020.

Cash and Near-Cash

The table below provides a reconciliation of the change in cash and near-cash from December 31, 2019 to June 30, 2020.

<i>(Unaudited) (\$ millions)</i>	
Cash and near-cash on hand at December 31, 2019 ⁽ⁱ⁾	\$ 1,842
Private equity realizations	405
Private equity investments	(117)
Real estate distributions	15
Net Onex Credit strategies investment activity, including warehouse facilities	(44)
Onex share repurchases, options exercised and dividends	(162)
Net other, including capital expenditures, management fees, operating costs and treasury income	24
Cash and near-cash on hand at June 30, 2020⁽ⁱ⁾	\$ 1,963

(i) Includes \$928 million (December 31, 2019 – \$395 million) of treasury investments, \$93 million (December 31, 2019 – \$97 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$192 million (December 31, 2019 – \$190 million) of management fees.