



FOR IMMEDIATE RELEASE

All amounts in U.S. dollars  
unless otherwise stated

## Onex Reports Fiscal 2022 Results

Investing capital per share up 8% in Q4, 7% in 2022

**TORONTO, February 24, 2023** – Onex Corporation (TSX: ONEX) today announced its financial results for the fourth quarter and year ended December 31, 2022.

“Onex made good progress in a very challenging year for the capital markets,” said Gerry Schwartz, Chairman and Chief Executive Officer of Onex. “We grew investing capital per share while delivering solid risk-adjusted returns to investors. We have more work ahead to deliver on our strategic goals, and the proposal to appoint Bobby Le Blanc as CEO will accelerate these plans. The team is forging ahead with energy and enthusiasm.”

### Financial Results

	Three Months Ended		Year Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
<i>(\$ millions except per share amounts)</i>				
Net earnings	\$ 435	\$ 214	\$ 235	\$ 1,405
Net earnings per diluted share	\$ 5.32	\$ 2.45	\$ 2.77	\$ 15.76
Investing segment net earnings	\$ 375	\$ 291	\$ 117	\$ 1,469
Asset management segment net earnings (loss)	117	30	(28)	220
Total segment net earnings <sup>(1)</sup>	\$ 492	\$ 321	\$ 89	\$ 1,689
Total segment net earnings per fully diluted share <sup>(2)</sup>	\$ 5.94	\$ 3.55	\$ 1.03	\$ 18.42
Asset management fee-related earnings (loss) <sup>(3)</sup>	\$ (1)	\$ (5)	\$ (12)	\$ 8
Total fee-related earnings (loss) <sup>(4)</sup>	\$ (4)	\$ (14)	\$ (44)	\$ (28)
Distributable earnings <sup>(5)</sup>	\$ 67	\$ 126	\$ 308	\$ 708

<sup>(1)</sup> Refer to pages 27 and 28 of Onex’ 2022 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.

<sup>(2)</sup> Refer to the glossary in Onex’ 2022 Annual 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. Refer to the *2022 Results & Activity* section of Onex’ 2022 Annual 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. Refer to the *2022 Results & Activity* section of Onex’ 2022 Annual MD&A and the supplementary financial schedules in this press release for further details concerning distributable earnings.

## **Highlights**

- Onex' investing capital per fully diluted share<sup>(6)</sup> increased 8% and 7% for the three months and year ended December 31, 2022, respectively. As of December 31, 2022, Onex had approximately \$7.9 billion of investing capital, or \$96.95 (C\$131.31) 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 6% and 14% over the same periods, reflecting the appreciation of the U.S. Dollar for the year.
- Onex continues to produce attractive risk-adjusted returns for investors. The value of its private equity investments increased 7%<sup>(7)</sup> in the quarter (2021: 5%) and 3% for the full year (2021: 32%), comparing favorably to public market benchmarks such as the S&P 500 and MSCI World Mid Cap indices, which each declined by approximately 18% during 2022.
- Carried interest increased by \$121 million during the quarter, driving an increase in unrealized carried interest to \$281 million at December 31, 2022.
- Onex raised approximately \$2.6 billion in fee-generating capital across its Credit and Private Equity platforms in 2022, including approximately \$1.7 billion through its CLO platform. Falcon Fund VII has reached aggregate commitments of over \$500 million. ONCAP V achieved a preliminary close in December 2022. In January 2023, Onex priced its twenty-sixth U.S. CLO, raising approximately \$400 million.
- Onex received \$68 million in private equity distributions in the fourth quarter and deployed \$137 million.
- As of December 31, 2022, Onex had third-party fee-generating assets under management ("FG AUM")<sup>(8)</sup> of \$34.1 billion, increases of 4% and 3% from September 30, 2022 and over the last twelve months, respectively. Run-rate management fees<sup>(8)</sup> from this capital are \$258 million.
- Onex had approximately \$1.1 billion of cash and near-cash<sup>(9)</sup> as of December 31, 2022 (December 31, 2021 – \$1.6 billion).
- Onex repurchased 2,379,226 Subordinate Voting Shares (SVS) in the fourth quarter for \$121 million (C\$164 million) or an average cost per share of \$50.80 (C\$68.76), bringing the total number of SVS repurchased in 2022 to 6,039,668.

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<sup>(6)</sup> Refer to the glossary in Onex' 2022 Annual 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 11 of Onex' 2022 Annual MD&A for further details concerning the gross performance of Onex' private equity investments.

<sup>(8)</sup> Refer to the glossary in Onex' 2022 Annual 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 \$111 million at December 31, 2022 (December 31, 2021 - \$547 million). Refer to the 2022 *Cash and Near-Cash* section of Onex' 2022 Annual 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' fourth quarter and fiscal 2022 results on Friday, February 24, 2023 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 and 12 months ended December 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 \$50.8 billion in assets under management, of which \$7.9 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:**

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

### *Summarized Consolidated Net Earnings*

<i>(\$ millions except per share amounts)</i>	Three months ended December 31			
	2022 <sup>(i)</sup>			2021 <sup>(i)</sup>
	Investing	Asset Management	Total	Total
Segment income	\$ 375	\$ 191	\$ 566	\$ 408
Segment expenses	-	(74)	(74)	(87)
<b>Segment net earnings</b>	<b>\$ 375</b>	<b>\$ 117</b>	<b>\$ 492</b>	<b>\$ 321</b>
Stock-based compensation expense			(18)	(78)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(24)	(11)
Unrealized carried interest included in segment net earnings – Credit			(1)	(18)
Unrealized performance fees previously recognized in segment net earnings			-	9
Integration expense			(1)	-
Contingent consideration			(14)	(10)
Earnings before income taxes			434	213
Recovery of income taxes			1	1
<b>Net earnings</b>			<b>\$ 435</b>	<b>\$ 214</b>
Segment net earnings per share <sup>(ii)</sup>	\$ 4.54	\$ 1.40	\$ 5.94	\$ 3.55
<b>Net earnings per share</b>				
Basic			<b>\$ 5.33</b>	<b>\$ 2.45</b>
Diluted			<b>\$ 5.32</b>	<b>\$ 2.45</b>

(i) Refer to pages 26 and 27 of Onex' 2022 Annual MD&A for further details concerning the composition of segmented results.

(ii) Calculated on a fully diluted basis.

<i>(\$ millions except per share amounts)</i>	Year ended December 31			
	2022 <sup>(i)</sup>			2021 <sup>(i)</sup>
	Investing	Asset Management	Total	Total
Segment income	\$ 117	\$ 290	\$ 407	\$ 2,010
Segment expenses	-	(318)	(318)	(321)
<b>Segment net earnings (loss)</b>	<b>\$ 117</b>	<b>\$ (28)</b>	<b>\$ 89</b>	<b>\$ 1,689</b>
Stock-based compensation recovery (expense)			222	(205)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(54)	(47)
Unrealized carried interest included in segment net earnings (loss) – Credit			(2)	(18)
Integration expense			(6)	(5)
Contingent consideration			(14)	(10)
Other net expenses			(1)	-
Earnings before income taxes			234	1,404
Recovery of income taxes			1	1
<b>Net earnings</b>			<b>\$ 235</b>	<b>\$ 1,405</b>
Segment net earnings (loss) per share <sup>(ii)</sup>	\$ 1.37	\$ (0.34)	\$ 1.03	\$ 18.42
<b>Net earnings per share</b>				
Basic			<b>\$ 2.77</b>	<b>\$ 15.79</b>
Diluted			<b>\$ 2.77</b>	<b>\$ 15.76</b>

(i) Refer to pages 26 and 28 of Onex' 2022 Annual MD&A for further details concerning the composition of segmented results.

(ii) Calculated on a fully diluted basis.

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

<i>(\$ millions except per share amounts)</i>	December 31, 2022	December 31, 2021
Private Equity		
Onex Partners Funds	\$ 4,228	\$ 4,256
ONCAP Funds	718	534
Other Private Equity	853	692
Carried Interest	265	269
	6,064	5,751
Private Credit		
Investments	701	805
Carried Interest	16	18
	717	823
Real Estate	34	52
Cash and Near-Cash	1,053	1,623
Other Net Liabilities	(5)	(37)
<b>Investing Capital</b>	<b>\$ 7,863</b>	<b>\$ 8,212</b>
<b>Investing Capital per share (U.S. dollars)<sup>(ii)</sup></b>	<b>\$ 96.95</b>	<b>\$ 90.75</b>
<b>Investing Capital per share (Canadian dollars)<sup>(ii)</sup></b>	<b>\$ 131.31</b>	<b>\$ 115.05</b>

(i) Refer to the glossary in Onex' 2022 Annual 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 81.1 million at December 31, 2022.

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

<i>(\$ millions)</i>	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021
<b>Private Equity</b>		
Management and advisory fees	\$ 30	\$ 30
Total fee-related revenues from Private Equity	30	30
Compensation expense	(19)	(22)
Support and other net expenses	(10)	(16)
<b>Net contribution</b>	<b>\$ 1</b>	<b>\$ (8)</b>
<b>Credit</b>		
Management and advisory fees	\$ 37	\$ 38
Performance fees	1	4
Other income	2	1
Total fee-related revenues from Credit	\$ 40	\$ 43
Compensation expense	(23)	(19)
Support and other net expenses	(19)	(21)
<b>Net contribution</b>	<b>\$ (2)</b>	<b>\$ 3</b>
<b>Asset management fee-related earnings (loss)</b>	<b>\$ (1)</b>	<b>\$ (5)</b>
<b>Public Company and Onex Capital Investing</b>		
Compensation expense	\$ 2	\$ (4)
Other net expenses	(5)	(5)
<b>Total expenses</b>	<b>\$ (3)</b>	<b>\$ (9)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ (4)</b>	<b>\$ (14)</b>
Realized carried interest	\$ 8	\$ 28
Realized net gain on investments	63	112
<b>Distributable earnings</b>	<b>\$ 67</b>	<b>\$ 126</b>

<i>(\$ millions)</i>	<b>Year Ended December 31, 2022</b>	<b>Year Ended December 31, 2021</b>
<b>Private Equity</b>		
Management and advisory fees	\$ 118	\$ 125
Total fee-related revenues from Private Equity	118	125
Compensation expense	(85)	(78)
Support and other net expenses	(41)	(52)
<b>Net contribution</b>	<b>\$ (8)</b>	<b>\$ (5)</b>
<b>Credit</b>		
Management and advisory fees	\$ 152	\$ 152
Performance fees	1	13
Other income	3	3
Total fee-related revenues from Credit	\$ 156	\$ 168
Compensation expense	(88)	(82)
Support and other net expenses	(72)	(73)
<b>Net contribution</b>	<b>\$ (4)</b>	<b>\$ 13</b>
<b>Asset management fee-related earnings (loss)</b>	<b>\$ (12)</b>	<b>\$ 8</b>
<b>Public Company and Onex Capital Investing</b>		
Compensation expense	\$ (12)	\$ (17)
Other net expenses	(20)	(19)
<b>Total expenses</b>	<b>\$ (32)</b>	<b>\$ (36)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ (44)</b>	<b>\$ (28)</b>
Realized carried interest	\$ 22	\$ 48
Realized net gain on investments	330	688
<b>Distributable earnings</b>	<b>\$ 308</b>	<b>\$ 708</b>

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 three months and year ended December 31, 2022 and 2021.

<i>(\$ millions)</i>	<b>Three Months Ended December 31, 2022</b>	<b>Three Months Ended December 31, 2021</b>
<b>Net earnings</b>	<b>\$ 435</b>	<b>\$ 214</b>
Recovery of income taxes	(1)	(1)
<b>Earnings before income taxes</b>	<b>\$ 434</b>	<b>\$ 213</b>
Stock-based compensation expense	18	78
Amortization of property, equipment and intangible assets, excluding right-of-use assets	24	11
Unrealized carried interest – Credit	1	18
Unrealized performance fee previously recognized in segment net earnings	–	(9)
Integration expense	1	–
Contingent consideration	14	10
<b>Total segment net earnings</b>	<b>492</b>	<b>321</b>
Net unrealized increase in carried interest	(113)	(16)
Net unrealized gain on corporate investments	(312)	(179)
<b>Distributable earnings</b>	<b>67</b>	<b>126</b>
Less: Realized carried interest	(8)	(28)
Less: Net realized gain on corporate investments	(63)	(112)
<b>Total fee-related earnings (loss)</b>	<b>\$ (4)</b>	<b>\$ (14)</b>

<i>(\$ millions)</i>	<b>Year Ended December 31, 2022</b>	<b>Year Ended December 31, 2021</b>
<b>Net earnings</b>	<b>\$ 235</b>	<b>\$ 1,405</b>
Recovery of income taxes	(1)	(1)
<b>Earnings before income taxes</b>	<b>\$ 234</b>	<b>\$ 1,404</b>
Stock-based compensation expense (recovery)	(222)	205
Amortization of property, equipment and intangible assets, excluding right-of-use assets	54	47
Unrealized carried interest – Credit	2	18
Integration expense	6	5
Contingent consideration	14	10
Other net expenses	1	–
<b>Total segment net earnings</b>	<b>89</b>	<b>1,689</b>
Net unrealized decrease (increase) in carried interest	6	(200)
Net unrealized loss (gain) on corporate investments	213	(781)
<b>Distributable earnings</b>	<b>308</b>	<b>708</b>
Less: Realized carried interest	(22)	(48)
Less: Net realized gain on corporate investments	(330)	(688)
<b>Total fee-related earnings (loss)</b>	<b>\$ (44)</b>	<b>\$ (28)</b>



## Cash and Near-Cash

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

<i>(\$ millions)</i>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Cash and cash equivalents – Investing segment <sup>(i)</sup>	\$ –	\$ 357
Cash and cash equivalents within Investment Holding Companies <sup>(ii)</sup>	253	228
Treasury investments	–	290
Treasury investments within Investment Holding Companies	271	310
Management fees and recoverable fund expenses receivable <sup>(iii)</sup>	460	308
Subscription financing receivable <sup>(iv)</sup>	69	130
<b>Cash and near-cash</b>	<b>\$ 1,053</b>	<b>\$ 1,623</b>

- (i) Excludes cash and cash equivalents allocated to the asset management segment related to accrued incentive compensation (\$122 million (December 31, 2021 – \$147 million)) and contingent consideration related to the acquisition of Onex Falcon (\$57 million (December 31, 2021 – \$43 million)).
- (ii) Includes restricted cash and cash equivalents of \$2 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 \$27 million.
- (iii) Includes management fees and recoverable fund expenses receivable from certain Funds which Onex has elected to defer cash receipt from, less amounts allocated to the asset management segment related to accrued incentive compensation and contingent consideration related to the acquisition of Falcon Investment Advisors.
- (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 December 31, 2022.

<i>(\$ millions)</i>		
Cash and near-cash at December 31, 2021	\$	1,623
Private equity realizations		393
Private equity investments		(520)
Net private credit strategies investment activity		64
Onex share repurchases, options exercised, DSUs exercised and dividends		(404)
Net other, including capital expenditures, operating costs and changes in working capital		(103)
<b>Cash and near-cash at December 31, 2022</b>	<b>\$</b>	<b>1,053</b>