



## Q3 2024 Interim Report

# MANAGEMENT'S DISCUSSION AND ANALYSIS

Throughout this interim MD&A, all amounts are in U.S. dollars unless otherwise indicated.

This interim Management's Discussion and Analysis ("MD&A") provides a review of Onex Corporation's ("Onex") unaudited interim consolidated financial results for the three and nine months ended September 30, 2024 and assesses factors that may affect future results. The financial condition and results of operations are analyzed noting the significant factors that impacted the unaudited interim consolidated statements of earnings, unaudited interim consolidated balance sheets, unaudited interim consolidated statements of equity and unaudited interim consolidated statements of cash flows of Onex. As such, this interim MD&A should be read in conjunction with the unaudited interim consolidated financial statements and notes thereto included in this report. The financial results have been prepared using accounting policies that are consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") to provide information about Onex and should not be considered as providing sufficient information to make an investment or lending decision regarding any Onex operating business, private equity fund, credit strategy or other investments.

The following interim MD&A is the responsibility of management and is as of November 7, 2024. Preparation of the interim MD&A includes a review of the disclosures by senior management of Onex and the Onex Disclosure Committee. The Board of Directors carries out its responsibility for the review of this disclosure through its Audit, Nominating and Governance Committee, composed exclusively of independent directors. The Audit, Nominating and Governance Committee has reviewed and recommended approval of this interim MD&A by the Board of Directors. The Board of Directors approved this disclosure.

Onex' financial filings, including the 2024 Third Quarter Interim MD&A and Financial Statements, and the 2023 Annual Report, Annual Information Form and Management Information Circular, are available on Onex' website, [www.onex.com](http://www.onex.com), and on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

## **Forward-Looking/Safe Harbour Statements**

This interim MD&A 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 interim MD&A.

## **Non-GAAP Financial Measures and Ratios**

This interim MD&A contains non-GAAP financial measures and ratios which have been calculated using methodologies that are not in accordance with IFRS Accounting Standards. The presentation of financial measures and ratios in this manner does not have a standardized meaning prescribed under IFRS Accounting Standards and therefore may not be comparable to similar financial measures or ratios presented by other companies. Onex management believes that these financial measures and ratios provide useful information to investors.

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## COMPANY OVERVIEW

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 became a public company in 1987 and is listed on the Toronto Stock Exchange under the symbol ONEX.

Onex' two primary businesses are Private Equity and Credit. In Private Equity, we raise funds from third-party investors 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, liquid 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, family offices and high net worth individuals.

Onex has \$50.0 billion in assets under management ("AUM")<sup>(1)</sup>, of which \$34.1 billion is fee-generating<sup>(1)</sup> and \$8.5 billion is Onex' own investing capital (\$113.37 or C\$153.04 per fully diluted share). We generate value for our shareholders through two segments: Investing and Asset Management. Our Investing segment includes gains on our invested capital. Our Asset Management segment generates revenues from the recurring fees clients pay us to manage their capital and includes carried interest from our private equity and private credit funds.

### Our Team and Commitment

Onex is led by the firm's CEO, Bobby Le Blanc, as well as experienced leaders at each of our businesses. We have approximately 130 investment professionals across all platforms, supported by approximately 180 professionals dedicated to our corporate functions and investment platforms. Consistent with our One Onex approach, the teams share and leverage sector expertise, and sourcing and origination of opportunities across all business lines.

Our culture is guided by our strong commitment to accountability, intellectual honesty and respect for all our partners and stakeholders. Onex was formed on principles of entrepreneurialism and responsible investing and our team is united in recognizing the value of collaboration, diversity of perspective and background, and an inclusive environment. Our team is a critical factor in our success, and attracting and retaining the best people and strongest investors are an important competitive advantage.

Also crucial to our long-term success is the alignment of interests between the Onex management team, shareholders and our limited partners. Members of our management team have a significant long-term ownership in Onex shares and invest meaningfully in our funds. We believe this alignment creates stronger relationships with both our limited partners and shareholders.

(1) Refer to the glossary in this interim MD&A for further details concerning the composition of AUM and fee-generating AUM.

## PRIVATE EQUITY

Onex has \$25.8 billion of private equity assets under management, of which \$12.2 billion is fee-generating and \$5.9 billion is Onex' own investing capital.

Investments in private equity are primarily made through Onex' two main platforms: Onex Partners for upper-middle market and larger transactions and ONCAP for middle-market and smaller transactions. Onex' private equity funds acquire and build high-quality businesses in partnership with talented management teams and focus on execution theses rather than macroeconomic or industry trends. Each platform follows a disciplined investment process with vertical specialization where the team has considerable industry expertise, a long track record of success and a strong network of relationships. This in turn enables the teams to take a targeted approach with investment opportunities, creates a competitive informational advantage and helps shape their go-to-market strategy.

Onex has raised nine private equity funds to date and is currently fundraising for ONCAP V and Onex Partners Opportunities Fund. ONCAP V has raised aggregate commitments of approximately \$1.0 billion, including Onex' commitment of \$250 million. Onex Partners Opportunities Fund has raised aggregate commitments approaching \$1.2 billion, including pending co-investment commitments and Onex' commitment of \$400 million. Since inception, Onex has generated a Gross MOC<sup>(1)</sup> of 2.5 times and a 27% Gross IRR<sup>(1)</sup> on its publicly traded, realized and substantially realized private equity investments. For more information on the historical performance of Onex' private equity funds, please refer to Onex' Q3 2024 supplemental information package on Onex' website, [www.onex.com](http://www.onex.com).

Onex earns management fees from limited partners during the fee period of each fund. During the initial fee period, Onex is entitled to a management fee based on limited partners' committed capital. Once a fund is either fully invested or a successor fund starts calling fees, Onex is entitled to a management fee based on limited partners' net funded commitments. These fees are included as revenue in our asset management segment. At September 30, 2024, the run-rate management fees<sup>(1)</sup> from our private equity business were \$89 million.

Onex is entitled to receive carried interest based on the performance of each private equity fund. Carried interest in Onex' private equity funds is typically calculated as 20% of the realized net gains of the limited partners in each fund, provided the limited partners have achieved a minimum 8% net IRR on their investment. Onex is entitled to 40% of the carried interest realized from limited partners in its private equity funds, while Onex Partners and ONCAP management are entitled to the remaining 60%. Onex' share of realized carried interest is included in the distributable earnings of our asset management segment. Currently, we have \$12.2 billion of private equity assets under management eligible for carried interest. As at September 30, 2024, Onex' share of unrealized carried interest from private equity totalled \$253 million. The amount of carried interest ultimately received by Onex is based on realizations, the timing of which can vary significantly from year to year.

(1) Refer to the glossary in this interim MD&A for further details concerning the composition of Gross MOC, Gross IRR and run-rate management fees.

Onex is one of the largest investors in each of its private equity funds and, therefore, Onex shareholders also benefit from investing gains. Mark-to-market gains (losses) on corporate investments are recognized within Onex' investing segment results, whereas realized gains (losses) on investments, since inception, are included in distributable earnings.

## **CREDIT**

Our Credit business includes a broad spectrum of private credit, liquid credit and public equity investing strategies that are managed by the Onex Credit team. Credit has \$23.4 billion in assets under management, of which \$22.0 billion is fee-generating and \$905 million is Onex' own investing capital. The Onex Credit team has a successful track record of executing a disciplined approach to investing with a focus on capital preservation and strong risk-adjusted returns through cycles. The platform practises value-oriented investing, employing a rigorous bottom-up, fundamental and structural analysis of the underlying borrowers, coupled with active portfolio management, to continually seek to optimize portfolio positioning. Credit's sourcing capabilities and data intelligence help to better inform investment decisions and dynamically manage portfolios in varying market conditions.

Onex earns management fees on its Credit strategies, with the fee varying depending on the strategy. As at September 30, 2024, the run-rate management fees from our Credit business were \$98 million. Onex is also entitled to earn performance fees on approximately \$1.1 billion of Credit assets under management. Performance fees range between 12.5% and 20% of net gains and may be subject to performance hurdles. Onex receives 50% of the realized performance fees while the Onex Credit management team is allocated the remaining 50%.

Credit has \$19.2 billion of assets under management eligible for carried interest, including \$18.4 billion from CLOs. Onex receives 40% of the carried interest realized, while the Onex Credit management team is allocated the remaining 60%. Carried interest from our Credit strategies ranges between 15% and 20% of net realized gains, is generally subject to a hurdle or minimum preferred return to investors and is generally realized near the final realizations for each fund. As at September 30, 2024, Onex' share of unrealized carried interest from Credit totalled \$17 million.

## FINANCIAL RESULTS

				Return for the period ended September 30, 2024 <sup>(vi)</sup>	
<i>(Unaudited)</i> <i>(\$ millions except per share amounts)</i>	September 30, 2024	December 31, 2023	September 30, 2023	Nine Months	Twelve Months
Investing capital (U.S. dollars)	\$ 8,473	\$ 8,433	\$ 8,074		
Investing capital per fully diluted share (U.S. dollars) <sup>(viii)</sup>	\$ 113.37	\$ 107.82	\$ 103.19	5%	9%
Investing capital per fully diluted share (Canadian dollars) <sup>(vii)</sup>	\$ 153.04	\$ 142.61	\$ 139.51	8%	9%

(vii) Refer to the glossary in this interim MD&A for further details concerning the composition of investing capital per fully diluted share.

## INVESTING SEGMENT RESULTS

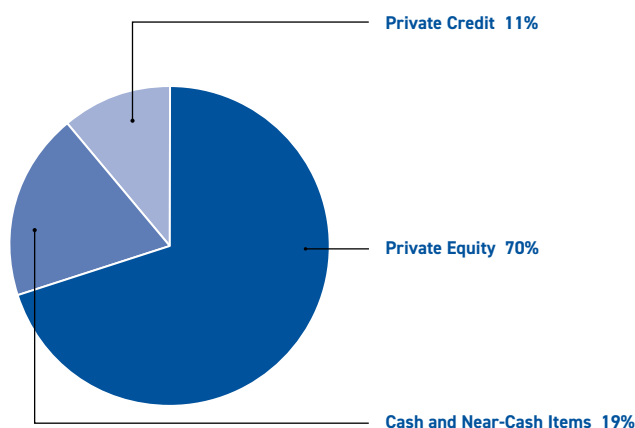
During the three months ended September 30, 2024, Onex' investing segment generated net earnings of \$121 million (\$1.58 per fully diluted share) (2023 – \$245 million (\$3.10 per fully diluted share)), which were primarily driven by a \$96 million net gain from private equity (2023 – \$190 million) and a \$29 million net gain from private credit strategies (2023 – \$44 million), as described on pages 23 and 24 of this interim MD&A.

During the nine months ended September 30, 2024, Onex' investing segment generated net earnings of \$315 million (\$4.05 per fully diluted share) (2023 – \$489 million (\$6.06 per fully diluted share)), which were primarily driven by a \$247 million net gain from private equity (2023 – \$370 million) and a \$60 million net gain from private credit strategies (2023 – \$99 million), as described on pages 23 and 24 of this interim MD&A.

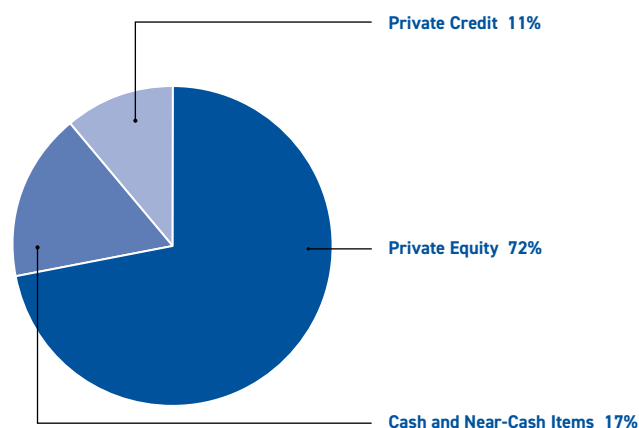
Onex' investing results contributed to its investing capital of \$8.5 billion at September 30, 2024 (December 31, 2023 – \$8.4 billion), which was \$113.37 or C\$153.04 per fully diluted share (December 31, 2023 – \$107.82 or C\$142.61), a return of 5%<sup>(1)</sup> and 9%<sup>(1)</sup> for the nine and twelve months ended September 30, 2024, respectively. During the five years ended September 30, 2024, Onex' investing capital per fully diluted share had a compound annual return of 14%.

At September 30, 2024, Onex' investing capital was primarily invested in or committed to its private equity and private credit platforms.

Onex' Investment Allocation at September 30, 2024



Onex' Investment Allocation at December 31, 2023



(1) The percentage changes for the periods are adjusted to exclude the impact of capital deployed in the asset management segment, where applicable, and dividends paid.



### Private Equity – Capital Deployment, Realizations and Distributions

The table below presents the private equity investments made, and realizations and distributions received, by Onex during the nine months ended September 30, 2024.

<i>(Unaudited) (\$ millions)</i>			
<b>Fund</b>	<b>Investments</b>	<b>Realizations and Distributions</b>	<b>Net Investments (Realizations and Distributions)</b>
Onex Partners IV	\$ –	\$ 271	\$ 271
ONCAP II	–	123	123
ONCAP IV	(13)	43	30
Onex Partners III	–	28	28
Onex Partners V	(140)	64	(76)
ONCAP V	(31)	27	(4)
Other	(39)	22	(17)
Total	\$ (223)	\$ 578	\$ 355

The following significant private equity investments, realizations and distributions occurred during the nine months ended September 30, 2024:

- \$25 million received in connection with a distribution made by Sedgwick Claims Management Services (“Sedgwick”) to the Onex Partners III Group;
- \$279 million received as part of the Onex Partners IV Group’s sale of ASM Global, including \$8 million of estimated proceeds held in escrow;
- \$97 million invested in June 2024 as part of the Onex Partners V Group’s investment in Accredited, a specialty insurance company operating in North America and Europe that provides underwriting capacity to Managing General Agents with support from the global reinsurance market. During the three months ended September 30, 2024, the Onex Partners V Group syndicated a portion of its investment in Accredited to a third-party co-investor. As a result of this transaction, Onex’ investment in Accredited was reduced by \$4 million;
- \$47 million invested as part of the Onex Partners V Group’s investment in Morson Group, a leading engineering and technical staffing and workforce solutions business based in the United Kingdom;
- \$18 million received in connection with a dividend paid by Fidelity Building Services Group (“Fidelity BSG”) to the Onex Partners V Group;
- \$15 million received in connection with a dividend paid by Tes Global to the Onex Partners V Group;
- \$28 million received in connection with a distribution made by PURE Canadian Gaming to the ONCAP II and III Groups, including carried interest;
- \$99 million received in connection with the ONCAP II Group’s sale of its investment in Englobe, including carried interest and \$2 million of estimated proceeds held in escrow;
- the ONCAP IV Group sold its investment in Wyse Meter Solutions (“Wyse”) to a single-asset continuation fund managed by ONCAP. Onex’ share of the proceeds from this transaction was \$45 million, including carried interest. Onex reinvested \$8 million of proceeds into the continuation fund and net proceeds of current ONCAP management were also reinvested into the continuation fund. ONCAP will manage the continuation fund, which has an initial term of five years, in exchange for recurring management fees and a carried interest opportunity; and
- \$21 million received following the syndication of the co-investment in Biomerics. Onex’ share of the investment in Biomerics will be further reduced as additional capital is raised by ONCAP V.

In October 2024, the Onex Partners IV Group sold approximately 34.3 million common shares of PowerSchool Group ("PowerSchool"), approximately half of the Group's interest in the company, in connection with a transaction that resulted in PowerSchool becoming a private entity. Onex' share of the net proceeds from this transaction was \$254 million.

In October 2024, the Onex Partners Opportunities Group acquired Fischbach KG ("Fischbach"), a leading provider of cartridge packaging solutions for sealants and adhesives used in building repair, renovation and construction, aftermarket automotive, marine weather and water-sealing applications and aerospace bonding applications. Onex' share of the investment in Fischbach was \$87 million. Onex' share of the investment in Fischbach will be further reduced as additional capital is raised by the Onex Partners Opportunities Group.

In October 2024, Onex received \$62 million in connection with the Onex Partners III Group's partial sale of its investment in Sedgwick.

In August 2024, the Onex Partners Opportunities Group entered into an agreement to acquire Farsound, a leading global supply chain solutions provider for the aerospace engine maintenance, repair and overhaul market. The transaction is expected to close in the fourth quarter of 2024, subject to customary closing conditions and regulatory approvals. Onex currently expects that its share of the investment in Farsound, as a limited partner of the Onex Partners Opportunities Fund, will be approximately \$100 million. Onex' share of the investment in Farsound will be further reduced as additional capital is raised by the Onex Partners Opportunities Group.

During the three and nine months ended September 30, 2024, Onex' private equity investments generated net realized gains of \$221 million and \$265 million, respectively, from distributions and realizations, which are included in Onex' distributable earnings, as presented on page 14 of this interim MD&A.

### **Private Equity – Investment Performance**

During the three and nine months ended September 30, 2024, Onex' investing segment recognized net gains from private equity investments of \$96 million and \$247 million, respectively. Included in Onex' net gains on corporate investments during the three and nine months ended September 30, 2024 are foreign exchange mark-to-market gains of \$30 million and \$5 million, respectively, in respect of private equity investments denominated in a currency other than the U.S. dollar. At September 30, 2024, Onex' private equity investments denominated in Canadian dollars and pounds sterling totalled approximately \$540 million (C\$725 million) and \$430 million (£320 million), respectively.

The operating businesses in Onex' private equity platforms operate across a range of countries and industry segments, providing beneficial diversification. Refer to pages 31 and 32 of this interim MD&A for further details.

The following table presents the recent gross performance of Onex' private equity investments:

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
<i>(Unaudited)</i>				
Gross performance of Onex' private equity investments in U.S. dollars <sup>(i)(iii)</sup> :				
Onex Partners and co-investments	1 %	3%	2%	4%
ONCAP and co-investments	(1)%	2%	6%	10%
Direct investments	9 %	17%	33%	29%
Total private equity investments	2 %	4%	5%	7%

(i) The gross performance of Onex' private equity investments represents Onex' share of investments and co-investments in each investment platform, where applicable, and as a result the performance may differ from the gross performance for the investment platforms including all investors and excluding co-investments, where applicable. The gross performance of Onex' private equity investments is a non-GAAP ratio calculated using methodologies that are not in accordance with IFRS Accounting Standards. The presentation of these ratios does not have a standardized meaning prescribed under IFRS Accounting Standards and therefore may not be comparable to similar financial measures presented by other companies. The net gains (losses) used to calculate the gross performance of Onex' private equity investments are gross of management incentive programs. Onex management believes that the gross performance of Onex' private equity investments provides useful information to investors in assessing the performance of Onex' investment in private equity strategies. During the three and nine months ended September 30, 2024, Onex recognized a net gain on corporate investments of \$138 million and \$350 million, respectively (2023 – \$264 million and \$437 million, respectively).

(iii) Adjusted for capital deployed, realizations and distributions.

### Credit – Capital Deployment, Realizations and Distributions

Within Credit, Onex invests primarily in private credit strategies. During the nine months ended September 30, 2024, Onex generated net realizations and distributions of \$76 million from Credit investments, as outlined in the following table:

<i>(Unaudited)</i> (\$ millions)	Net Realizations and Distributions (Investments)
<b>Strategy</b>	
<b>Structured Credit Strategies</b>	
U.S. CLOs	\$ 42
EURO CLOs	47
CLO warehouses	(46)
Other structured strategies	4
<b>Opportunistic Credit Strategies</b>	(32)
<b>Liquid Strategies</b>	24
<b>Direct Lending</b>	37
<b>Total net realizations and distributions from Credit Strategies</b>	<b>\$ 76</b>

During the nine months ended September 30, 2024, Onex' net investments in CLOs decreased \$89 million primarily as a result of regular quarterly distributions totalling \$81 million and the partial sale of equity interests in certain U.S. and European CLOs for \$117 million, partially offset by \$95 million invested in six new U.S. and two new European CLOs raised by Onex Credit.

During the nine months ended September 30, 2024, the net increase in Onex' investments in CLO warehouses was driven by the investments made to support the warehouse facilities for potential future Onex Credit U.S. and European CLOs.

During the nine months ended September 30, 2024, the net investments in Opportunistic Credit Strategies increased by \$32 million, primarily as a result of \$39 million invested in the Onex Capital Solutions Fund.

During the nine months ended September 30, 2024, the net investments in Direct Lending decreased by \$37 million, primarily as a result of \$32 million of distributions received from Onex Credit Lending Partners ("OCLP I").

During the three and nine months ended September 30, 2024, Onex' investments in Credit strategies generated \$27 million and \$84 million of net realized gains, respectively, from distributions and realizations, which are included in Onex' distributable earnings, as presented on page 14 of this interim MD&A.

### **Credit – Investment Performance**

During the three and nine months ended September 30, 2024, Onex had net gains of \$29 million and \$60 million, respectively, on its Credit investments, representing a return of 3%<sup>(1)</sup> and 7%<sup>(1)</sup>, respectively. These net gains were primarily driven by fair value increases in Onex' structured credit strategies, which was consistent with the performance of the leveraged loan market.

### **ASSET MANAGEMENT SEGMENT RESULTS**

For the three months ended September 30, 2024, Onex' asset management segment generated net earnings of \$22 million compared to \$38 million during the same period in 2023. The decline in asset management segment net earnings was primarily driven by a decrease in management fees and carried interest, partially offset by lower expenses from restructuring initiatives, as described on pages 25 and 26 of this interim MD&A.

For the nine months ended September 30, 2024, Onex' asset management segment generated net earnings of \$3 million compared to a loss of \$44 million during the same period in 2023. The improvement in asset management segment net earnings was primarily driven by an increase in carried interest and lower expenses from restructuring initiatives, partially offset by a decrease in management and advisory fees, as described on pages 25 and 26 of this interim MD&A.

(1) Adjusted for capital deployed, realizations and distributions.

## Assets Under Management

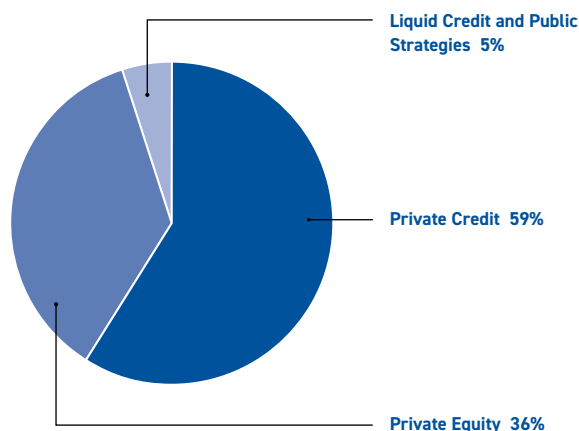
At September 30, 2024, Onex managed \$41.4 billion (December 31, 2023 – \$41.0 billion) of invested and committed capital on behalf of institutional investors and private clients from around the world, including FGAUM of \$34.1 billion (December 31, 2023 – \$33.7 billion). Assets under management by business line included the following:

Assets Under Management <sup>(i)(ii)</sup>						
(Unaudited) (\$ millions)	Fee-Generating		Change in Total	Subject to Carried Interest or Performance Fees		Change in Total
	September 30, 2024	December 31, 2023		September 30, 2024	December 31, 2023	
Credit	\$ 21,952	\$ 22,344	(2)%	\$ 20,353	\$ 18,780	8%
Private Equity	12,179	11,393	7 %	12,179	11,393	7%
Total	\$ 34,131	\$ 33,737	1 %	\$ 32,532	\$ 30,173	8%

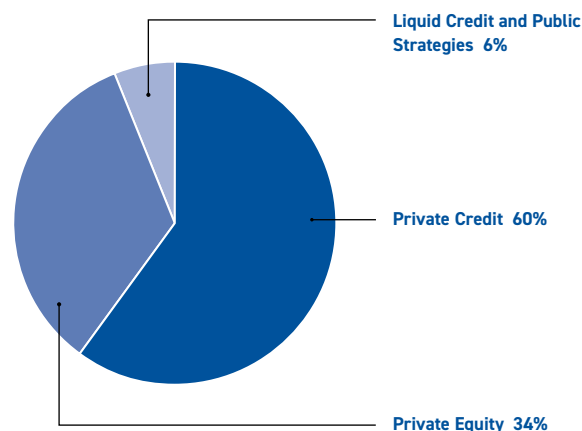
(i) Assets under management include co-investments and capital invested by the Onex management team, as applicable. Fee-generating assets under management and assets under management subject to carried interest or performance fees exclude capital from Onex. Refer to the glossary in this interim MD&A for further details concerning the composition of assets under management.

(ii) Assets under management for strategies denominated in currencies other than the U.S. dollar have been converted to U.S. dollars using the exchange rates on September 30, 2024 and December 31, 2023, respectively.

### Onex' \$34.1 billion of FGAUM at September 30, 2024



### Onex' \$33.7 billion of FGAUM at December 31, 2023



FGAUM in Private Equity increased by 7% during the nine months ended September 30, 2024, driven by commitments made to the Onex Partners Opportunities Fund and ONCAP V as well as net gains on existing private equity investments, partially offset by realizations and distributions, as described on pages 8 and 9 of this interim MD&A. FGAUM from Credit decreased by 2% during the nine months ended September 30, 2024, primarily driven by the transfer of Onex Falcon, as described on page 19 of this interim MD&A, partially offset by new capital raised from six U.S. and two European CLOs.

Onex' FGAUM at September 30, 2024 includes \$31.2 billion from institutional investors (December 31, 2023 – \$30.5 billion) and \$2.9 billion from private clients (December 31, 2023 – \$3.2 billion). Run-rate management fees from Onex' FGAUM at September 30, 2024 were \$187 million, consisting of \$89 million from Private Equity and \$98 million from Credit.

### Fee-Related Earnings (Loss)

Onex' fee-related earnings for the three and nine months ended September 30, 2024 were less than \$1 million and a loss of \$20 million, respectively (2023 – earnings of \$8 million and a loss of \$12 million, respectively). Onex' asset management fee-related earnings for the three and nine months ended September 30, 2024 were \$6 million and less than \$1 million, respectively (2023 – \$13 million and \$9 million, respectively).

	Three Months Ended		Nine Months Ended	
(Unaudited) (\$ millions)	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
<b>Private Equity</b>				
Management and advisory fees	\$ 24	\$ 31	\$ 68	\$ 86
Total fee-related revenues from Private Equity	\$ 24	\$ 31	\$ 68	\$ 86
Compensation expense	(16)	(18)	(59)	(61)
Support and other net expenses	(10)	(7)	(30)	(29)
<b>Net contribution</b>	<b>\$ (2)</b>	<b>\$ 6</b>	<b>\$ (21)</b>	<b>\$ (4)</b>
<b>Credit</b>				
Management and advisory fees	\$ 25	\$ 34	\$ 82	\$ 109
Performance fees	1	1	7	9
Other income	1	1	2	2
Total fee-related revenues from Credit	\$ 27	\$ 36	\$ 91	\$ 120
Compensation expense	(10)	(16)	(35)	(56)
Support and other net expenses	(9)	(13)	(35)	(51)
<b>Net contribution</b>	<b>\$ 8</b>	<b>\$ 7</b>	<b>\$ 21</b>	<b>\$ 13</b>
<b>Asset management fee-related earnings</b>	<b>\$ 6</b>	<b>\$ 13</b>	<b>\$ –</b>	<b>\$ 9</b>
<b>Public Company and Onex Capital Investing</b>				
Compensation expense	\$ (4)	\$ (3)	\$ (10)	\$ (10)
Other net expenses	(2)	(2)	(10)	(11)
<b>Total expenses</b>	<b>\$ (6)</b>	<b>\$ (5)</b>	<b>\$ (20)</b>	<b>\$ (21)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ –</b>	<b>\$ 8</b>	<b>\$ (20)</b>	<b>\$ (12)</b>

The decrease in fee-related earnings during the three months ended September 30, 2024 compared to the same period in 2023 was primarily driven by the end of the initial fee period for Onex Partners V in the fourth quarter of 2023 and a decrease in management fees due to private client redemptions from liquid credit and public equity strategies as a result of the wind-down of the Company's wealth management business. These decreases in management fees were partially offset by lower compensation expenses and operating costs from restructuring initiatives within the Onex Partners platform, Onex' corporate/support functions and the wind-down of the Company's wealth management business.

The decrease in fee-related earnings during the nine months ended September 30, 2024 compared to the same period in 2023 was primarily driven by the same factors outlined in the previous paragraph, partially offset by increased management fees during 2024 from new CLOs, ONCAP V and the Ryan, LLC continuation fund, which began accruing management fees in the second and third quarters of 2023, respectively.

### Distributable Earnings

During the three and nine months ended September 30, 2024, Onex generated distributable earnings of \$267 million and \$386 million, respectively (2023 – \$223 million and \$658 million, respectively).

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
<i>(Unaudited) (\$ millions)</i>				
<b>Fee-related earnings (loss)</b>	<b>\$ –</b>	<b>\$ 8</b>	<b>\$ (20)</b>	<b>\$ (12)</b>
Realized carried interest <sup>(i)</sup>	<b>10</b>	1	<b>17</b>	9
Net realized gain on corporate investments	<b>257</b>	214	<b>389</b>	661
<b>Distributable earnings</b>	<b>\$ 267</b>	<b>\$ 223</b>	<b>\$ 386</b>	<b>\$ 658</b>

(i) Includes realized carried interest from the Falcon Funds, when applicable.

Distributable earnings during the three and nine months ended September 30, 2024 were primarily driven by the sales of ASM Global and Englobe (refer to page 8 of this interim MD&A) and CLO distributions (refer to page 10 of this interim MD&A). The sale of Wyse to a single-asset continuation fund managed by ONCAP (refer to page 8 of this interim MD&A) also contributed to distributable earnings during the nine months ended September 30, 2024.

*Carried Interest*

At September 30, 2024, unrealized carried interest from funds managed by Onex totalled \$270 million (December 31, 2023 – \$264 million) and AUM subject to carried interest totalled \$31.4 billion (December 31, 2023 – \$29.3 billion).

Unrealized Carried Interest <sup>(i)</sup>				
(Unaudited) (\$ millions)	As at December 31, 2023	Realizations and Distributions	Change in Fair Value	As at September 30, 2024
Onex Partners Funds <sup>(iii)</sup>	\$ 211	\$ -	\$ 14	\$ 225
ONCAP Funds <sup>(iii)</sup>	41	(14)	1	28
Private Credit Funds <sup>(iii)</sup>	12	-	5	17
Total	\$ 264	\$ (14)	\$ 20	\$ 270

(i) The actual amount of carried interest earned by Onex will depend on the ultimate performance of each underlying fund.

(ii) Includes unrealized carried interest from the continuation funds managed by Onex Partners and ONCAP.

(iii) The December 31, 2023 balance of unrealized carried interest from the Private Credit Funds has been adjusted to remove \$17 million of unrealized carried interest from the Falcon Funds.

Fee-related earnings (loss) and distributable earnings are non-GAAP financial measures, as discussed on page 6 of this interim MD&A. The following tables include reconciliations of Onex' net earnings to fee-related earnings (loss) and distributable earnings during the three and nine months ended September 30, 2024 and 2023:

(Unaudited) (\$ millions)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
<b>Net earnings</b>	<b>\$ 127</b>	<b>\$ 256</b>
Stock-based compensation expense	7	14
Amortization of property, equipment and intangible assets, excluding right-of-use assets	2	5
Restructuring expenses, net	3	5
Unrealized carried interest included in segment net earnings – Credit	2	5
Unrealized performance fees included in segment net earnings	1	-
Integration expenses	-	3
Net impairment reversal of property and equipment	-	(7)
Other net expenses	1	2
<b>Total segment net earnings</b>	<b>143</b>	<b>283</b>
Net unrealized increase in carried interest <sup>(i)</sup>	(12)	(29)
Net unrealized loss (gain) on corporate investments	136	(31)
<b>Distributable earnings</b>	<b>267</b>	<b>223</b>
Less: Realized carried interest <sup>(i)</sup>	(10)	(1)
Less: Net realized gain on corporate investments	(257)	(214)
<b>Total fee-related earnings</b>	<b>\$ -</b>	<b>\$ 8</b>

(i) Includes carried interest Onex is entitled to from the Falcon Funds.



<i>(Unaudited) (\$ millions)</i>	<b>Nine Months Ended September 30, 2024</b>	Nine Months Ended September 30, 2023
<b>Net earnings</b>	<b>\$ 305</b>	\$ 156
Provision for income taxes	1	3
Earnings before income taxes	<b>\$ 306</b>	\$ 159
Stock-based compensation expense	3	42
Amortization of property, equipment and intangible assets, excluding right-of-use assets	12	20
Restructuring expenses, net	11	40
Carried interest from Falcon Funds previously recognized in segment net earnings	(25)	–
Unrealized carried interest included in segment net earnings – Credit	5	11
Unrealized performance fees included in segment net earnings	5	5
Integration expenses	–	3
Net impairment of goodwill, intangible assets and property and equipment	–	164
Other net expenses	1	1
<b>Total segment net earnings</b>	<b>318</b>	445
Net unrealized decrease (increase) in carried interest <sup>(i)</sup>	(12)	41
Net unrealized loss on corporate investments	80	172
<b>Distributable earnings</b>	<b>386</b>	658
Less: Realized carried interest <sup>(i)</sup>	(17)	(9)
Less: Net realized gain on corporate investments	(389)	(661)
<b>Total fee-related earnings (loss)</b>	<b>\$ (20)</b>	\$ (12)

(i) Includes carried interest Onex is entitled to from the Falcon Funds.

## LIQUIDITY

At September 30, 2024, Onex' cash and near-cash balance was \$1.6 billion<sup>(1)</sup> or 19% of Onex' investing capital (December 31, 2023 – \$1.5 billion or 17%) and Onex' consolidated cash and cash equivalents balance was \$275 million (December 31, 2023 – \$265 million). Today, Onex' cash and near-cash balance is approximately \$1.8 billion. The increase in cash and near-cash since September 30, 2024 was primarily driven by private equity transactions. Refer to page 28 of this interim MD&A for further details concerning the changes in cash and near-cash since December 31, 2023.

(1) Cash and near-cash is a non-GAAP financial measure calculated using methodologies that are not in accordance with IFRS Accounting Standards. The presentation of this measure does not have a standardized meaning prescribed under IFRS Accounting Standards and therefore may not be comparable to similar financial measures presented by other companies. Onex management believes that cash and near-cash provides useful information to investors to assess how the Company manages its capital. Refer to page 27 of this interim MD&A for further details concerning cash and near-cash items.

## FINANCIAL REVIEW

This section discusses the significant changes in Onex' unaudited interim consolidated statements of earnings for the three and nine months ended September 30, 2024 compared to the same periods in 2023, the unaudited interim consolidated statements of cash flows for the nine months ended September 30, 2024 compared to the same period in 2023, and compares Onex' financial condition at September 30, 2024 to that at December 31, 2023.

In simple terms, Onex is an investor and asset manager. **Investments** and **investing activity** refer to the investment of Onex' capital primarily in its private equity funds, private credit strategies and certain investments held outside the private equity funds and private credit strategies. These investments are held directly or indirectly through wholly-owned subsidiaries of Onex, which are referred to as **Investment Holding Companies**. While there are a number of Investment Holding Companies, these companies primarily consist of direct or indirect subsidiaries of Onex Private Equity Holdings LLC, Onex CLO Holdings LLC or Onex Credit Holdings LLC. These three companies, which are referred to as the **Primary Investment Holding Companies**, are the holding companies for the majority of Onex' investments, excluding intercompany loans receivable from Onex and the Asset Managers. The Primary Investment Holding Companies were formed in the United States.

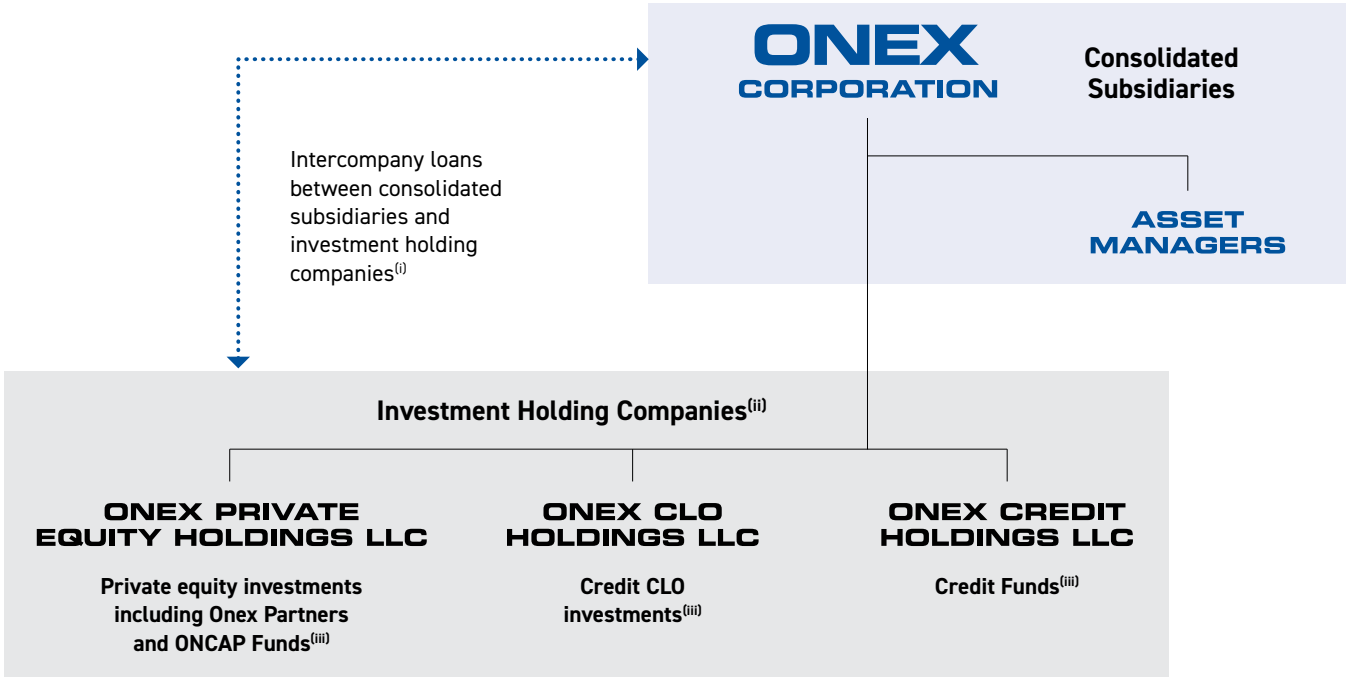
**Asset management** refers to the activity of managing capital in Onex' private equity funds, private credit strategies and liquid strategies. This activity is conducted through wholly-owned subsidiaries of Onex, which are the managers of the Onex Partners Funds, ONCAP Funds and Credit strategies. These subsidiaries are referred to as Onex' **Asset Managers** and are consolidated by Onex. The **Credit** platform includes a broad spectrum of private credit, liquid credit and public equity strategies that are managed by the Onex Credit team.

Users of the unaudited interim consolidated financial statements may note detailed line-item disclosures relating to **intercompany loans**. IFRS Accounting Standards require specific disclosures and presentation of intercompany loans between Onex and the Asset Managers, and the Investment Holding Companies. Specifically, IFRS Accounting Standards require that:

- intercompany loans payable by Onex and the Asset Managers to the Investment Holding Companies are recognized as liabilities in Onex' unaudited interim consolidated balance sheets. A corresponding and offsetting amount is recognized within corporate investments in Onex' unaudited interim consolidated balance sheets, representing the related loans receivable from Onex and the Asset Managers; and
- intercompany loans payable by Investment Holding Companies to Onex and the Asset Managers are part of the fair value measurement of Onex' corporate investments in the unaudited interim consolidated balance sheets, which reduces the fair value of Onex' corporate investments. Onex classifies the corresponding loans receivable from Investment Holding Companies within corporate investments in its unaudited interim consolidated balance sheets, which increases the fair value of Onex' corporate investments by the same amount as the related loans payable.

There is no impact to net assets or net earnings from these intercompany loans in Onex' unaudited interim consolidated financial statements.

The simplified diagram below illustrates the types of subsidiaries included within Onex’ corporate structure and the basis on which they are accounted.



- (i) Onex Corporation and the consolidated asset management subsidiaries enter into intercompany loans that, in aggregate, have no net effect on Onex’ financial position. Intercompany loans payable by Onex and the consolidated subsidiaries to the Investment Holding Companies are recognized as liabilities in the unaudited interim consolidated balance sheets, with the corresponding loans receivable classified as assets within corporate investments in the unaudited interim consolidated balance sheets.
- (ii) Onex’ investments in the Investment Holding Companies are recorded as corporate investments at fair value through net earnings (loss).
- (iii) Onex’ investments in private equity and Credit strategies are typically held directly or indirectly through wholly-owned investment holding companies, which are subsidiaries of the Primary Investment Holding Companies.

## CONSOLIDATED OPERATING RESULTS

This section should be read in conjunction with Onex' unaudited interim consolidated statements of earnings for the three and nine months ended September 30, 2024 and 2023, the corresponding notes thereto and the December 31, 2023 audited annual consolidated financial statements.

## VARIABILITY OF RESULTS

Onex' consolidated operating results may vary substantially from quarter to quarter and year to year for a number of reasons. Those reasons may be significant with respect to (i) Onex' asset management activities and the fees and carried interest associated therewith; (ii) the aggregate fair value of Onex' investments in and related to the private equity funds, including the underlying private equity operating businesses, and Credit strategies, as the result of not only changes in specific underlying values but also new investments or realizations by those funds; or (iii) Onex' cash position or the amount and value of its treasury investments. More broadly, Onex' results may be materially affected by such factors as changes in the economic or political environment, the occurrence of natural disasters, incidents of war, riot or civil unrest, pandemics or outbreaks of new infectious diseases or viruses, foreign exchange rates, interest rates, the value of stock-based compensation, and tax and trade legislation or its application, for example. Given the diversity of Onex' asset management businesses, private credit investments and the Onex Partners and ONCAP Funds' operating businesses, the exposures, risks and contingencies that could impact Onex' investments may be many, varied and material. Certain of those matters are discussed under the heading "Risk Factors" in Onex' 2023 Annual Information Form.

In addition, the fair values of Onex' underlying investments in private credit strategies are impacted by the CLO market, leveraged loan market and credit risk (both own and counterparty), which may vary substantially from quarter to quarter and year to year.

## ONEX FALCON

In June 2024, Onex transferred 80% of its interest in Onex Falcon to certain members of the Onex Falcon management team and retained a 20% economic interest in the Onex Falcon asset manager. Onex received the following in exchange for its 80% economic interest in Onex Falcon's junior capital asset management business:

- an increased carried interest entitlement from Falcon Fund VI to approximately 25%;
- a 30% carried interest entitlement from Falcon Fund VII was retained;
- a 20% carried interest entitlement from Falcon Fund VIII, if raised, was retained; and
- all contingent consideration entitlements from the purchase of Falcon Investment Advisors in 2020 were waived.

As a result of this transaction, Onex no longer consolidates Onex Falcon. During the nine months ended September 30, 2024 Onex recognized a loss on the transfer of Onex Falcon and restructuring expenses totalling \$9 million, of which \$7 million were non-cash expenses. The loss on transfer and restructuring expenses are included in restructuring expenses in the unaudited interim consolidated statements of earnings.

In connection with this transaction, Onex' commitment to Falcon Fund VII was reduced from \$80 million to \$40 million.

## REVIEW OF UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The discussion that follows identifies those material factors that affected Onex' unaudited interim consolidated financial results for the three and nine months ended September 30, 2024.

### Consolidated net earnings

Onex recorded consolidated net earnings of \$127 million and net earnings per diluted share of \$1.68 during the three months ended September 30, 2024 compared to net earnings of \$256 million and net earnings per diluted share of \$3.23 during the same period in 2023.

Onex recorded consolidated net earnings of \$305 million and net earnings per diluted share of \$3.99 during the nine months ended September 30, 2024 compared to net earnings of \$156 million and net earnings per diluted share of \$1.94 during the same period in 2023.

Tables 1 and 2 present the segmented results for the three and nine months ended September 30, 2024 and 2023. Onex' segmented results include unrealized carried interest from third-party limited partners in the Credit Funds, which is recognized based on the fair values of the underlying investments and the unrealized net gains in each respective fund, in accordance with the limited partnership agreements, and net of allocations to management. In Onex' unaudited interim consolidated financial statements, carried interest from the Credit Funds is recognized as revenue to the extent it is highly probable to not reverse, which typically occurs when the investments held by a given fund are substantially realized, toward the end of the fund's term, as described in note 1 to the 2023 audited annual consolidated financial statements.

Onex' segmented results also include performance fees associated with the management of certain Credit strategies, which are based on the funds' performance during the periods presented by applying an agreed-upon formula to the growth in the net asset value of clients' assets under management. In Onex' unaudited interim consolidated statements of earnings, performance fees are recognized as revenue to the extent the fees are highly probable to not reverse, which is typically at the end of each performance period, as described in note 1 to the 2023 audited annual consolidated financial statements.

Onex' segmented results exclude revenues and expenses associated with recoverable expenses from the Onex Partners Funds, ONCAP Funds, private credit strategies and private equity portfolio companies. Onex management excludes these amounts when assessing Onex' performance given the nature of these expenses, which are recoverable at cost.

TABLE 1	(Unaudited) (\$ millions except per share amounts)			Three Months Ended September 30, 2023		
	Investing	Asset Management <sup>(ii)</sup>	Total	Investing	Asset Management <sup>(ii)</sup>	Total
Net gain on corporate investments <sup>(iii)</sup>	\$ 118	\$ 22	\$ 140	\$ 239	\$ 30	\$ 269
Management and advisory fees	–	49	49	–	65	65
Performance fees	–	1	1	–	1	1
Interest income	3	–	3	6	–	6
Other income	–	1	1	–	1	1
Total segment income	121	73	194	245	97	342
Compensation	–	(39)	(39)	–	(46)	(46)
Amortization of right-of-use assets	–	(3)	(3)	–	(3)	(3)
Other expenses	–	(9)	(9)	–	(10)	(10)
Segment net earnings	\$ 121	\$ 22	\$ 143	\$ 245	\$ 38	\$ 283
Stock-based compensation expense			(7)			(14)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(2)			(5)
Restructuring expenses, net			(3)			(5)
Unrealized carried interest included in segment net earnings – Credit			(2)			(5)
Unrealized performance fees included in segment net earnings			(1)			–
Integration expenses			–			(3)
Net impairment reversal of property and equipment			–			7
Other net expenses			(1)			(2)
Net earnings			\$ 127			\$ 256
Segment net earnings per fully diluted share			\$ 1.88			\$ 3.58
Net earnings per diluted share			\$ 1.68			\$ 3.23

(i) The asset management segment includes public company expenses and other expenses associated with managing Onex' investing capital.

(ii) The investing segment includes less than \$1 million of interest expense attributable to intercompany loans payable to Investment Holding Companies during the three months ended September 30, 2024, which is included in other expenses in the unaudited interim consolidated statements of earnings. The asset management segment includes an increase in unrealized carried interest of \$2 million (2023 – \$4 million) from third-party limited partners in the Credit Funds. The asset management segment also includes an increase in carried interest of less than \$1 million (2023 – \$1 million) that Onex is entitled to from the Falcon Funds.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

TABLE 2	(Unaudited) (\$ millions except per share amounts)			Nine Months Ended September 30, 2023		
	Investing	Asset Management <sup>(i)</sup>	Total	Investing	Asset Management <sup>(i)</sup>	Total
Net gain (loss) on corporate investments <sup>(ii)</sup>	\$ 305	\$ 23	\$ 328	\$ 480	\$ [32]	\$ 448
Management and advisory fees	–	150	150	–	195	195
Performance fees	–	7	7	–	9	9
Interest income	10	–	10	9	–	9
Other income	–	2	2	–	2	2
Total segment income	315	182	497	489	174	663
Compensation	–	(137)	(137)	–	(166)	(166)
Amortization of right-of-use assets	–	(7)	(7)	–	(8)	(8)
Other expenses	–	(35)	(35)	–	(44)	(44)
Segment net earnings (loss)	\$ 315	\$ 3	\$ 318	\$ 489	\$ [44]	\$ 445
Stock-based compensation expense			(3)			(42)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(12)			(20)
Restructuring expenses, net			(11)			(40)
Carried interest from Falcon Funds previously recognized in segment net earnings (loss)			25			–
Unrealized carried interest included in segment net earnings (loss) – Credit			(5)			(11)
Unrealized performance fees included in segment net earnings (loss)			(5)			(5)
Integration expenses			–			(3)
Net impairment of goodwill, intangible assets and property and equipment			–			(164)
Other net expenses			(1)			(1)
Earnings before income taxes			306			159
Provision for income taxes			(1)			(3)
Net earnings			\$ 305			\$ 156
Segment net earnings per fully diluted share			\$ 4.11			\$ 5.51
Net earnings per diluted share			\$ 3.99			\$ 1.94

(i) The asset management segment includes public company expenses and other expenses associated with managing Onex' investing capital.

(ii) The investing segment includes \$2 million of interest expense attributable to intercompany loans payable to Investment Holding Companies during the nine months ended September 30, 2024, which is included in other expenses in the unaudited interim consolidated statements of earnings. The asset management segment includes an increase in unrealized carried interest of \$5 million (2023 – \$8 million) from third-party limited partners in the Credit Funds. The asset management segment also includes an increase in carried interest of \$3 million (2023 – \$3 million) that Onex is entitled to from the Falcon Funds.

### Consolidated income for the three and nine months ended September 30, 2024 and 2023

During the three and nine months ended September 30, 2024, Onex' investing segment recognized net gains on corporate investments of \$118 million and \$305 million, respectively (2023 – \$239 million and \$480 million). The contribution of private equity and private credit to this performance is detailed in the following tables:

TABLE 3 | (Unaudited) (\$ millions)

#### Net Gain (Loss) on Private Equity Investments

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
<b>Onex Partners Funds<sup>(i)</sup></b>				
Onex Partners III	\$ 3	\$ 6	\$ 6	\$ 21
Onex Partners IV	(3)	1	(99)	(118)
Onex Partners V	62	117	194	255
Management incentive programs	(6)	(15)	(9)	(16)
<b>Total net gain from Onex Partners Funds</b>	<b>56</b>	<b>109</b>	<b>92</b>	<b>142</b>
<b>ONCAP Funds<sup>(i)</sup></b>				
ONCAP II	8	(3)	40	4
ONCAP III	(7)	19	(6)	21
ONCAP IV	(7)	–	(37)	51
ONCAP V	(3)	–	25	–
ONCAP SPV	4	–	8	–
Management incentive programs	–	(5)	(3)	(19)
<b>Total net gain (loss) from ONCAP Funds</b>	<b>(5)</b>	<b>11</b>	<b>27</b>	<b>57</b>
<b>Net gain from other private equity investments</b>	<b>45</b>	<b>70</b>	<b>128</b>	<b>171</b>
<b>Total net gain from private equity</b>	<b>\$ 96</b>	<b>\$ 190</b>	<b>\$ 247</b>	<b>\$ 370</b>

(i) Onex' investments in the Onex Partners and ONCAP Funds include co-investments, where applicable.

During the three months ended September 30, 2024, the net gain from private equity investments was primarily driven by:

- Onex Partners V increases in fair value for its investments in Convex, Fidelity BSG, Tes Global and Wealth Enhancement Group, partially offset by the fair value decreases of investments in Emerald and Newport Healthcare; and
- an increase in fair value of Onex' direct investment in Ryan Specialty.

During the nine months ended September 30, 2024, the net gain from private equity investments was primarily driven by:

- Onex Partners V increases in fair value for its investments in Convex, Fidelity BSG, Imagine Learning, OneDigital, Tes Global and Wealth Enhancement Group, partially offset by the fair value decreases of investments in Acacium Group, Emerald and Newport Healthcare;
- an increase in fair value of Onex' direct investment in Ryan Specialty; and
- Onex Partners IV decreases in fair value for its investments in Clarivate Analytics, Parkdean Resorts, PowerSchool Group and WireCo WorldGroup.



During the three months ended September 30, 2023, the net gain from private equity investments was primarily driven by:

- Onex Partners V increases in fair value for its investments in Convex, Emerald, Fidelity BSG, OneDigital and Wealth Enhancement Group; and
- increases in fair value of Onex' direct investments in Celestica and Ryan Specialty.

During the nine months ended September 30, 2023, the net gain from private equity investments was primarily driven by:

- Onex Partners V increases in fair value for its investments in Convex, Emerald, Fidelity BSG, Imagine Learning, OneDigital, Tes Global and Wealth Enhancement Group, partially offset by the fair value decrease of Resource Environmental Solutions;
- increases in fair value of Onex' direct investments in Celestica and Ryan Specialty; and
- Onex Partners IV decreases in fair value for its investments in Clarivate Analytics, Parkdean Resorts and Ryan, LLC, partially offset by the fair value increase of ASM Global.

TABLE 4 | (Unaudited) (\$ millions)

**Net Gain (Loss) on Investments in Private Credit Strategies**

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
<b>Structured Credit Strategies</b>				
U.S. CLOs	\$ 13	\$ 21	\$ 24	\$ 32
EURO CLOs	4	6	13	28
CLO warehouses	2	1	2	2
Other structured strategies	4	3	11	11
<b>Opportunistic Credit Strategies</b>	2	4	8	11
<b>Liquid Strategies</b>	4	4	3	7
<b>Direct Lending</b>	-	5	(1)	8
<b>Total net gain from Private Credit Strategies</b>	<b>\$ 29</b>	<b>\$ 44</b>	<b>\$ 60</b>	<b>\$ 99</b>

The net gains on investments in private credit strategies recognized during the three and nine months ended September 30, 2024 and 2023 were primarily driven by the gains from CLO investments and other structured credit strategies. The performance of the structured credit strategies is correlated with the performance of the leveraged loan market.

Management and advisory fees for the three and nine months ended September 30, 2024 and 2023 were generated from the following sources:

TABLE 5 | (Unaudited) (\$ millions)

TABLE 5	(Unaudited) (\$ millions)	Management and Advisory Fees			
Three Months Ended September 30, 2024		Three Months Ended September 30, 2023	Change in Total		
Source of management and advisory fees					
Credit	\$ 25	\$ 34	\$ (9)	(26)%	
Private Equity <sup>(i)</sup>	24	31	(7)	(23)%	
Total management and advisory fees		\$ 49	\$ 65	\$ (16) (25)%	

(i) Includes advisory fees earned from the Onex Partners and ONCAP operating businesses.

TABLE 6 | (Unaudited) (\$ millions)

TABLE 6	(Unaudited) (\$ millions)	Management and Advisory Fees		
Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023	Change in Total	
Source of management and advisory fees				
Credit	\$ 82	\$ 109	\$ (27)	(25)%
Private Equity <sup>(i)</sup>	68	86	(18)	(21)%
Total management and advisory fees		\$ 150	\$ (45)	(23)%

(i) Includes advisory fees earned from the Onex Partners and ONCAP operating businesses.

During the three and nine months ended September 30, 2024, management and advisory fees from Credit were 26% and 25% lower, respectively, compared to the same periods in 2023. These decreases were primarily driven by the wind-down of the Company's wealth management business, which resulted in a realignment of fee structures and private client redemptions from liquid credit and public equity strategies, and the transfer of Onex Falcon in June 2024, as described on page 19 of this interim MD&A.

During the three months ended September 30, 2024, management and advisory fees from Private Equity were 23% lower compared to the same period in 2023. This decrease was primarily driven by the expiration of the initial fee period for Onex Partners V during the fourth quarter of 2023.

During the nine months ended September 30, 2024, management and advisory fees from Private Equity were 21% lower compared to the same period in 2023. This decrease was primarily driven by the expiration of the initial fee period for Onex Partners V during the fourth quarter of 2023, partially offset by management fees earned by ONCAP V and the Ryan, LLC continuation fund, which began accruing management fees in the second and third quarters of 2023, respectively.

Certain deal investigation, research and other costs incurred by the Asset Managers are recoverable from the Onex private equity funds, private credit strategies and private equity portfolio companies. These cost reimbursements are recognized as revenue in accordance with IFRS 15, *Revenue from contracts with customers* ("IFRS 15"). During the three and nine months ended September 30, 2024, Onex recognized \$8 million and \$27 million, respectively, in revenues and expenses associated with these reimbursements (2023 – \$13 million and \$25 million, respectively).

Additionally, Onex recognized less than \$1 million and \$2 million of performance fees from its Credit strategies during the three and nine months ended September 30, 2024, respectively (2023 – \$1 million and \$4 million, respectively).

### Compensation

Compensation expense for the three and nine months ended September 30, 2024 was \$39 million and \$137 million, respectively, compared to \$46 million and \$166 million, respectively, during the same periods in 2023. Refer to pages 13 and 14 of this interim MD&A for further details concerning compensation expense.

### Stock-based compensation expense

During the three months ended September 30, 2024, Onex recorded a consolidated stock-based compensation expense of \$7 million compared to \$14 million during the same period in 2023. The stock-based compensation expense recorded during the three months ended September 30, 2024 was primarily due to a 2% increase in the market value of Onex' SVS to C\$94.73 at September 30, 2024 from C\$93.02 at June 30, 2024 and the vesting of stock options and RSUs.

During the nine months ended September 30, 2024, Onex recorded a consolidated stock-based compensation expense of \$3 million compared to \$42 million during the same period in 2023. The stock-based compensation expense recorded during the nine months ended September 30, 2024 was primarily due to a 2% increase in the market value of Onex' SVS to C\$94.73 at September 30, 2024 from C\$92.53 at December 31, 2023 and the vesting of stock options and RSUs, partially offset by 249,282 stock options expiring or being cancelled during the period.

Table 7 details the change in stock-based compensation expense (recovery).

### Stock-Based Compensation Expense (Recovery)

TABLE 7	(Unaudited) (\$ millions)		Three Months Ended September 30			Nine Months Ended September 30		
			2024	2023	Change	2024	2023	Change
Stock Option Plan	\$	3	\$	14	\$ (11)	\$ (8)	\$ 38	\$ (46)
Director DSU Plan	-	-	-	-	-	-	1	(1)
PSU and RSU Plans	4	-	4	-	4	11	3	8
Total stock-based compensation expense	\$	7	\$	14	\$ (7)	\$ 3	\$ 42	\$ (39)

### Amortization of property, equipment and intangible assets

Amortization of property, equipment and intangible assets for the three and nine months ended September 30, 2024 was \$5 million and \$19 million, respectively (2023 – \$8 million and \$28 million, respectively) and consisted primarily of amortization of asset management contract intangible assets and right-of-use assets and leasehold improvements related to Onex' leased premises.

### Restructuring expenses

During the nine months ended September 30, 2024, Onex recognized restructuring expenses of \$11 million, which was primarily driven by the transfer of Onex Falcon, as described on page 19 of this interim MD&A.

During the nine months ended September 30, 2023, Onex recognized restructuring expenses of \$40 million, which included \$23 million related to the transition and wind-down of Onex' wealth management business and \$17 million in connection with the reorganization of the Onex Partners platform and Onex' corporate functions.

## SUMMARY OF QUARTERLY FINANCIAL INFORMATION

Table 8 summarizes Onex' key consolidated financial information for the last eight quarters.

## Consolidated Quarterly Financial Information

TABLE 8	(Unaudited) (\$ millions except per share amounts)	2024			2023			2022
		Q3	Q2	Q1	Q4	Q3	Q2	Q1
								Q4
Total segment income	\$ 194	\$ 209	\$ 94	\$ 435	\$ 342	\$ 259	\$ 62	\$ 566
Total segment expenses	(51)	(62)	(66)	(63)	(59)	(72)	(87)	(74)
Segment net earnings (loss)	143	147	28	372	283	187	(25)	492
Other non-segment items	(16)	21	(18)	1	(27)	(55)	(207)	(57)
Net earnings (loss)	\$ 127	\$ 168	\$ 10	\$ 373	\$ 256	\$ 132	\$ (232)	\$ 435
Segment net earnings (loss) per fully diluted share	\$ 1.88	\$ 1.89	\$ 0.33	\$ 4.80	\$ 3.58	\$ 2.29	\$ (0.32)	\$ 5.94
Net earnings (loss) per share – basic	\$ 1.68	\$ 2.20	\$ 0.13	\$ 4.82	\$ 3.24	\$ 1.63	\$ (2.87)	\$ 5.33
Net earnings (loss) per share – diluted	\$ 1.68	\$ 2.19	\$ 0.13	\$ 4.81	\$ 3.23	\$ 1.63	\$ (2.87)	\$ 5.32

## CASH AND NEAR-CASH

At September 30, 2024, Onex' cash and near-cash balance was \$1.6 billion (December 31, 2023 – \$1.5 billion) and consolidated cash and cash equivalents balance was \$275 million (December 31, 2023 – \$265 million). Onex' cash and near-cash consisted of the following:

Cash and Near-Cash<sup>(i)</sup>

TABLE 9	(Unaudited) (\$ millions)	September 30, 2024	December 31, 2023
Cash and cash equivalents within Investment Holding Companies <sup>(iii)</sup>	\$ 687	\$ 398	
Management fees and recoverable fund expenses receivable <sup>(iii)</sup>	542	615	
Cash and cash equivalents – Investing segment <sup>(iv)</sup>	205	142	
Treasury investments within Investment Holding Companies	118	197	
Subscription financing and short-term loan receivable <sup>(v)</sup>	47	114	
Cash and near-cash <sup>(i)</sup>	\$ 1,599	\$ 1,466	

- (i) Cash and near-cash is a non-GAAP financial measure calculated using methodologies that are not in accordance with IFRS Accounting Standards. The presentation of this measure does not have a standardized meaning prescribed under IFRS Accounting Standards and therefore may not be comparable to similar financial measures presented by other companies. Onex management believes that the cash and near-cash financial measure provides useful information to investors to assess how the Company manages its capital.
- (ii) Excludes cash and cash equivalents for Onex' share of uncalled expenses payable by the Investment Holding Companies of \$34 million (December 31, 2023 – \$35 million) and \$2 million payable by the Investment Holding Companies for Onex' management incentive programs related to a private equity realization (December 31, 2023 – less than \$1 million). The December 31, 2023 balance also includes \$22 million of restricted cash and cash equivalents for which the Company can readily remove the external restriction or for which the restriction will be removed in the near term.
- (iii) Includes management fees and recoverable fund expenses receivable from certain funds which Onex has elected to defer cash receipt from.
- (iv) Excludes cash and cash equivalents allocated to the asset management segment related to accrued incentive compensation (\$70 million (December 31, 2023 – \$108 million)). The December 31, 2023 balance also excludes \$15 million of cash and cash equivalents allocated to the asset management segment concerning the contingent consideration related to the 2020 acquisition of Onex Falcon.
- (v) Includes \$47 million of subscription financing receivable, including interest receivable, attributable to third-party investors in certain Credit Funds, Onex Partners V and ONCAP V (December 31, 2023 – \$77 million). The December 31, 2023 balance also includes \$37 million related to a short-term loan receivable from an Onex Partners operating company, which was repaid during the nine months ended September 30, 2024.

Table 10 provides a reconciliation of the change in cash and near-cash at Onex from December 31, 2023 to September 30, 2024.

### Change in Cash and Near-Cash

TABLE 10	(Unaudited) (\$ millions)	Amount
<b>Cash and near-cash at December 31, 2023</b>		\$ 1,466
<b>Private equity realizations and distributions:</b>		
Onex Partners		
<i>Sale of ASM</i>	271	
<i>Sedgwick distribution</i>	25	
<i>Fidelity BSG dividend</i>	18	
<i>Tes Global dividend</i>	15	
<i>Other</i>	34	
ONCAP		
<i>Sale of Englobe</i>	97	
<i>Sale of Wyse</i>	45	
<i>PURE Canadian Gaming distribution</i>	28	
<i>Biomerics co-investment syndication</i>	21	
<i>Other</i>	9	
Direct investments	15	578
<b>Private equity investments:</b>		
Onex Partners		
<i>Accredited</i>	(93)	
<i>Morson Group</i>	(47)	
ONCAP	(48)	
Direct investments		
<i>Investments in Incline Aviation Fund II</i>	(25)	
<i>Other</i>	(10)	(223)
Net private credit strategies investment activity		76
Share repurchases, dividends and net cash paid for stock-based compensation		(270)
Reversal of Onex Falcon contingent consideration		15
Net other, including cash flows from asset management activities, operating costs and changes in working capital		(43)
<b>Cash and near-cash at September 30, 2024</b>		\$ 1,599

Today, Onex' cash and near-cash balance is approximately \$1.8 billion. The increase in cash and near-cash since September 30, 2024 was primarily driven by the partial sales of PowerSchool by the Onex Partners IV Group and Sedgwick by the Onex Partners III Group, partially offset by the investment made in connection with the Onex Partners Opportunities Group's acquisition of Fischbach, as described on page 9 of this interim MD&A.

## CONSOLIDATED FINANCIAL POSITION

### Consolidated assets

Consolidated assets totalled \$13.2 billion at September 30, 2024 compared to \$12.9 billion at December 31, 2023. The increase in consolidated assets was primarily driven by an increase in net intercompany loans receivable from Onex and the Asset Managers, comprising part of the fair value of Onex' investment in the Investment Holding Companies, and a net increase in fair value of Onex' private equity investments, as described on page 23 of this interim MD&A.

Table 11 presents consolidated assets by reportable segment as at September 30, 2024 and December 31, 2023.

### Consolidated Assets by Reportable Segment

TABLE 11	(Unaudited) (\$ millions except per share amounts)			As at September 30, 2024			As at December 31, 2023		
	Investing	Asset Management	Total	Investing	Asset Management	Total	Investing	Asset Management	Total
Cash and cash equivalents	\$ 205	\$ 70 <sup>(i)</sup>	\$ 275	\$ 142	\$ 123 <sup>(i)</sup>	\$ 265			
Management and advisory fees, recoverable fund expenses and other receivables	542 <sup>(ii)</sup>	62	604	615 <sup>(ii)</sup>	68	683			
Corporate investments	7,709	–	7,709	7,647	–	7,647			
Unrealized carried interest – Credit <sup>(iii)</sup>	17	–	17	29	–	29			
Other assets	–	138	138	–	128	128			
Property and equipment	–	96	96	–	119	119			
Intangible assets	–	11	11	–	34	34			
Goodwill	–	142	142	–	149	149			
Total segment assets	\$ 8,473	\$ 519	\$ 8,992	\$ 8,433	\$ 621	\$ 9,054			
Net intercompany loans receivable, comprising part of the fair value of Investment Holding Companies			4,252			3,874			
Unrealized carried interest included in segment assets – Credit			(17)			(29)			
Total assets			\$ 13,227			\$ 12,899			
Investing capital per fully diluted share (U.S. dollars)	\$ 113.37			\$ 107.82					
Investing capital per fully diluted share (Canadian dollars)	\$ 153.04			\$ 142.61					

(i) Cash and cash equivalents allocated to the asset management segment relate to accrued employee incentive compensation. At December 31, 2023, cash and cash equivalents allocated to the asset management segment also included contingent consideration payable related to the 2020 acquisition of Onex Falcon.

(ii) Includes management fees and recoverable fund expenses receivable from certain funds which Onex has elected to defer cash receipt from.

(iii) At December 31, 2023, unrealized carried interest from Credit included carried interest from the Falcon Funds. At September 30, 2024, unrealized carried interest from the Falcon Funds is included within corporate investments as a result of the transfer of Onex Falcon, as described on page 19 of this interim MD&A.

### Corporate investments

The Company's interests in its Investment Holding Companies are recorded at fair value through net earnings (loss). The Investment Holding Companies directly or indirectly invest the Company's capital in the Onex Partners Funds, ONCAP Funds, private credit strategies and other investments. The Company's corporate investments include the following:

		December 31, 2023 <sup>(i)</sup>	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2024
TABLE 12	(Unaudited) (\$ millions)					
Onex Partners Funds	\$ 4,445	\$ 140	\$ (363)	\$ 92	\$ 4,314	
ONCAP Funds	929	141	(279)	27	818	
Other private equity	407	35	(15)	128	555	
Carried interest	252	n/a	(14)	15	253	
Total private equity investments	6,033	316	(671)	262	5,940	
Private Credit Strategies	904	592	(668)	60	888	
Real estate	18	–	(15)	(3)	–	
Other net assets <sup>(iii)</sup>	692	(885)	1,045	29	881	
Total corporate investments, excluding intercompany loans	7,647	23	(309)	348	7,709	
Intercompany loans receivable from Onex and the Asset Managers	3,874	376	–	2	4,252	
Intercompany loans payable to Onex and the Asset Managers	(374)	(9)	6	(1)	(378)	
Intercompany loans receivable from Investment Holding Companies	374	9	(6)	1	378	
Total corporate investments	\$ 11,521	\$ 399	\$ (309)	\$ 350	\$ 11,961	

(i) The December 31, 2023 junior capital investment balance is included in other net assets. Onex' junior capital investments were previously included within Private Credit Strategies.

(ii) Other net assets consist of the assets (primarily cash and near-cash items) and liabilities of the Investment Holding Companies, excluding investments in private equity, Onex' private credit strategies, real estate and intercompany loans receivable from and payable to Onex and the Asset Managers. Capital deployed and realizations and distributions of other net assets include the cash flows of the Investment Holding Companies associated with investments in private equity, private credit strategies, real estate and intercompany loans receivable from and payable to Onex and the Asset Managers.

At September 30, 2024, Onex' corporate investments, which are more fully described in note 4 to the unaudited interim consolidated financial statements, totalled \$12.0 billion (December 31, 2023 – \$11.5 billion).

During the nine months ended September 30, 2024, Onex' investment of capital primarily consisted of investments made in Onex Partners V in connection with the acquisitions of Accredited and Morson Group, as described on page 8 of this interim MD&A, and investments made in private credit strategies, as described on pages 10 and 11 of this interim MD&A.

During the nine months ended September 30, 2024, realizations and distributions to Onex primarily consisted of realizations and distributions from Onex Partners IV, Onex Partners V, ONCAP II, ONCAP IV, U.S. and European CLOs and OCLP I, as described on pages 8, 10 and 11 of this interim MD&A.

During the nine months ended September 30, 2024, the change in fair value of Onex' corporate investments totalled an increase of \$350 million, primarily driven by changes in the fair value of Onex' investments in Onex Partners V and Ryan Specialty, as more fully described on page 23 of this interim MD&A, and changes in the fair value of Onex' investments in structured credit strategies, as more fully described on page 24 of this interim MD&A.

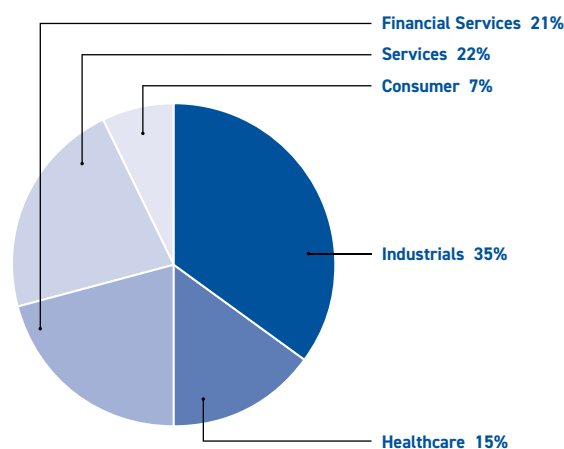
The valuation of public investments held directly by Onex or through the Onex Partners Funds is based on their publicly traded closing prices at September 30, 2024. For certain public investments, a discount was applied to the closing price in relation to restrictions relating to the securities held by Onex or the Onex Partners Funds. At December 31, 2023, these discounts resulted in a reduction of \$47 million in the fair value of corporate investments with no reduction as of September 30, 2024.

Onex' private equity investments include direct and indirect investments in 40 operating businesses at September 30, 2024, which operate in a variety of industries and countries. Details of these operating businesses' revenues, assets and debt are as follows:

TABLE 13	(Unaudited) (\$ millions)	
	Nine months ended September 30, 2024	Operating Business Revenues <sup>(i)</sup>
Industrials	\$ 6,669	35%
Services	4,214	22%
Financial Services	4,055	21%
Healthcare	2,800	15%
Consumer	1,245	7%
Total	\$ 18,983	100%

(i) Includes revenues during the period that Onex controls, jointly controls or has significant influence over the operating businesses.

Operating Business Revenues by Industry Vertical –  
Nine Months Ended September 30, 2024<sup>(i)</sup>



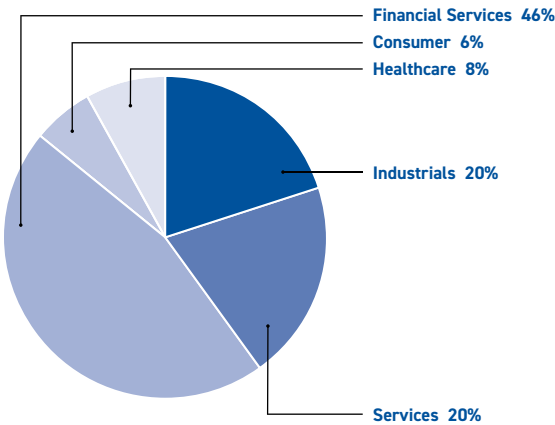
(i) Includes revenues during the period that Onex controls, jointly controls or has significant influence over the operating businesses.

TABLE 14	(Unaudited) (\$ millions)			
	As at September 30, 2024	Operating Business Assets <sup>(i)</sup>	Operating Business Debt <sup>(i)</sup>	
Financial Services	\$ 24,424	46%	\$ 4,313	26%
Industrials	10,985	20%	4,656	28%
Services	10,858	20%	4,033	25%
Healthcare	4,181	8%	2,077	13%
Consumer	3,235	6%	1,277	8%
Total	\$ 53,683	100%	\$ 16,356	100%

(i) Includes the assets and debt of operating businesses that Onex controls, jointly controls or has significant influence over.

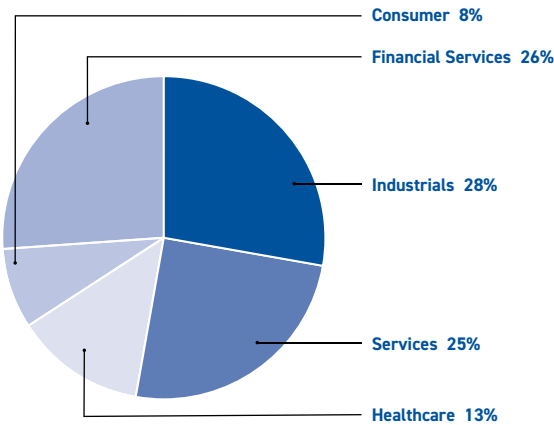


Operating Business Assets by Industry Vertical – September 30, 2024<sup>(i)</sup>



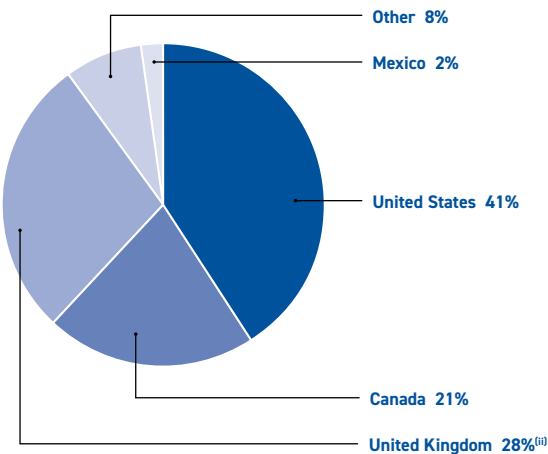
(i) Includes the assets of operating businesses that Onex controls, jointly controls or has significant influence over.

Operating Business Debt by Industry Vertical – September 30, 2024<sup>(i)</sup>



(i) Includes the debt of operating businesses that Onex controls, jointly controls or has significant influence over.

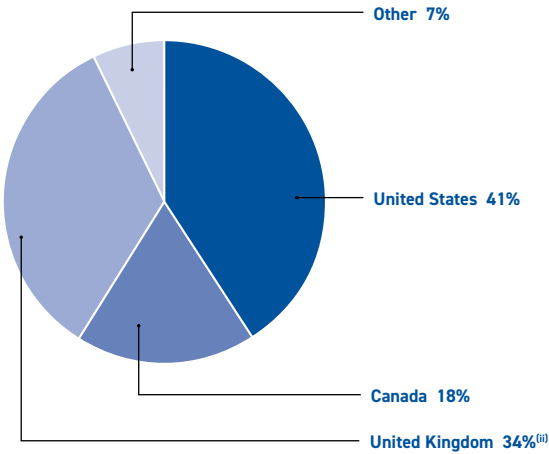
Operating Business Revenues by Country – Year Ended December 31, 2023<sup>(i)</sup>



(i) Includes revenues of operating businesses that are controlled or jointly controlled by Onex, adjusted for operating companies acquired or sold during 2024. The allocation of revenues by country is based on customer location and may not represent the currency of the revenue transactions.

(ii) Includes revenues recognized in the overseas territories of the United Kingdom.

Operating Business Assets by Country – December 31, 2023<sup>(i)</sup>



(i) Includes assets of operating businesses that are controlled or jointly controlled by Onex, adjusted for operating companies acquired or sold during 2024.

(ii) Includes assets held in the overseas territories of the United Kingdom.

### Intercompany loans payable to Investment Holding Companies

Onex and the Asset Managers have intercompany loans payable to the Investment Holding Companies. The loans are primarily due on demand and non-interest bearing. At September 30, 2024, intercompany loans payable to the Investment Holding Companies totalled \$4.3 billion (December 31, 2023 – \$3.9 billion) and the corresponding receivable of \$4.3 billion (December 31, 2023 – \$3.9 billion) was included in the fair value of the Investment Holding Companies within corporate investments. There is no impact on net assets or net earnings from these intercompany loans.

### Stock-based compensation payable

Onex' stock-based compensation plans include its Stock Option Plan, Management Deferred Share Unit ("DSU") Plan, Director DSU Plan, Performance Share Unit ("PSU") Plan and Restricted Share Unit ("RSU") Plan, as further described on pages 34 and 35 of this interim MD&A.

TABLE 15	(Unaudited) (\$ millions)	September 30, 2024	December 31, 2023
Stock Option Plan		\$ 85	\$ 112
Management DSU Plan		58	59
Director DSU Plan		44	41
PSU and RSU Plans		13	6
Total stock-based compensation payable		\$ 200	\$ 218

The decrease in stock-based compensation payable at September 30, 2024 compared to December 31, 2023 was primarily driven by 1,023,043 stock options exercised and 249,282 stock options expiring or being cancelled during 2024, partially offset by new grants of PSUs and RSUs during the first quarter of 2024 and the vesting of stock options and RSUs during 2024. Onex has entered into forward agreements with financial institutions to economically hedge the Company's exposure to changes in the trading price of Onex shares associated with the DSU, PSU and RSU Plans. At September 30, 2024, the fair value of these instruments was \$124 million (December 31, 2023 – \$110 million), which is included in other assets in Onex' unaudited interim consolidated balance sheets.

### Accrued compensation

Accrued compensation at September 30, 2024 was \$70 million (December 31, 2023 – \$108 million) and primarily consisted of employee incentive compensation for fiscal 2024, which will mostly be paid during the first quarter of 2025. The decline in accrued compensation from December 31, 2023 was primarily driven by the payment of 2023 incentive compensation during the first quarter of 2024, partially offset by accrued incentive compensation related to fiscal 2024.

### Lease liabilities

Lease liabilities at September 30, 2024 totalled \$45 million (December 31, 2023 – \$61 million). The decrease in lease liabilities from December 31, 2023 was primarily driven by principal payments made during 2024 for the Company's office leases and the assignment of certain office leases held at December 31, 2023.

### Equity

Table 16 provides a reconciliation of the change in equity from December 31, 2023 to September 30, 2024.

### Change in Equity

TABLE 16	(Unaudited) (\$ millions)
Balance – December 31, 2023	\$ 8,564
Dividends declared	(17)
Repurchase and cancellation of shares	(232)
Net earnings	305
Equity as at September 30, 2024	\$ 8,620

### Dividend policy

Onex paid dividends totalling C\$0.40 per share during each of the 12-month periods ended September 30, 2024, 2023 and 2022.

### Shares outstanding

At September 30, 2024, Onex had 100,000 Multiple Voting Shares outstanding, which have a nominal paid-in value reflected in Onex' unaudited interim consolidated financial statements. Onex also had 73,988,434 SVS issued and outstanding. Note 7 to the unaudited interim consolidated financial statements provides additional information on Onex' share capital. There was no change in the Multiple Voting Shares outstanding during the nine months ended September 30, 2024.

Table 17 shows the change in the number of SVS outstanding from December 31, 2023 to October 31, 2024.

TABLE 17	(Unaudited) (\$ millions except per share amounts)	Number of SVS	Weighted Average Price per Share		Total Value	
			(USD)	(CAD)	(USD)	(CAD)
SVS outstanding at December 31, 2023		77,399,292				
Shares repurchased and cancelled:						
Normal Course Issuer Bids	(2,436,019)		\$ 68.83	\$ 93.70	\$ 168	\$ 228
Private transaction	(1,000,000)		\$ 66.06	\$ 90.60	\$ 66	\$ 91
Options exercised	5,161		\$ 75.13	\$ 101.81	Less than \$ 1	\$ 1
SVS outstanding at October 31, 2024		73,968,434				

### Shares repurchased and cancelled

The Normal Course Issuer Bid ("NCIB") enables Onex to repurchase up to 10% of its public float of SVS during the period of the relevant Bid. Onex believes that it is advantageous for Onex and its shareholders to continue to repurchase Onex' SVS from time to time when the SVS are trading at prices that reflect a discount to their value as perceived by Onex, while considering other opportunities to invest Onex' cash.

On April 18, 2024, Onex renewed its NCIB following the expiry of its previous NCIB on April 17, 2024. Under the new NCIB, Onex is permitted to purchase up to 10% of its public float of SVS, or 6,318,146 SVS. Pursuant to the rules of the TSX, Onex may purchase up to 23,481 SVS during any trading day through the facilities of the TSX, being 25% of its average daily trading volume for the six months ended March 31, 2024. Onex may also purchase SVS from time to time under the TSX's block purchase exemption, if available, or by way of private agreement pursuant to an issuer bid exemption order, if sought and received, under the new NCIB or through purchases made on alternative market trading platforms subject to daily and annual limitations established by applicable securities rules. The new NCIB commenced on April 18, 2024 and will conclude on the earlier of the date on which purchases under the NCIB have been completed and April 17, 2025. A copy of the Notice of Intention to renew the NCIB filed with the TSX is available at no charge to shareholders by contacting Onex.

Under the previous NCIB that expired on April 17, 2024, Onex repurchased 4,030,993 SVS at a total cost of \$237 million (C\$319 million) or an average purchase price of \$58.74 (C\$79.20) per share.

The private transaction in table 17 relates to the repurchase of SVS that were held indirectly by Mr. Gerald W. Schwartz, Onex' controlling shareholder, as described on page 38 of this interim MD&A.

### Stock Option Plan

At September 30, 2024, Onex had 5,441,964 options outstanding to acquire SVS, of which 3,943,478 were vested and 387,633 were exercisable. During the nine months ended September 30, 2024, 595,618 options were issued primarily in connection with services provided by employees during the year ended December 31, 2023 at a weighted average exercise price of C\$99.21, 1,009,543 options were surrendered at a weighted average exercise price of C\$78.28 for aggregate cash consideration of \$19 million (C\$26 million), 13,500 options were exercised for SVS at an exercise price of C\$63.53 and 249,282 options were forfeited or expired.

### Management Deferred Share Unit Plan

During the nine months ended September 30, 2024, 24,062 Management DSUs were exercised at a weighted average exercise price of C\$101.09 for aggregate cash consideration of \$2 million. In connection with the exercised Management DSUs, Onex received \$2 million of proceeds from forward agreements it had entered into with financial institutions to economically hedge the Management DSUs. At September 30, 2024, there were 829,405 Management DSUs outstanding (December 31, 2023 – 848,214). At September 30, 2024, Onex had economically hedged substantially all of the outstanding Management DSUs with counterparty financial institutions.

### Director Deferred Share Unit Plan

During the nine months ended September 30, 2024, 40,460 DSUs were issued to directors having an aggregate value of \$3 million (C\$4 million) in lieu of directors' fees. At September 30, 2024, there were 621,276 Director DSUs outstanding (December 31, 2023 – 578,994). At September 30, 2024, Onex had economically hedged substantially all of the outstanding Director DSUs with counterparty financial institutions.

### Performance Share Unit and Restricted Share Unit Plans

During the nine months ended September 30, 2024, 246,524 units were issued under the PSU and RSU Plans, primarily in connection with services provided by employees during the year ended December 31, 2023. At September 30, 2024, there were 367,983 total units outstanding under the PSU and RSU Plans (December 31, 2023 – 152,579). At September 30, 2024, Onex had economically hedged substantially all of the outstanding PSUs and RSUs with a counterparty financial institution.

### Management of capital

Onex considers the capital it manages to be the amounts it has invested in cash and cash equivalents, near-cash investments, treasury investments managed by a third-party investment manager, investments made in the Onex Partners Funds, ONCAP Funds and private credit strategies, and other investments. Onex also manages capital from other investors in the Onex Partners Funds, ONCAP Funds and Credit strategies. Onex' objectives in managing capital have not changed since December 31, 2023.

At September 30, 2024, Onex had \$1.6 billion of cash and near-cash items (December 31, 2023 – \$1.5 billion), as described on page 27 of this interim MD&A.

Onex has a conservative cash management policy driven toward maintaining liquidity and preserving principal in all its treasury investments.

At September 30, 2024, the fair value of capital managed by a third-party investment manager, which includes treasury investments, cash yet to be deployed and net working capital, was \$243 million (December 31, 2023 – \$233 million), which is being managed for the Investment Holding Companies. Treasury investments are managed in a mix of short-term and long-term portfolios to fund operational cash requirements. Treasury investments primarily consist of federal debt instruments, corporate obligations and structured products with maturities of one to five years. Treasury investments have current Standard & Poor's ratings ranging from BBB to AAA. The portfolio concentration limits range from a maximum of 10% for BBB investments to 100% for AAA investments. The investments are managed to maintain an overall weighted average duration of two years or less.

Onex currently has access to uncalled committed limited partner capital for investments through ONCAP V (approximately \$425 million) and the Onex Partners Opportunities Fund (approximately \$375 million after completing the investment in Fischbach). In addition, Onex has uncalled committed limited partner capital of approximately \$605 million from other Onex Partners and ONCAP Funds that may be used for possible future funding of existing businesses and funding of partnership expenses.

## LIQUIDITY AND CAPITAL RESOURCES

**Major cash flow components**

This section should be read in conjunction with the unaudited interim consolidated statements of cash flows and the corresponding notes thereto. Table 18 summarizes the major consolidated cash flow components for the nine months ended September 30, 2024 and 2023.

**Major Cash Flow Components**

TABLE 18	<i>(Unaudited) (\$ millions)</i>		2024	2023
	Nine months ended September 30			
	Cash provided by operating activities	\$ 112	\$ 118	
	Cash provided by (used in) financing activities	\$ (111)	\$ 174	
	Cash provided by investing activities	\$ 7	\$ 51	
	Consolidated cash and cash equivalents	\$ 275	\$ 455	

**Cash provided by operating activities**

Table 19 provides a breakdown of cash provided by operating activities by cash generated from operations and changes in working capital items for the nine months ended September 30, 2024 and 2023.

**Components of Cash Used in Operating Activities**

TABLE 19	(Unaudited) (\$ millions)		2024	2023
	Nine months ended September 30			
Cash generated from operations			\$ 95	\$ 239
Changes in working capital items:				
Management and advisory fees, recoverable fund expenses and other receivables			79	(92)
Other assets			(12)	(7)
Accounts payable, accrued liabilities and other liabilities			(14)	19
Accrued compensation			(36)	(41)
Increase (decrease) due to changes in working capital items			17	(121)
Cash provided by operating activities			\$ 112	\$ 118

Cash generated from operations includes net earnings from operations before interest, adjusted for items not affecting cash and cash equivalents, in addition to cash flows from Onex' investments in and loans made to the Investment Holding Companies and net stock-based compensation paid. The significant changes in working capital items for the nine months ended September 30, 2024 and 2023 were:

- a \$79 million decrease in receivables during the nine months ended September 30, 2024, primarily driven by the cash receipt of management fees from the Onex Partners IV Fund. This was partially offset by an increase in recoverable fund expenses and management fees earned but not yet received from the limited partners of Onex Partners V. This compares to a \$92 million increase during the same period in 2023, primarily driven by management fees earned but not yet received from the limited partners of Onex Partners IV and V, along with an increase in recoverable fund expenses from Onex Partners IV and V;
- a \$36 million decrease in accrued compensation primarily as a result of the payment of 2023 incentive compensation during the first quarter of 2024, partially offset by accrued incentive compensation related to fiscal 2024. This compares to a \$41 million decrease during the same period in 2023, primarily as a result of the payment of 2022 incentive compensation, partially offset by accrued incentive compensation related to fiscal 2023;
- a \$14 million decrease in accounts payable, accrued liabilities and other liabilities during the nine months ended September 30, 2024, primarily as a result of a decrease in restructuring provisions recognized in connection with Onex' transition and wind-down of the wealth management business and the reorganization of Onex' corporate functions. This compares to a \$19 million increase during the same period in 2023, primarily as a result of restructuring provisions recognized in connection with Onex' transition and wind-down of the wealth management business and the reorganization of the Onex Partners platform and Onex' corporate functions; and

- a \$12 million increase in other assets, primarily driven by forward agreements entered into during the nine months ended September 30, 2024 to economically hedge Onex' exposure to changes in the trading price of Onex' shares associated with certain stock-based compensation plans. This compares to a \$7 million increase during the same period in 2023, primarily driven by forward agreements entered into during the nine months ended September 30, 2023.

### **Cash provided by (used in) financing activities**

Cash used in financing activities was \$111 million for the nine months ended September 30, 2024 compared to cash provided by financing activities of \$174 million for the same period in 2023. Cash used in financing activities for the nine months ended September 30, 2024 primarily consisted of \$232 million of cash used to repurchase Onex SVS (2023 – \$163 million), as described on page 34 of this interim MD&A, and \$17 million of cash dividends paid (2023 – \$18 million), partially offset by \$146 million of net loan issuances from the Investment Holding Companies (2023 – \$364 million).

### **Cash provided by investing activities**

Cash provided by investing activities totalled \$7 million for the nine months ended September 30, 2024 compared to \$51 million during the same period in 2023. Cash provided by investing activities during the nine months ended September 30, 2023 primarily consisted of \$53 million in net sales of treasury investments (2024 – nil).

### Consolidated cash resources

At September 30, 2024, consolidated cash and cash equivalents increased to \$275 million from \$265 million at December 31, 2023. The components of cash and cash equivalents at September 30, 2024 were \$90 million of cash and demand deposits held at financial institutions (December 31, 2023 – \$163 million) and \$185 million of money market funds (December 31, 2023 – \$102 million).

At September 30, 2024, Onex had \$1.6 billion of cash and near-cash on hand (December 31, 2023 – \$1.5 billion), as described on page 27 of this interim MD&A. Onex management reviews the amount of cash and near-cash on hand when assessing the liquidity of the Company.

### Commitments

During 2024, Onex completed closes for the Onex Partners Opportunities Fund, which included a \$400 million commitment from Onex. The Onex Partners Opportunities Fund is a shorter duration fund which will focus on upper-middle market investing in companies headquartered, organized, having principal executive offices or primarily operating in North America or Europe.

In June 2024, Onex' commitment to Falcon Fund VII was reduced from \$80 million to \$40 million in connection with the transfer of Onex Falcon, as described on page 19 of this interim MD&A.

## RELATED-PARTY TRANSACTIONS

### Related-party revenues and receivables

Onex receives management fees on limited partners' and clients' capital within the Onex private equity funds and private credit strategies, and advisory fees directly from certain operating businesses. Onex also receives carried interest and performance fees from certain Credit strategies and recovers certain deal investigation, research and other expenses from the Onex private equity funds, private credit strategies and private equity portfolio companies. Onex indirectly controls the Onex private equity funds and private credit strategies, and therefore the management fees, performance fees and carried interest earned from these sources represent related-party

transactions. Furthermore, Onex indirectly controls, jointly controls or has significant influence over certain operating businesses held by the Onex private equity funds and, as such, advisory fees from these operating businesses represent related-party transactions.

Onex Credit acts as an investment fund manager, portfolio manager and/or exempt market dealer for its pooled funds. In the case of those pooled funds that are organized as trusts, Onex Credit acts as a trustee, while for pooled funds organized as limited partnerships, Onex Credit or an affiliate of Onex Credit acts as the General Partner. As such, the Onex Credit pooled funds are related parties of the Company.

During the three and nine months ended September 30, 2024, the Company recognized \$49 million and \$150 million of management and advisory fees from related parties, respectively, \$8 million and \$27 million of revenue from the reimbursement of expenses from related parties, respectively, and less than \$1 million and \$2 million of performance fees from related parties, respectively, as outlined in note 8 to the unaudited interim consolidated financial statements.

At September 30, 2024, consolidated receivables from related parties totalled \$601 million. Refer to note 3 to the unaudited interim consolidated financial statements for further details concerning Onex' consolidated receivables, which include \$3 million of other receivables from third parties.

### Repurchase of shares

During the three months ended September 30, 2024, Onex repurchased 1,000,000 of its SVS that were held indirectly by Mr. Gerald W. Schwartz, who is Onex' controlling shareholder. The shares were repurchased at a cost of \$66.06 (C\$90.60) per SVS, or a total cost of \$66 million (C\$91 million), which represented a discount to the trading price of Onex shares on the date of the transaction.

### Services received from operating companies

During the three and nine months ended September 30, 2024, Onex received services from certain operating companies, the value of which was not significant.



## INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and the Chief Financial Officer have designed, or caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the unaudited interim consolidated financial statements for external purposes in accordance with IFRS Accounting Standards. The Chief Executive Officer and the Chief Financial Officer have also designed, or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that information required to be disclosed by the Company in its corporate filings has been recorded, processed, summarized and reported within the time periods specified in securities legislation.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to the inherent limitations in all such systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, Onex' internal controls over financial reporting and disclosure controls and procedures are effective in providing reasonable, not absolute, assurance that the objectives of Onex' control systems have been met.



## GLOSSARY

The following is a list of commonly used terms in Onex' interim MD&A and unaudited interim consolidated financial statements and their corresponding definitions.

**Assets under management ("AUM")** are the assets that Onex manages on behalf of investors, including Onex' own capital, co-investments and capital invested by the Onex management team, where applicable. Onex' assets under management include:

- (i) The fair value of private equity invested assets and uncalled committed capital to the private equity funds, including Onex' own uncalled committed capital in excess of cash and cash equivalents, as applicable;
- (ii) The par value of invested assets and cash available for reinvestment of the collateralized loan obligations;
- (iii) The fair value of gross invested and uncalled commitments in close-ended Credit Funds; and
- (iv) The gross invested assets or net asset value of the open-ended Credit Funds.

**Carried interest** is an allocation of part of an investor's gains to Onex and its management team after the investor has realized a preferred return.

**CLO warehouse** is a leveraged portfolio of credit investments that Onex establishes in anticipation of raising a new CLO. The leverage is typically provided by a financial institution that serves as the placement agent for the relevant CLO. The leverage provided by a financial institution may be in the form of a total return swap that transfers the credit and market risk of specified securities. Onex provides capital to establish the CLO warehouses.

**Co-investment** is a direct investment made by Onex, the Onex management team and/or other investors alongside a fund.

**Collateralized Loan Obligation ("CLO")** is a structured investment fund that invests in non-investment grade debt. Interests in these funds are sold in rated and unrated tranches that have rights to the CLO's collateral and payment streams in descending order of priority. The yield to investors in each tranche decreases as the level of priority increases.

**Committed capital** is the amount contractually committed by limited partners that a fund may call for investments or to pay management fees and other expenses.

**Deferred Share Units ("DSUs")** are synthetic investments made by directors and the Onex management team, where the gain or loss mirrors the performance of Onex' SVS. DSUs may be issued to directors in lieu of director fees and to senior management in lieu of a portion of their annual short-term incentive compensation.

**Direct Lending** strategies are managed by Onex Credit and primarily include investments in senior secured loans and other loan investments in private equity sponsor-owned portfolio companies and, selectively, other corporate borrowers.

**Distributable earnings (loss)** is a non-GAAP financial measure which consists of recurring fee-related earnings (loss), net realized gains (loss) from Onex' investments and the receipt of carried interest from Onex' private equity funds, private credit funds and from the Falcon Funds.

**Fee-generating assets under management ("FGAUM")** are the assets under management on which the Company receives recurring management fees.

**Fee-related earnings (loss)** is a non-GAAP financial measure which includes revenues, including unrealized performance fees, and expenses recognized by Onex' asset management segment and excludes realization-driven carried interest.

**Fully diluted shares** are calculated using the treasury stock method and include all outstanding SVS, as well as outstanding stock options where Onex' share price exceeds the exercise price of the stock options.

**General Partner** is a partner that determines most of the actions of a partnership and can legally bind the partnership. The General Partners of Onex-sponsored funds are Onex-controlled subsidiaries.

**Gross internal rate of return ("Gross IRR")** is the annualized percentage return achieved on an investment or fund, taking time into consideration. This measure does not reflect a limited partner's return since it is calculated without deducting carried interest, management fees, taxes and expenses.

**Gross multiple of capital ("Gross MOC")** is an investment's or fund's total value divided by the capital that has been invested. This measure does not reflect a limited partner's multiple of capital since it is calculated without deducting carried interest, management fees, taxes and expenses.

**Hurdle or preferred return** is the minimum return required from an investment or fund before entitlement to payments under the MIP, carried interest or performance fees.

**International Financial Reporting Standards ("IFRS" or "IFRS Accounting Standards")** are a set of standards formulated by the International Accounting Standards Board. As a publicly listed entity in Canada, Onex is required to prepare its financial statements in accordance with IFRS Accounting Standards.

**Investing capital** represents Onex' investing assets that are invested in private equity, private credit strategies and treasury investments, as well as cash and cash equivalents, and near-cash available for investing. Investing capital is determined on the same basis as Onex' total investing segment assets.

**Investing capital per fully diluted share** is Onex' investing capital divided by the number of fully diluted shares outstanding.

**Limited partner** is an investor whose liability is generally limited to the extent of their share of the partnership.

**Liquid Strategies** are managed by Onex Credit and primarily hold investments in public equities, liquid credit and first-lien senior secured loans.

**Management incentive programs** include: (i) for all investments completed prior to 2020 and excluding all Onex Partners V investments, the management investment plan ("MIP") required Onex management team members to invest in each of the operating businesses acquired or invested in by Onex. In addition to this required investment, management was allocated 12% of Onex' realized gain from an operating business investment, subject to certain conditions. In particular, Onex must realize the full return of its investment plus a net 15% internal rate of return from the investment in order for management to be allocated the additional gain on Onex' investment. The MIP also has vesting requirements, certain limitations and voting requirements; (ii) the Onex Partners carried interest program, which allocates to the management of Onex Partners 60% of the carried interest realized in the Onex Partners Funds. Management of Onex Partners is also entitled to a carried interest of 12% of the realized net gains from Onex capital in Onex Partners V and subsequent funds, subject to an 8% compounded annual preferred return to Onex on amounts contributed to the fund; (iii) the ONCAP carried interest program, which allocates to the management of ONCAP 60% of the carried interest realized in the ONCAP Funds and an equivalent carried interest on Onex' capital in the ONCAP Funds; and (iv) the Credit carried interest program, which allocates to the management of Onex Credit 60% of the carried interest realized on all Credit Funds which are eligible for carried interest.

**Multiple Voting Shares** of Onex are the controlling class of shares, which entitle Mr. Gerald W. Schwartz to elect 60% of Onex' directors and to 60% of the total shareholder vote on most matters. The shares have no entitlement to distribution on wind-up or dissolution above their nominal paid-in value and do not participate in dividends or earnings.

**Near-cash** represents investment holdings in readily marketable investments that can be converted to cash in an orderly market. In addition, near-cash also includes management fees and recoverable fund expenses receivable from certain funds, and subscription financing receivable from certain Credit and Private Equity Funds attributable to third-party investors.

**Net internal rate of return ("Net IRR")** is the annualized percentage return earned by the limited partners of a fund, excluding Onex as a limited partner, after the deduction of carried interest, management fees, taxes and expenses, taking time into consideration.

**Normal Course Issuer Bid(s) ("NCIB" or the "Bids")** is an annual program approved by the Board of Directors that enables Onex to repurchase SVS for cancellation.

**ONCAP Group** represents Onex, the limited partners of the relevant ONCAP Fund, the Onex management team and, where applicable, certain other limited partners as co-investors.

**ONEX** or the **Company** represents Onex Corporation, the ultimate parent company, and its wholly-owned subsidiaries.

**ONEX** is the share symbol for Onex Corporation on the Toronto Stock Exchange.

**Onex Partners Group** represents Onex, the limited partners of the relevant Onex Partners Fund, the Onex management team and, where applicable, certain other limited partners as co-investors.

**Onex Partners Opportunities Group** represents Onex, the limited partners of the Onex Partners Opportunities Fund, the Onex management team and, where applicable, certain other limited partners as co-investors.

**Opportunistic Credit Strategies** are managed by Onex Credit and primarily hold investments in first-lien senior secured loans, second-lien loans, bonds, trade claims, credit default swaps and other debt investments having similar characteristics.

**Performance fees** are generated on capital managed by Onex Credit in certain funds, some of which are subject to a hurdle or preferred return to investors.

**Performance Share Units (“PSUs”)** entitle the holder to receive, upon redemption, a cash payment equivalent to the market value of Onex' SVS at the vesting date. Payments for redeemed units are conditional on certain performance targets being met with respect to the market performance of Onex' SVS or the achievement of other financial targets.

**Restricted Share Units (“RSUs”)** entitle the holder to receive, upon redemption, a cash payment equivalent to the market value of Onex' SVS at the vesting date.

**Run-rate management fees** refer to a forward-looking calculation representing management fees that would be earned over a 12-month period based on the annual management fee rates and the basis or method of calculation in place at period end.

**Structured Credit Strategies** are managed by Onex Credit and primarily hold investments in CLOs.

**Subordinate Voting Shares (“SVS”)** are the non-controlling share capital of Onex. SVS shareholders are entitled to elect 40% of Onex' directors and to 40% of the total shareholder vote on most matters. These shares are the only class of stock that economically participates in Onex Corporation. The SVS trade on the Toronto Stock Exchange.

# INTERIM CONSOLIDATED BALANCE SHEETS

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	<b>As at September 30, 2024</b>	<b>As at December 31, 2023</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 275	\$ 265
Management and advisory fees, recoverable fund expenses and other receivables (note 3)	604	683
Corporate investments (including intercompany loans receivable from Onex and the Asset Managers of \$4,252 (December 31, 2023 – \$3,874), comprising part of the fair value of Investment Holding Companies) (note 4)	11,961	11,521
Other assets (note 6)	138	128
Property and equipment	96	119
Intangible assets	11	34
Goodwill	142	149
<b>Total assets</b>	<b>\$ 13,227</b>	<b>\$ 12,899</b>
Intercompany loans payable to Investment Holding Companies (note 5)	(4,252)	(3,874)
<b>Total assets net of intercompany loans payable to Investment Holding Companies</b>	<b>\$ 8,975</b>	<b>\$ 9,025</b>
<b>Other liabilities</b>		
Accounts payable and accrued liabilities	\$ 23	\$ 24
Accrued compensation	70	108
Stock-based compensation payable (note 6)	200	218
Contingent consideration (note 2)	–	15
Lease liabilities	45	61
Other liabilities	17	35
<b>Total other liabilities</b>	<b>\$ 355</b>	<b>\$ 461</b>
<b>Net assets</b>	<b>\$ 8,620</b>	<b>\$ 8,564</b>
<b>Equity</b>		
Share capital (note 7)	\$ 271	\$ 281
Retained earnings and accumulated other comprehensive earnings	8,349	8,283
<b>Total equity</b>	<b>\$ 8,620</b>	<b>\$ 8,564</b>

These unaudited interim consolidated financial statements should be read in conjunction with the 2023 audited annual consolidated financial statements.

# INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited) (in millions of U.S. dollars except per share data)	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
<b>Income</b>				
Net gain on corporate investments (note 4)	\$ 138	\$ 264	\$ 350	\$ 437
Management and advisory fees (note 8)	49	65	150	195
Performance fees (note 8)	–	1	2	4
Reimbursement of expenses from investment funds and operating businesses (note 8)	8	13	27	25
Interest income (note 9)	3	6	10	9
Other income	1	1	2	2
<b>Total income</b>	<b>\$ 199</b>	<b>\$ 350</b>	<b>\$ 541</b>	<b>\$ 672</b>
<b>Expenses</b>				
Compensation	\$ (39)	\$ (46)	\$ (137)	\$ (166)
Stock-based compensation expense	(7)	(14)	(3)	(42)
Amortization of property, equipment and intangible assets	(5)	(8)	(19)	(28)
Recoverable expenses from investment funds and operating businesses	(8)	(13)	(27)	(25)
Restructuring expenses, net (note 2)	(3)	(5)	(11)	(40)
Net impairment of goodwill, intangible assets and property and equipment	–	7	–	(164)
Other expenses	(10)	(15)	(38)	(48)
<b>Total expenses</b>	<b>\$ (72)</b>	<b>\$ (94)</b>	<b>\$ (235)</b>	<b>\$ (513)</b>
Earnings before income taxes	\$ 127	\$ 256	\$ 306	\$ 159
Provision for income taxes	–	–	(1)	(3)
<b>Net earnings</b>	<b>\$ 127</b>	<b>\$ 256</b>	<b>\$ 305</b>	<b>\$ 156</b>
<b>Net Earnings per Subordinate Voting Share of Onex Corporation (note 10)</b>				
Basic	\$ 1.68	\$ 3.24	\$ 3.99	\$ 1.94
Diluted	\$ 1.68	\$ 3.23	\$ 3.99	\$ 1.94

These unaudited interim consolidated financial statements should be read in conjunction with the 2023 audited annual consolidated financial statements.

# INTERIM CONSOLIDATED STATEMENTS OF EQUITY

<i>(Unaudited)</i> <i>(in millions of U.S. dollars except per share data)</i>	Share Capital (note 7)	Retained Earnings and Accumulated Other Comprehensive Earnings <sup>(i)</sup>	Total Equity
<b>Balance – December 31, 2022</b>	\$ 287	\$ 7,963	\$ 8,250
Dividends declared <sup>(iii)</sup>	–	(18)	(18)
Repurchase and cancellation of shares	(9)	(157)	(166)
Stock options exercised	3	–	3
Net earnings	–	156	156
<b>Balance – September 30, 2023</b>	\$ 281	\$ 7,944	\$ 8,225
<b>Balance – December 31, 2023<sup>(i)</sup></b>	\$ 281	\$ 8,283	\$ 8,564
Dividends declared <sup>(iii)</sup>	–	(17)	(17)
Repurchase and cancellation of shares (note 7)	(10)	(222)	(232)
Net earnings	–	305	305
<b>Balance – September 30, 2024<sup>(i)</sup></b>	<b>\$ 271</b>	<b>\$ 8,349</b>	<b>\$ 8,620</b>

(i) Accumulated other comprehensive earnings at September 30, 2024 was \$1 (December 31, 2023 – \$1) and consisted solely of currency translation adjustments. Income taxes did not have a significant effect on these adjustments.

(iii) Dividends declared per Subordinate Voting Share were C\$0.30 for the nine months ended September 30, 2024 (2023 – C\$0.30). There are no tax effects for Onex on the declaration or payment of dividends.

These unaudited interim consolidated financial statements should be read in conjunction with the 2023 audited annual consolidated financial statements.

# INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

Nine Months Ended September 30

(Unaudited)

(in millions of U.S. dollars)

	2024	2023
<b>Operating Activities</b>		
Net earnings	\$ 305	\$ 156
Adjustments to net earnings:		
Provision for income taxes	1	3
Interest income	(10)	(9)
Interest expense and other	6	2
Earnings before interest and income taxes	302	152
Income taxes paid	(1)	(2)
Net stock-based compensation paid	(21)	(18)
Investments made in and loans made to Investment Holding Companies	(164)	(115)
Distributions and loan repayments received from Investment Holding Companies and operating companies	302	423
Items not affecting cash and cash equivalents:		
Amortization of property, equipment and intangible assets	19	28
Net gain on corporate investments (note 4)	(350)	(437)
Stock-based compensation expense	3	42
Restructuring expenses, net (note 2)	7	-
Foreign exchange gain	(3)	(1)
Net impairment of goodwill, intangible assets and property and equipment	-	164
Other	1	3
	95	239
Changes in working capital items:		
Management and advisory fees, recoverable fund expenses and other receivables	79	(92)
Other assets	(12)	(7)
Accounts payable, accrued liabilities and other liabilities	(14)	19
Accrued compensation	(36)	(41)
Increase (decrease) due to changes in working capital items	17	(121)
Cash provided by operating activities	\$ 112	\$ 118
<b>Financing Activities</b>		
Issuance of loans from Investment Holding Companies	\$ 146	\$ 385
Repayment of loans to Investment Holding Companies	-	(21)
Repurchase of share capital of Onex Corporation	(232)	(163)
Cash dividends paid	(17)	(18)
Principal elements of lease payments	(7)	(8)
Cash interest paid	(1)	(1)
Cash provided by (used in) financing activities	\$ (111)	\$ 174
<b>Investing Activities</b>		
Cash interest received	\$ 8	\$ 6
Net sale of treasury investments	-	53
Purchase of property and equipment	-	(8)
Other	(1)	-
Cash provided by investing activities	\$ 7	\$ 51
<b>Increase in Cash and Cash Equivalents</b>	<b>\$ 8</b>	<b>\$ 343</b>
Increase in cash due to changes in foreign exchange rates	2	1
Cash and cash equivalents, beginning of the year	265	111
<b>Cash and Cash Equivalents</b>	<b>\$ 275</b>	<b>\$ 455</b>

These unaudited interim consolidated financial statements should be read in conjunction with the 2023 audited annual consolidated financial statements.



# NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) (in millions of U.S. dollars except per share data)

Onex Corporation, along with its wholly-owned subsidiaries, manages and invests capital in its private equity funds, private credit strategies and liquid strategies on behalf of shareholders, institutional investors and private clients from around the world.

Onex invests in its two private equity platforms: Onex Partners for upper-middle market and larger transactions and ONCAP for middle-market and smaller transactions. Onex also invests in private credit strategies, which primarily consist of non-investment grade debt in collateralized loan obligations, and structured, opportunistic and direct lending strategies.

Throughout these statements, the terms “Onex” and “Company” refer to Onex Corporation, the ultimate parent company, and its wholly-owned subsidiaries.

Onex Corporation is a Canadian corporation domiciled in Canada and listed on the Toronto Stock Exchange under the symbol ONEX. Onex’ shares are traded in Canadian dollars. The registered address for Onex is 161 Bay Street, Toronto, Ontario. Mr. Gerald W. Schwartz controls Onex through his ownership of all outstanding Multiple Voting Shares of the corporation. Mr. Schwartz also indirectly held 11% of the outstanding Subordinate Voting Shares of Onex at September 30, 2024.

All amounts included in the notes to the unaudited interim consolidated financial statements are in millions of U.S. dollars unless otherwise noted.

The unaudited interim consolidated financial statements were authorized for issue by the Board of Directors on November 7, 2024.

## 1. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

### STATEMENT OF COMPLIANCE

The unaudited interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards and its interpretations adopted by the International Accounting Standards Board (“IFRS Accounting Standards”). Accordingly, certain information and note disclosures normally included in annual financial statements prepared in accordance with IFRS Accounting Standards have been omitted or condensed. These unaudited interim consolidated financial statements were prepared on a going concern basis.

The U.S. dollar is Onex’ functional currency and the unaudited interim consolidated financial statements have been reported on a U.S. dollar basis.

### BASIS OF PREPARATION

Throughout the notes to the unaudited interim consolidated financial statements, **investments** and **investing activity** of Onex’ capital primarily relate to its private equity funds, private credit strategies and certain investments held outside the private equity funds and private credit strategies. These investments are held directly or indirectly through wholly-owned subsidiaries of Onex, which are referred

to as **Investment Holding Companies**. While there are a number of Investment Holding Companies, these companies primarily consist of direct or indirect subsidiaries of Onex Private Equity Holdings LLC, Onex CLO Holdings LLC or Onex Credit Holdings LLC. These three companies, which are referred to as the **Primary Investment Holding Companies**, are the holding companies for the majority of Onex’ investments, excluding intercompany loans receivable from Onex and the Asset Managers, as defined below. The Primary Investment Holding Companies were formed in the United States.

**Asset management** refers to the activity of managing capital in Onex’ private equity funds, private credit strategies and liquid strategies. This activity is conducted through wholly-owned subsidiaries of Onex, which are the managers of the Onex Partners Funds, ONCAP Funds and Credit strategies. These subsidiaries are referred to as Onex’ **Asset Managers** and are consolidated by Onex. The **Credit** platform includes a broad spectrum of private credit, liquid credit and public equity strategies that are managed by the Onex Credit team.

References to an **Onex Partners Group** represent Onex, the limited partners of the relevant Onex Partners Fund, the Onex management team and, where applicable, certain other limited partners as co-investors. References to an **ONCAP Group** represent Onex, the limited partners of the relevant ONCAP Fund, the Onex management team and, where applicable, certain other limited partners as co-investors.

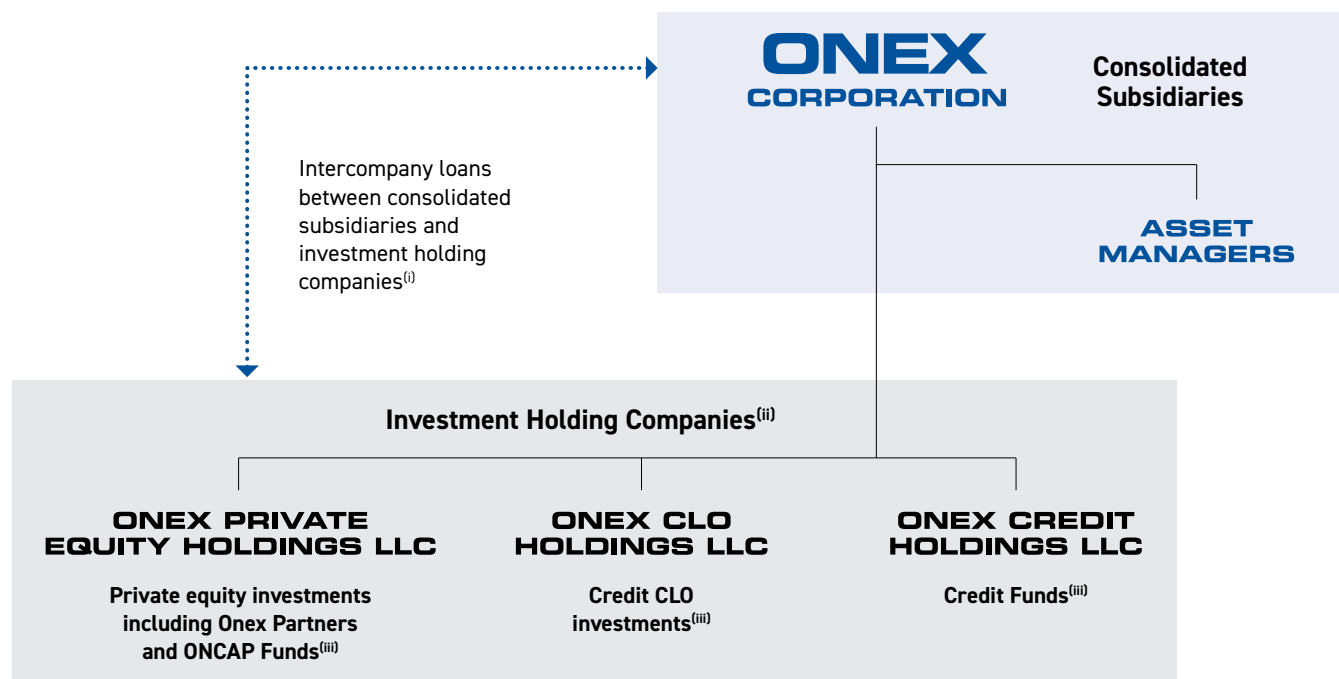
Onex meets the definition of an investment entity, as defined by IFRS 10, *Consolidated financial statements* ("IFRS 10"). As a result, Onex' investments in its subsidiaries that do not provide investment-related services are accounted for as corporate investments at fair value through net earnings (loss).

The Company has also performed an assessment to determine which of its subsidiaries are investment entities, as defined under IFRS 10. When performing this assessment, the Company considered the subsidiaries' current business purpose along with the business purpose of the subsidiaries' direct and indirect investments.

The Company has concluded that the Primary Investment Holding Companies meet the definition of an investment entity.

Throughout these unaudited interim consolidated financial statements, wholly-owned subsidiaries of Onex that are recognized at fair value are referred to as Investment Holding Companies. Investment Holding Companies include subsidiaries determined to be investment entities under IFRS 10, and all other subsidiaries that do not provide investment-related services and are not investment entities.

The simplified diagram below illustrates the types of subsidiaries included within Onex' corporate structure and the basis on which they are accounted.



(i) Onex Corporation and the consolidated asset management subsidiaries enter into intercompany loans that, in aggregate, have no net effect on Onex' financial position. Intercompany loans payable by Onex and the consolidated subsidiaries to the Investment Holding Companies are recognized as liabilities in the unaudited interim consolidated balance sheets, with the corresponding loans receivable classified as assets within corporate investments in the unaudited interim consolidated balance sheets.

(ii) Onex' investments in the Investment Holding Companies are recorded as corporate investments at fair value through net earnings (loss).

(iii) Onex' investments in private equity and Credit strategies are typically held directly or indirectly through wholly-owned investment holding companies, which are subsidiaries of the Primary Investment Holding Companies.

**MATERIAL ACCOUNTING POLICIES**

The disclosures contained in these unaudited interim consolidated financial statements do not include all the requirements of IFRS Accounting Standards for annual financial statements. The unaudited interim consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2023.

The unaudited interim consolidated financial statements are based on accounting policies, as described in note 1 to the 2023 audited annual consolidated financial statements. Several amendments and interpretations of IFRS Accounting Standards apply for the first time in 2024; however, these items do not have a material impact on the unaudited interim consolidated financial statements of the Company.

**2. ONEX FALCON**

In June 2024, Onex transferred 80% of its interest in Onex Falcon to certain members of the Onex Falcon management team and retained a 20% economic interest in the Onex Falcon asset manager. Onex received the following in exchange for its 80% economic interest in Onex Falcon's junior capital asset management business:

- an increased carried interest entitlement from Falcon Fund VI to approximately 25%;
- a 30% carried interest entitlement from Falcon Fund VII was retained;
- a 20% carried interest entitlement from Falcon Fund VIII, if raised, was retained; and
- all contingent consideration entitlements from the purchase of Falcon Investment Advisors in 2020 were waived.

As a result of this transaction, Onex no longer consolidates Onex Falcon. During the nine months ended September 30, 2024 Onex recognized a loss on the transfer of Onex Falcon and restructuring expenses totalling \$9, of which \$7 were non-cash expenses. The loss on transfer and restructuring expenses are included in restructuring expenses in the unaudited interim consolidated statements of earnings.

In connection with this transaction, Onex' commitment to Falcon Fund VII was reduced from \$80 to \$40.

**3. MANAGEMENT AND ADVISORY FEES, RECOVERABLE FUND EXPENSES AND OTHER RECEIVABLES**

The Company's receivables comprised the following:

	September 30, 2024	December 31, 2023
Management and advisory fees	\$ 369	\$ 422
Recoverable fund and operating businesses' expenses	217	229
Performance fees	1	11
Other	17	21
Total	\$ 604	\$ 683

Receivables primarily consisted of management fees and recoverable expenses receivable of \$529 from the Onex private equity funds (December 31, 2023 - \$577) and \$13 from the Credit Funds (December 31, 2023 - \$38), which Onex elected to defer cash receipt from. The majority of receivables outstanding at September 30, 2024 consisted of management fees and recoverable expenses receivable from the Onex Partners V Fund (December 31, 2023 - Onex Partners IV and V Funds). The decline in receivables from December 31, 2023 to September 30, 2024 was primarily driven by the cash receipt of management fees from the Onex Partners IV Fund.

#### 4. CORPORATE INVESTMENTS

The Company's interests in its Investment Holding Companies are recorded at fair value through net earnings (loss). The Investment Holding Companies directly or indirectly invest the Company's capital in the Onex Partners Funds, ONCAP Funds, private credit strategies and other investments. The Company's corporate investments comprised the following:

	December 31, 2023 <sup>(i)</sup>	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2024	Change in Fair Value During the Three Months Ended September 30, 2024
Onex Partners Funds	\$ 4,445	\$ 140	\$ (363)	\$ 92	\$ 4,314	\$ 56
ONCAP Funds	929	141	(279)	27	818	(5)
Other private equity	407	35	(15)	128	555	45
Carried interest	252	n/a	(14)	15	253	20
Total private equity investments <sup>(a)</sup>	6,033	316	(671)	262	5,940	116
Private Credit Strategies <sup>(b)</sup>	904	592	(668)	60	888	29
Real estate <sup>(c)</sup>	18	–	(15)	(3)	–	–
Other net assets <sup>(d)</sup>	692	(885)	1,045	29	881	(7)
Total corporate investments, excluding intercompany loans	7,647	23	(309)	348	7,709	138
Intercompany loans receivable from Onex and the Asset Managers <sup>(e)</sup>	3,874	376	–	2	4,252	–
Intercompany loans payable to Onex and the Asset Managers <sup>(f)</sup>	(374)	(9)	6	(1)	(378)	–
Intercompany loans receivable from Investment Holding Companies <sup>(f)</sup>	374	9	(6)	1	378	–
Total corporate investments	\$ 11,521	\$ 399	\$ (309)	\$ 350	\$ 11,961	\$ 138

(i) The December 31, 2023 junior capital investment balance is included in other net assets. Onex' junior capital investments were previously included within Private Credit Strategies.

### a) Private equity investments

The Company's private equity investments comprised the following:

	December 31, 2023	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2024	Change in Fair Value During the Three Months Ended September 30, 2024
<b>Onex Partners Funds</b>						
Onex Partners I	\$ 1	\$ -	\$ -	\$ -	\$ 1	\$ -
Onex Partners II	4	-	-	-	4	-
Onex Partners III	342	-	(28)	6	320	3
Onex Partners IV	1,409	-	(271)	(99)	1,039	(3)
Onex Partners V	2,894	140	(64)	194	3,164	62
Management incentive programs	(205)	n/a	-	(9)	(214)	(6)
<b>Total investment in Onex Partners Funds<sup>(i)</sup></b>	<b>4,445</b>	<b>140</b>	<b>(363)</b>	<b>92</b>	<b>4,314</b>	<b>56</b>
<b>ONCAP Funds</b>						
ONCAP II	102	-	(128)	40	14	8
ONCAP III	42	-	(7)	(6)	29	(7)
ONCAP IV	686	13	(141)	(37)	521	(7)
ONCAP V	184	31	(27)	25	213	(3)
ONCAP SPV	-	97	-	8	105	4
Management incentive programs	(85)	n/a	24	(3)	(64)	-
<b>Total investment in ONCAP Funds<sup>(iii)</sup></b>	<b>929</b>	<b>141</b>	<b>(279)</b>	<b>27</b>	<b>818</b>	<b>(5)</b>
<b>Other private equity investments<sup>(iii)</sup></b>	<b>407</b>	<b>35</b>	<b>(15)</b>	<b>128</b>	<b>555</b>	<b>45</b>
<b>Carried interest<sup>(iv)</sup></b>	<b>252</b>	<b>n/a</b>	<b>(14)</b>	<b>15</b>	<b>253</b>	<b>20</b>
<b>Total private equity investments</b>	<b>\$ 6,033</b>	<b>\$ 316</b>	<b>\$ (671)</b>	<b>\$ 262</b>	<b>\$ 5,940</b>	<b>\$ 116</b>

#### i) Onex Partners Funds

At September 30, 2024, the Onex Partners Funds had investments in 22 operating businesses (December 31, 2023 – 21) in various industry sectors and countries, of which three were publicly traded companies (December 31, 2023 – three). The fair value of Onex' investments in the Onex Partners publicly traded companies at September 30, 2024 was \$890 (December 31, 2023 – \$969). Onex' investments in the Onex Partners Funds include co-investments, where applicable.

#### Onex Partners III

In August 2024, Onex received \$25 in connection with a distribution made by Sedgwick Claims Management Services ("Sedgwick") to the Onex Partners III Group.

In October 2024, the Onex Partners III Group sold a portion of its investment in Sedgwick, as described in note 16.

#### Onex Partners IV

In August 2024, the Onex Partners IV Group completed the sale of its investment in ASM Global. Onex' share of the net proceeds from this sale was \$279, including \$8 of estimated proceeds held in escrow.

In October 2024, the Onex Partners IV Group sold a portion of its investment in PowerSchool Group ("PowerSchool"), as described in note 16.

#### Onex Partners V

During the six months ended June 30, 2024, Onex invested \$47 as part of the Onex Partners V Group's investment in Morson Group, a leading engineering and technical staffing and workforce solutions business based in the United Kingdom. As of September 30, 2024, Onex' economic and voting interests in Morson are 17% and 63%, respectively.

In June 2024, Onex invested \$97 as part of the Onex Partners V Group's investment in Accredited, a specialty insurance company operating in North America and Europe that provides underwriting capacity to Managing General Agents with support from the global reinsurance market. During the three months ended September 30, 2024, the Onex Partners V Group syndicated a portion of its investment in Accredited to a third-party co-investor. As a result of this transaction, Onex' investment in Accredited was reduced by \$4. As of September 30, 2024, Onex' economic and voting interests in Accredited are 26% and 100%, respectively.

In July 2024, Onex received \$15 in connection with a dividend paid by Tes Global to the Onex Partners V Group.

In September 2024, Onex received \$18 in connection with a dividend paid by Fidelity Building Services Group to the Onex Partners V Group.

#### Onex Partners Opportunities

In August 2024, the Onex Partners Opportunities Group entered into an agreement to acquire Farsound, a leading global supply chain solutions provider for the aerospace engine maintenance, repair and overhaul market. The transaction is expected to close in the fourth quarter of 2024, subject to customary closing conditions and regulatory approvals. Onex currently expects that its share of the investment in Farsound, as a limited partner of the Onex Partners Opportunities Fund, will be approximately \$100. Onex' share of the investment in Farsound will be further reduced as additional capital is raised by the Onex Partners Opportunities Group.

In October 2024, the Onex Partners Opportunities Group acquired Fischbach KG ("Fischbach"), as described in note 16.

#### ii) ONCAP Funds

At September 30, 2024, the ONCAP Funds had investments in 16 operating businesses (December 31, 2023 – 17). Onex' investments in the ONCAP Funds include co-investments, where applicable.

#### ONCAP II and III

In July 2024, the ONCAP II Group completed the sale of Englobe. Onex' share of the net proceeds received from the sale was \$99, including carried interest and net of payments under management incentive programs. Net proceeds include \$2 held in escrow.

In August 2024, Onex received \$28 in connection with a distribution made by PURE Canadian Gaming to the ONCAP II and III Groups, including carried interest and net of payments under management incentive programs.

#### b) Private Credit Strategies

The Company's investment in private credit strategies comprised the following:

	December 31, 2023 <sup>(i)</sup>	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2024	Change in Fair Value During the Three Months Ended September 30, 2024
<b>Structured Credit Strategies</b>						
U.S. CLOs	\$ 234	\$ 79	\$ (121)	\$ 24	\$ 216	\$ 13
EURO CLOs	136	30	(77)	13	102	4
CLO warehouses	35	367	(321)	2	83	2
Other structured strategies	55	22	(26)	11	62	4
<b>Opportunistic Credit Strategies</b>	181	39	(7)	8	221	2
<b>Liquid Strategies<sup>(ii)</sup></b>	155	27	(51)	3	134	4
<b>Direct Lending</b>	108	28	(65)	(1)	70	–
<b>Total investment in Private Credit Strategies</b>	\$ 904	\$ 592	\$ (668)	\$ 60	\$ 888	\$ 29

(i) The December 31, 2023 junior capital investment balance is included in other net assets. Onex' junior capital investments were previously included within Private Credit Strategies.

(ii) Liquid strategies include investments in first-lien senior secured loans.

#### ONCAP IV

In March 2024, Onex transferred a portion of its interest in ONCAP IV to a special purpose vehicle ("SPV") in exchange for a limited partnership interest in the SPV. The ONCAP IV interest transferred to the SPV had a fair value of \$93, which was gross of amounts owing under management incentive programs. A third-party investor has made a \$100 commitment to ONCAP V through the SPV in exchange for a preferred return from the SPV.

In June 2024, the ONCAP IV Group sold its investment in Wyse Meter Solutions ("Wyse") to a single-asset continuation fund managed by ONCAP. Onex' share of the proceeds from this transaction was \$45, including carried interest and net of payments under the management incentive programs. Onex reinvested \$8 of proceeds into the continuation fund and net proceeds of current ONCAP management were also reinvested into the continuation fund. ONCAP will manage the continuation fund, which has an initial term of five years, in exchange for recurring management fees and a carried interest opportunity.

#### ONCAP V

In January 2024, Onex received \$21 following the syndication of the co-investment in Biomerics. Onex' share of the investment will be further reduced as additional capital is raised by ONCAP V.

#### iii) Other private equity investments

Other private equity investments primarily consist of Onex' investments in Incline Aviation Funds I and II, Ryan Specialty and Unanet. During the nine months ended September 30, 2024, Onex completed investments in Incline Aviation Fund II totalling \$25.

#### iv) Carried interest

Unrealized carried interest is calculated based on the current fair values of the funds and the overall realized and unrealized gains in each fund in accordance with its limited partnership agreements.

During the nine months ended September 30, 2024, Onex' net investments in the CLOs decreased by \$89 primarily as a result of regular quarterly distributions totalling \$81 and the partial sale of equity interests in certain U.S. and European CLOs for \$117, partially offset by \$95 invested in six new U.S. and two new European CLOs raised by Onex Credit.

During the nine months ended September 30, 2024, the net increase in Onex' investments in CLO warehouses was driven by the investments made to support the warehouse facilities for potential future Onex Credit U.S. and European CLOs.

During the nine months ended September 30, 2024, the net investments in opportunistic credit strategies increased by \$32, primarily as a result of \$39 invested in the Onex Capital Solutions Fund.

During the nine months ended September 30, 2024, the net investments in direct lending decreased by \$37, primarily as a result of \$32 of distributions received from Onex Credit Lending Partners ("OCLP I").

#### c) Real estate

Onex' investment in real estate at December 31, 2023 comprised an investment in Flushing Town Center, a commercial and residential complex located in Flushing, New York. During the six months ended June 30, 2024, the remaining residential units in Flushing Town Center were sold. Onex' share of the proceeds from these sales was \$15.

#### d) Other net assets

Other net assets consisted of assets and liabilities of the Investment Holding Companies, excluding investments in private equity, Onex' private credit strategies, real estate and intercompany loans receivable from and payable to Onex and the Asset Managers. Other net assets comprised the following:

	September 30, 2024	December 31, 2023 <sup>(i)</sup>
Cash and cash equivalents	\$ 723	\$ 411
Treasury investments	118	197
Restricted cash	–	22
Other net assets <sup>(ii)</sup>	40	62
<b>Total other net assets</b>	<b>\$ 881</b>	<b>\$ 692</b>

(i) The December 31, 2023 junior capital investment balance is included in other net assets. Onex' junior capital investments were previously included within Private Credit Strategies.

(ii) Other net assets at September 30, 2024 included \$47 (December 31, 2023 – \$77) of subscription financing receivable, including interest receivable, attributable to third-party investors in certain Credit Funds, Onex Partners V and ONCAP V, partially offset by \$34 (December 31, 2023 – \$35) of uncalled expenses payable to the consolidated Asset Managers and \$2 payable for Onex' management incentive programs related to a private equity realization (December 31, 2023 – less than \$1). The December 31, 2023 balance also included \$37 related to a short-term loan receivable from an Onex Partners operating company, which was repaid during the nine months ended September 30, 2024.

Treasury investments held by the Investment Holding Companies comprised the following:

	September 30, 2024	December 31, 2023
Federal debt instruments	\$ 71	\$ 111
Commercial paper and corporate obligations	42	78
Other	5	8
<b>Total treasury investments</b>	<b>\$ 118</b>	<b>\$ 197</b>

#### e) Intercompany loans receivable from Onex and the Asset Managers

The Investment Holding Companies have intercompany loans receivable from Onex and the Asset Managers. At September 30, 2024, the intercompany loans receivable from Onex and the Asset Managers of \$4,252 (December 31, 2023 – \$3,874) formed part of Onex' net investment in the Investment Holding Companies, which is recorded at fair value through net earnings (loss). These intercompany loans receivable are the same loans presented as intercompany loans payable to the Investment Holding Companies in the unaudited interim consolidated balance sheets, which totalled \$4,252 at September 30, 2024 (December 31, 2023 – \$3,874) and are described in note 5. There is no impact on net assets or net earnings from these intercompany loans.

#### f) Intercompany loans payable to Onex and the Asset Managers and intercompany loans receivable from Investment Holding Companies

At September 30, 2024, Onex and the Asset Managers had intercompany loans receivable from the Investment Holding Companies totalling \$378 (December 31, 2023 – \$374). The corresponding intercompany loans payable to Onex and the Asset Managers, which totalled \$378 at September 30, 2024 (December 31, 2023 – \$374), formed part of Onex' net investment in the Investment Holding Companies, which is recorded at fair value through net earnings (loss). There is no impact on net assets or net earnings from these intercompany loans.



## 5. INTERCOMPANY LOANS PAYABLE TO INVESTMENT HOLDING COMPANIES

Onex and the Asset Managers have intercompany loans payable to the Investment Holding Companies. The loans are primarily due on demand and non-interest bearing. At September 30, 2024, intercompany loans payable to the Investment Holding Companies totalled \$4,252 (December 31, 2023 – \$3,874) and the corresponding receivable of \$4,252 (December 31, 2023 – \$3,874) was included in the fair value of the Investment Holding Companies within corporate investments (note 4). There is no impact on net assets or net earnings from these intercompany loans.

## 6. STOCK-BASED COMPENSATION PAYABLE

Stock-based compensation payable comprised the following:

	September 30, 2024	December 31, 2023
Stock Option Plan	\$ 85	\$ 112
Management DSU Plan	58	59
Director DSU Plan	44	41
PSU and RSU Plans	13	6
Total stock-based compensation payable	\$ 200	\$ 218

Included in other assets at September 30, 2024 was \$124 (December 31, 2023 – \$110) related to forward agreements to economically hedge the Company's exposure to changes in the trading price of Onex shares associated with the Deferred Share Unit ("DSU"), Performance Share Unit ("PSU") and Restricted Share Unit ("RSU") Plans.

## 7. SHARE CAPITAL

a) At September 30, 2024, the issued and outstanding share capital consisted of 100,000 Multiple Voting Shares (December 31, 2023 – 100,000) and 73,988,434 SVS (December 31, 2023 – 77,399,292). The Multiple Voting Shares have a nominal paid-in value in these unaudited interim consolidated financial statements.

There were no issued and outstanding Senior and Junior Preferred Shares at September 30, 2024 or December 31, 2023.

b) Onex renewed its Normal Course Issuer Bid in April 2024 for one year, permitting the Company to purchase on the Toronto Stock Exchange up to 10% of the public float of its SVS. The 10% limit represents approximately 6.3 million shares.

During the nine months ended September 30, 2024, the Company repurchased and cancelled 3,416,019 of its SVS for a total cost of \$232 (C\$317) or a weighted average cost per share of \$68.01 (C\$92.77). The excess of the purchase cost of these shares over the average paid-in amount was \$222 (C\$303), which was charged to retained earnings. The shares repurchased were comprised of: (i) 2,416,019 SVS purchased under the Normal Course Issuer Bids for a total cost of \$166 (C\$226) or an average price of \$68.82 (C\$93.67); and (ii) 1,000,000 SVS repurchased in a private transaction for a total cost of \$66 (C\$91) or a weighted average cost per share of \$66.06 (C\$90.60), as described in note 13. During the nine months ended September 30, 2024, 5,161 SVS were issued upon exercise of stock options at an average price of C\$101.81.

c) During the nine months ended September 30, 2024, 595,618 options were issued primarily in connection with services provided by employees during the year ended December 31, 2023 at a weighted average exercise price of C\$99.21, 1,009,543 options were surrendered for total cash consideration of \$19 (C\$26), 13,500 options were exercised for SVS at an exercise price of C\$63.53 and 249,282 options were forfeited or expired. The cash consideration for options surrendered represents the difference between the market value of the SVS at the time of surrender and the exercise price, both as determined under Onex' Stock Option plan, as described in note 17(e) to the 2023 audited annual consolidated financial statements.

d) During the nine months ended September 30, 2024, 246,524 units were issued under the PSU and RSU Plans, primarily in connection with services provided by employees during the year ended December 31, 2023. At September 30, 2024, Onex had 367,983 total units outstanding under the PSU and RSU Plans (December 31, 2023 – 152,579).

The directors have chosen to receive their directors' fees in DSUs in lieu of cash. At September 30, 2024, 621,276 Director DSUs were outstanding (December 31, 2023 – 578,994).

Certain members of the Onex management team have chosen in prior years to apply a portion of their annual compensation earned to acquire DSUs based on the market value of Onex shares at the time. During the nine months ended September 30, 2024, 24,062 Management DSUs were redeemed at an average price of \$75.23 (C\$101.09). At September 30, 2024, 829,405 Management DSUs were outstanding (December 31, 2023 – 848,214).

The Company has entered into forward agreements with counterparty financial institutions to hedge the Company's exposure to changes in the market value of Onex' SVS associated with substantially all outstanding DSUs, PSUs and RSUs, as described in note 1 to the 2023 audited annual consolidated financial statements. These forward agreements are included within other assets, as described in note 6.



## 8. REVENUES

The Company generates revenues from the following sources:

Management and Advisory Fees			
	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
<b>Source of revenues</b>			
Credit	\$ 25	\$ 34	\$ 109
Private Equity <sup>(i)</sup>	24	31	86
Total	\$ 49	\$ 65	\$ 195

(i) Includes advisory fees from the Onex Partners and ONCAP operating businesses.

Reimbursement of Expenses			
	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
<b>Source of revenues</b>			
Credit	\$ 5	\$ 3	\$ 10
Private Equity <sup>(i)</sup>	3	10	15
Total	\$ 8	\$ 13	\$ 25

(i) Includes expense reimbursements from the Onex Partners and ONCAP operating businesses.

Additionally, Onex recognized less than \$1 and \$2 of performance fees from its Credit strategies during the three and nine months ended September 30, 2024, respectively (2023 – \$1 and \$4, respectively).

## 9. INTEREST INCOME

Interest income recognized by the Company consisted of income earned from certain investments recognized at fair value through net earnings (loss).

## 10. NET EARNINGS PER SUBORDINATE VOTING SHARE

The weighted average number of SVS for the purpose of the net earnings per share calculations was as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
Weighted average number of shares outstanding <i>(in millions)</i> :				
Basic	75	79	76	80
Diluted	75	79	77	80

## 11. FINANCIAL INSTRUMENTS

Financial assets held by the Company, presented by financial statement line item, were as follows:

	Fair Value through Net Earnings (Loss)		Amortized Cost <sup>(i)</sup>	Total
	Recognized	Designated		
<b>September 30, 2024</b>				
<b>Financial assets</b>				
Cash and cash equivalents	\$ 275	\$ -	\$ -	\$ 275
Management and advisory fees, recoverable fund expenses and other receivables	-	-	603	603
Corporate investments	11,583	378	-	11,961
Forward agreements and other assets	133	-	-	133
<b>Total</b>	<b>\$ 11,991</b>	<b>\$ 378</b>	<b>\$ 603</b>	<b>\$ 12,972</b>

(i) The carrying value of financial assets at amortized cost approximated their fair value.

	Fair Value through Net Earnings (Loss)		Amortized Cost <sup>(i)</sup>	Total
	Recognized	Designated		
<b>December 31, 2023</b>				
<b>Financial assets</b>				
Cash and cash equivalents	\$ 265	\$ -	\$ -	\$ 265
Management and advisory fees, recoverable fund expenses and other receivables	-	-	679	679
Corporate investments	11,147	374	-	11,521
Forward agreements and other assets	122	-	-	122
<b>Total</b>	<b>\$ 11,534</b>	<b>\$ 374</b>	<b>\$ 679</b>	<b>\$ 12,587</b>

(i) The carrying value of financial assets at amortized cost approximated their fair value.

# NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Financial liabilities held by the Company, presented by financial statement line item, were as follows:

Fair Value through Net Earnings (Loss)		Amortized Cost	Total
	Designated		
September 30, 2024			
Financial liabilities			
Intercompany loans payable to			
Investment Holding Companies	\$ 4,252	\$ –	\$ 4,252
Accounts payable and accrued liabilities	–	23	23
Lease liabilities	–	45	45
Other liabilities	–	6	6
Total	\$ 4,252	\$ 74	\$ 4,326

Fair Value through Net Earnings (Loss)		Amortized Cost	Total	
Recognized	Designated			
<b>December 31, 2023</b>				
<b>Financial liabilities</b>				
Intercompany loans payable to				
Investment Holding Companies	\$ -	\$ 3,874	\$ -	\$ 3,874
Accounts payable and accrued liabilities	-	-	23	23
Contingent consideration	15	-	-	15
Lease liabilities	-	-	61	61
Other liabilities	-	-	7	7
<b>Total</b>	<b>\$ 15</b>	<b>\$ 3,874</b>	<b>\$ 91</b>	<b>\$ 3,980</b>

At September 30, 2024, intercompany loans payable to Investment Holding Companies that are recorded at fair value through net earnings (loss) had contractual amounts due on maturity of \$4,252 (December 31, 2023 – \$3,874).

## 12. FAIR VALUE MEASUREMENTS

### Fair values of financial instruments

The estimated fair values of financial instruments as at September 30, 2024 and December 31, 2023 were based on relevant market prices and information available at those dates. The carrying values of receivables, accounts payable, accrued liabilities, lease liabilities and other liabilities approximated the fair values of these financial instruments.

Financial instruments measured at fair value are allocated within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. Transfers between the three levels of the fair value hierarchy are recognized on the date of the event or change in circumstances that caused the transfer. There were no significant transfers between the three levels of the fair value hierarchy during the nine months ended September 30, 2024. The three levels of the fair value hierarchy are as follows:

- Quoted prices in active markets for identical assets ("Level 1");
- Significant other observable inputs ("Level 2"); and
- Significant other unobservable inputs ("Level 3").

The allocation of financial assets in the fair value hierarchy, excluding cash and cash equivalents (which are a Level 1 measurement), was as follows:

As at September 30, 2024	Level 1	Level 2	Level 3	Total
Financial assets at fair value through net earnings (loss)				
Investments in equities <sup>(i)</sup>	\$ -	\$ -	\$ 11,583	\$ 11,583
Intercompany loans receivable from the Investment Holding Companies	-	378	-	378
Forward agreements and other assets	8	124	1	133
Total financial assets at fair value through net earnings (loss)	\$ 8	\$ 502	\$ 11,584	\$ 12,094

(i) Onex' investments in the Investment Holding Companies are further described in note 4.

As at December 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets at fair value through net earnings (loss)				
Investments in equities <sup>(i)</sup>	\$ -	\$ -	\$ 11,147	\$ 11,147
Intercompany loans receivable from the Investment Holding Companies	-	374	-	374
Forward agreements and other assets	11	111	-	122
Total financial assets at fair value through net earnings (loss)	\$ 11	\$ 485	\$ 11,147	\$ 11,643

(i) Onex' investments in the Investment Holding Companies are further described in note 4.

Financial liabilities measured at fair value at September 30, 2024 consisted of intercompany loans payable to Investment Holding Companies totalling \$4,252 (December 31, 2023 - \$3,874), which are a Level 2 measurement in the fair value hierarchy. Financial liabilities measured at fair value at December 31, 2023 also included contingent consideration payable of \$15, which is a Level 3 measurement in the fair value hierarchy.

Details of financial assets and liabilities measured at fair value with significant unobservable inputs (Level 3) were as follows:

	Financial Assets at Fair Value through Net Earnings (Loss)	Financial Liabilities at Fair Value through Net Earnings (Loss)
<b>Balance – December 31, 2022</b>	\$ 10,477	\$ 57
Change in fair value recognized in net earnings (loss)	800	(42)
Net distributions received from the Investment Holding Companies <sup>(i)</sup>	(130)	–
<b>Balance – December 31, 2023</b>	\$ 11,147	\$ 15
Change in fair value recognized in net earnings (loss)	350	–
Reversal of Onex Falcon contingent consideration	–	(15)
Net investments made in the Investment Holding Companies <sup>(i)</sup>	86	–
<b>Balance – September 30, 2024</b>	\$ 11,583	\$ –
Unrealized change in fair value of assets and liabilities recognized in net earnings during the reporting period	\$ 350	\$ –

(i) Net distributions received from the Investment Holding Companies and net investments made in the Investment Holding Companies include activity associated with intercompany loans payable by Onex and the Asset Managers to the Investment Holding Companies.

Financial assets measured at fair value with significant unobservable inputs (Level 3) were recognized in the unaudited interim consolidated statements of earnings in the net gain on corporate investments line item.

The valuation of financial assets and liabilities measured at fair value with significant unobservable inputs (Level 3) is determined quarterly using company-specific considerations and available market data of comparable public companies. The fair value measurements for corporate investments are primarily driven by the underlying net asset values of Onex' investments in the Onex Partners Funds, ONCAP Funds and private credit strategies. The valuation of underlying non-public investments requires significant judgement due to the absence of quoted market values, the inherent lack of liquidity, the long-term nature of such investments and heightened market uncertainty as a result of global inflationary pressures, changes in interest rates and heightened geopolitical risks. A change to reasonably possible alternative estimates and assumptions in the valuation of non-public investments in the Onex Partners Funds and ONCAP Funds, as well as investments held in private credit strategies, may have a significant impact on the fair values calculated for these financial assets.

The Company used the adjusted net asset method to derive the fair values of its investments in its Investment Holding Companies by reference to the underlying fair value of the Investment Holding Companies' assets and liabilities, along with assessing any required discount or premium to be applied to the net asset values. The discount or premium applied to the net asset values of the Investment Holding Companies was a significant unobservable input. The Company determined that the adjusted net asset method was the

appropriate valuation technique to be used, considering the value of the Investment Holding Companies is primarily derived from the assets they hold, which primarily consist of investments in private equity and private credit strategies, treasury investments and intercompany loans receivable from Onex and the Asset Managers. The Company has determined that no discount or premium was required for the net asset values of its Investment Holding Companies at September 30, 2024 and December 31, 2023. If a discount of 1% or a premium of 1% were applied to all of the net asset values of the Investment Holding Companies, with all other variables remaining constant, the total fair value of the Company's corporate investments at September 30, 2024 would decrease or increase by \$116 (December 31, 2023 – \$111).

#### Private equity investments

The valuation of investments in the Onex Partners Funds and ONCAP Funds is reviewed and approved by the General Partner of the respective fund each quarter.

The valuation of public investments held directly by Onex or through the Onex Partners Funds is based on their publicly traded closing prices at September 30, 2024 and December 31, 2023. For certain public investments, a discount is applied to the closing price in relation to restrictions relating to the securities held by Onex or the Onex Partners Funds. At December 31, 2023, these discounts resulted in a reduction of \$47 in the fair value of corporate investments with no reduction as of September 30, 2024.

Valuation methodologies for the underlying private equity investments may include observations of the trading multiples of public companies considered comparable to the private companies being valued and discounted cash flows. The following table presents the significant unobservable inputs used to value the private equity funds' underlying private securities that impact the valuation of corporate investments.

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Inputs at September 30, 2024	Inputs at December 31, 2023
Onex Partners Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	8.5x – 20.4x	8.5x – 20.4x
Onex Partners Funds	Discounted cash flow	Weighted average costs of capital	14.4% – 20.3%	15.0% – 21.3%
		Exit multiples	4.0x – 19.5x	4.0x – 19.5x
ONCAP Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	9.0x – 10.0x	8.3x – 20.0x
ONCAP Funds	Discounted cash flow	Weighted average costs of capital	13.0% – 20.4%	12.2% – 21.0%
		Exit multiples	5.0x – 20.0x	5.0x – 13.0x

In addition, at September 30, 2024, the Onex Partners Funds had one investment that was valued using the adjusted net assets approach, one investment that was valued based on a multiple of book value and one investment that was valued at cost as this approximated fair value. At December 31, 2023, the Onex Partners Funds had one investment that was valued using the adjusted net assets approach, one investment that was valued using a convertible bond model, one investment that was valued based on a multiple of book value and one investment that was valued based on estimated sales proceeds. At September 30, 2024, the ONCAP Funds had one investment valued at cost as this approximated fair value.

The impact on the fair value of corporate investments as at September 30, 2024 from changes in the significant unobservable inputs used to value the private equity funds' underlying private securities included the following:

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Multiple Increase by 0.5	Multiple Decrease by 0.5
Onex Partners Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	\$ 143	\$ (138)
ONCAP Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	\$ 17	\$ (17)

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Multiple Increase by 0.5	Multiple Decrease by 0.5
Onex Partners Funds	Discounted cash flow	Exit multiples	\$ 79	\$ (80)
ONCAP Funds	Discounted cash flow	Exit multiples	\$ 37	\$ (38)

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Decrease of 0.5 Percentage Point	Increase of 0.5 Percentage Point
Onex Partners Funds	Discounted cash flow	Weighted average costs of capital	\$ 30	\$ (29)
ONCAP Funds	Discounted cash flow	Weighted average costs of capital	\$ 16	\$ (16)

Generally, adjusted EBITDA represents earnings before interest, taxes, depreciation and amortization as well as other adjustments. Other adjustments can include non-cash costs of stock-based compensation and retention plans, transition and restructuring expenses including severance payments, annualized pro-forma adjustments for acquisitions, the impact of derivative instruments that no longer qualify for hedge accounting, the impacts of purchase accounting and other similar amounts. Adjusted EBITDA is a measurement that is not defined under IFRS Accounting Standards.

During the nine months ended September 30, 2024, Onex' investments in publicly traded companies generated a net gain of \$31, and the underlying securities held in private companies generated a net gain of \$243. Onex' net gain on private equity investments during the nine months ended September 30, 2024 included a foreign exchange mark-to-market gain of \$5 in respect of private equity investments denominated in a currency other than the U.S. dollar. At September 30, 2024, Onex' private equity investments denominated in Canadian dollars and pounds sterling totalled approximately \$540 (C\$725) and \$430 (£320), respectively.

#### Private credit investments

The valuation of investments in the Credit Funds is reviewed and approved by the General Partner of the respective fund each quarter.

The valuation of certain investments held by the Liquid Strategies is measured by obtaining quoted market prices or dealer quotes for identical or similar instruments in inactive markets, or other inputs that are observable or can be corroborated by observable market data.

Valuation methodologies used for certain investments held by the Opportunistic Credit Strategies may include comparable market yield analysis, enterprise value coverage analysis, liquidation analysis and weighting to available quoted levels or market transactions.

Investments in the Credit CLOs and other structured strategies were valued using internally developed pricing models based on a projection of the future cash flows expected to be realized from the underlying collateral of the CLOs, which is a Level 3 measurement in the fair value hierarchy. These pricing models include third-party pricing information and a number of unobservable inputs, including default rates, discount rates and recovery rates. Significant increases or decreases in certain unobservable inputs in isolation may result in a significantly lower or higher fair value measurement. Fair values determined by the internally developed pricing models are also compared to fair values determined by third-party pricing models to ensure management's estimates are reasonable.

The following table presents the significant unobservable inputs used to value Onex' investments in the Credit CLOs.

Investment Platform	Significant Unobservable Inputs	Inputs at September 30, 2024	Inputs at December 31, 2023
U.S. CLOs	Default rate	2%	2%
	Discount rate	13% – 21%	16% – 21%
	Recovery rate	55%	55%
EURO CLOs	Default rate	2%	2%
	Discount rate	16% – 21%	16% – 21%
	Recovery rate	55%	55%

In addition, at September 30, 2024, Credit had two U.S. and one European CLO that were valued at cost as this approximated fair value. At December 31, 2023, Credit had one U.S. and one European CLO that were valued at cost as this approximated fair value.

The impact on the fair value of corporate investments as at September 30, 2024 from changes in the significant unobservable inputs used to value Onex' investments in the CLOs included the following:

Investment Platform	Significant Unobservable Inputs	Decrease of 1.5 Percentage Points	Increase of 1.5 Percentage Points
U.S. CLOs	Default rate	\$ 29	\$ (33)
EURO CLOs	Default rate	\$ 11	\$ (11)

Investment Platform	Significant Unobservable Inputs	Decrease of 3.0 Percentage Points	Increase of 3.0 Percentage Points
U.S. CLOs	Discount rate	\$ 13	\$ (11)
EURO CLOs	Discount rate	\$ 4	\$ (4)

Investment Platform	Significant Unobservable Inputs	Increase of 15.0 Percentage Points	Decrease of 15.0 Percentage Points
U.S. CLOs	Recovery rate	\$ 12	\$ (13)
EURO CLOs	Recovery rate	\$ 4	\$ (4)

### 13. RELATED-PARTY TRANSACTIONS

#### Related-party revenues and receivables

Onex receives management fees on limited partners' and clients' capital within the Onex private equity funds and private credit strategies, and advisory fees directly from certain operating businesses. Onex also receives carried interest and performance fees from certain Credit strategies and recovers certain deal investigation, research and other expenses from the Onex private equity funds, private credit strategies and private equity portfolio companies. Onex indirectly controls the Onex private equity funds and private credit strategies, and therefore the management fees, performance fees and carried interest earned from these sources represent related-party transactions. Furthermore, Onex indirectly controls, jointly controls or has significant influence over certain operating businesses held by the Onex private equity funds and, as such, advisory fees from these operating businesses represent related-party transactions.

Onex Credit acts as an investment fund manager, portfolio manager and/or exempt market dealer for its pooled funds. In the case of those pooled funds that are organized as trusts, Onex Credit acts as a trustee, while for pooled funds organized as limited partnerships, Onex Credit or an affiliate of Onex Credit acts as the General Partner. As such, the Onex Credit pooled funds are related parties of the Company.

During the three and nine months ended September 30, 2024, the Company recognized \$49 and \$150 of management and advisory fees from related parties, respectively, \$8 and \$27 of revenue from the reimbursement of expenses from related parties, respectively, and less than \$1 and \$2 of performance fees from related parties, respectively, as outlined in note 8.

At September 30, 2024, consolidated receivables from related parties totalled \$601. Refer to note 3 for further details concerning Onex' consolidated receivables, which include \$3 of other receivables from third parties.

#### Repurchase of shares

During the three months ended September 30, 2024, Onex repurchased 1,000,000 of its SVS that were held indirectly by Mr. Gerald W. Schwartz. The shares were repurchased at a cost of \$66.06 (C\$90.60) per SVS, or a total cost of \$66 (C\$91), which represented a discount to the trading price of Onex shares on the date of the transaction.

#### Services received from operating companies

During the three and nine months ended September 30, 2024, Onex received services from certain operating companies, the value of which was not significant.



#### 14. COMMITMENTS

During the nine months ended September 30, 2024, Onex completed closes for the Onex Partners Opportunities Fund, which included a \$400 commitment from Onex. The Onex Partners Opportunities Fund is a shorter duration fund which will focus on upper-middle market investing in companies headquartered, organized, having principal executive offices or primarily operating in North America or Europe.

In June 2024, Onex' commitment to Falcon Fund VII was reduced from \$80 to \$40 in connection with the transfer of Onex Falcon, as described in note 2.

#### 15. INCOME TAXES

In June 2024, Canada, the jurisdiction in which Onex Corporation is incorporated, enacted the Global Minimum Tax Act (the "GMTA"). The GMTA implements the global minimum tax under Pillar Two into Canadian tax law and will apply to Onex retroactively from January 1, 2024. Under Pillar Two, Onex is required to pay a top-up tax for the difference between its Global Anti-Base Erosion ("GloBE") effective tax rate and the 15% minimum tax rate for all constituent entities within a given tax jurisdiction. Onex' current estimates show no effective tax rates below 15% in the tax jurisdictions and entities that are currently in scope.

#### 16. SUBSEQUENT EVENTS

In October 2024, the Onex Partners IV Group sold approximately 34.3 million common shares of PowerSchool, approximately half of the Group's interest in the company, in connection with a transaction that resulted in PowerSchool becoming a private entity. Onex' share of the net proceeds from this transaction was \$254. Onex' economic and voting interests in PowerSchool declined to 8% and 24%, respectively, as a result of this transaction.

In October 2024, the Onex Partners Opportunities Group acquired Fischbach, a leading provider of cartridge packaging solutions for sealants and adhesives used in building repair, renovation and construction, aftermarket automotive, marine weather and water-sealing applications and aerospace bonding applications. Onex' share of the investment in Fischbach was \$87 and Onex' economic and voting interests in Fischbach are 41% and 92%, respectively. Onex' share of the investment in Fischbach will be further reduced as additional capital is raised by the Onex Partners Opportunities Group.

In October 2024, Onex received \$62 in connection with the Onex Partners III Group's partial sale of its investment in Sedgwick.

#### 17. INFORMATION BY REPORTABLE SEGMENT

The Company has two reportable segments:

- **Investing**, which comprises the activity of investing Onex' capital; and
- **Asset management**, which comprises the asset management activities provided by Onex to support its private equity and Credit strategies, as well as Onex' corporate functions.

Onex' segmented results include unrealized carried interest from third-party limited partners in the Credit Funds, which is recognized based on the fair values of the underlying investments and the unrealized net gain (loss) in each respective fund, in accordance with the limited partnership agreements, and net of allocations to management. In Onex' unaudited interim consolidated financial statements, carried interest from the Credit Funds is recognized as revenue to the extent it is highly probable it will not reverse, which typically occurs when the investments held by a given fund are substantially realized, toward the end of the fund's term, as described in note 1 to the 2023 audited annual consolidated financial statements.

Onex' segmented results also include unrealized performance fees associated with the management of certain Credit strategies, which are based on the funds' performance during the periods presented by applying an agreed-upon formula to the growth in the net asset value of clients' assets under management. In Onex' unaudited interim consolidated statements of earnings, performance fees are recognized as revenue to the extent the fees are highly probable to not reverse, which is typically at the end of each performance period, as described in note 1 to the 2023 audited annual consolidated financial statements.

Onex' segmented results exclude revenues and expenses associated with recoverable expenses from the Onex Partners, ONCAP and private credit strategies, and the operating businesses of Onex Partners and ONCAP. Onex management excludes these amounts when assessing Onex' performance given the nature of these expenses, which are recoverable at cost.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended September 30, 2024				Three Months Ended September 30, 2023		
(Unaudited)	Investing	Asset Management	Total	Investing	Asset Management	Total
Net gain on corporate investments <sup>iii</sup>	\$ 118	\$ 22	\$ 140	\$ 239	\$ 30	\$ 269
Management and advisory fees	–	49	49	–	65	65
Performance fees	–	1	1	–	1	1
Interest income	3	–	3	6	–	6
Other income	–	1	1	–	1	1
Total segment income	121	73	194	245	97	342
Compensation	–	(39)	(39)	–	(46)	(46)
Amortization of right-of-use assets	–	(3)	(3)	–	(3)	(3)
Other expenses	–	(9)	(9)	–	(10)	(10)
Segment net earnings	\$ 121	\$ 22	\$ 143	\$ 245	\$ 38	\$ 283
Stock-based compensation expense			(7)			(14)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(2)			(5)
Restructuring expenses, net			(3)			(5)
Unrealized carried interest included in segment net earnings – Credit			(2)			(5)
Unrealized performance fees included in segment net earnings			(1)			–
Integration expenses			–			(3)
Net impairment reversal of property and equipment			–			7
Other net expenses			(1)			(2)
Net earnings			\$ 127			\$ 256

- (i) The investing segment includes less than \$1 of interest expense attributable to intercompany loans payable to Investment Holding Companies during the three months ended September 30, 2024, which is included in other expenses in the unaudited interim consolidated statements of earnings. The asset management segment includes an increase in unrealized carried interest of \$2 (2023 – \$4) from third-party limited partners in the Credit Funds. The asset management segment also includes an increase in carried interest of less than \$1 (2023 – \$1) that Onex is entitled to from the Falcon Funds.

# NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Nine Months Ended September 30, 2024				Nine Months Ended September 30, 2023		
(Unaudited)	Investing	Asset Management	Total	Investing	Asset Management	Total
Net gain (loss) on corporate investments <sup>(i)</sup>	\$ 305	\$ 23	\$ 328	\$ 480	\$ (32)	\$ 448
Management and advisory fees	–	150	150	–	195	195
Performance fees	–	7	7	–	9	9
Interest income	10	–	10	9	–	9
Other income	–	2	2	–	2	2
Total segment income	315	182	497	489	174	663
Compensation	–	(137)	(137)	–	(166)	(166)
Amortization of right-of-use assets	–	(7)	(7)	–	(8)	(8)
Other expenses	–	(35)	(35)	–	(44)	(44)
Segment net earnings (loss)	\$ 315	\$ 3	\$ 318	\$ 489	\$ (44)	\$ 445
Stock-based compensation expense				(42)		
Amortization of property, equipment and intangible assets, excluding right-of-use assets				(20)		
Restructuring expenses, net				(40)		
Carried interest from Falcon Funds previously recognized in segment net earnings (loss)				–		
Unrealized carried interest included in segment net earnings (loss) – Credit				(11)		
Unrealized performance fees included in segment net earnings (loss)				(5)		
Integration expenses				(3)		
Net impairment of goodwill, intangible assets and property and equipment				(164)		
Other net expenses				(1)		
Earnings before income taxes				159		
Provision for income taxes				(3)		
Net earnings				\$ 156		

- (i) The investing segment includes \$2 of interest expense attributable to intercompany loans payable to Investment Holding Companies during the nine months ended September 30, 2024, which is included in other expenses in the unaudited interim consolidated statements of earnings. The asset management segment includes an increase in unrealized carried interest of \$5 (2023 – \$8) from third-party limited partners in the Credit Funds. The asset management segment also includes an increase in carried interest of \$3 (2023 – \$3) that Onex is entitled to from the Falcon Funds.

## NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Segmented assets included the following:

As at September 30, 2024				As at December 31, 2023		
	Investing	Asset Management	Total	Investing	Asset Management	Total
Cash and cash equivalents	\$ 205	\$ 70 <sup>(i)</sup>	\$ 275	\$ 142	\$ 123 <sup>(i)</sup>	\$ 265
Management and advisory fees, recoverable fund expenses and other receivables	542 <sup>(iii)</sup>	62	604	615 <sup>(iii)</sup>	68	683
Corporate investments	7,709	–	7,709	7,647	–	7,647
Unrealized carried interest – Credit <sup>(iii)</sup>	17	–	17	29	–	29
Other assets	–	138	138	–	128	128
Property and equipment	–	96	96	–	119	119
Intangible assets	–	11	11	–	34	34
Goodwill	–	142	142	–	149	149
Total segment assets	\$ 8,473	\$ 519	\$ 8,992	\$ 8,433	\$ 621	\$ 9,054
Net intercompany loans receivable, comprising part of the fair value of Investment Holding Companies			4,252			3,874
Unrealized carried interest included in segment assets – Credit			(17)			(29)
Total assets			\$ 13,227			\$ 12,899

(i) Cash and cash equivalents allocated to the asset management segment relate to accrued employee incentive compensation. At December 31, 2023, cash and cash equivalents allocated to the asset management segment also included contingent consideration payable related to the 2020 acquisition of Onex Falcon.

(ii) Includes management fees and recoverable fund expenses receivable from certain funds which Onex has elected to defer cash receipt from.

(iii) At December 31, 2023, unrealized carried interest from Credit included carried interest from the Falcon Funds. At September 30, 2024, unrealized carried interest from the Falcon Funds is included within corporate investments as a result of the transfer of Onex Falcon, as described in note 2.

# SHAREHOLDER INFORMATION

## Shares

The Subordinate Voting Shares of the Company are listed and traded on the Toronto Stock Exchange.

## Share Symbol

ONEX

## Third Quarter Dividend

A dividend of C\$0.10 per Subordinate Voting Share was paid on October 31, 2024 to shareholders of record as of October 10, 2024. Registered shareholders can elect to receive dividend payments in U.S. dollars by submitting a completed currency election form to TSX Trust Company five business days before the record date of the dividend. Non-registered shareholders who wish to receive dividend payments in U.S. dollars should contact their broker to submit their currency election.

## Corporate Governance Policies

Onex' corporate governance policies are available on Onex' website.

## Registrar and Transfer Agent

TSX Trust Company  
P.O. Box 700  
Postal Station B  
Montreal, Quebec H3B 3K3  
(416) 682-3860  
or call toll-free throughout Canada and the United States  
1-800-387-0825  
www.tsxtrust.com  
or shareholderinquiries@tmx.com

All questions concerning accounts, stock certificates or dividend cheques should be directed to the Registrar and Transfer Agent.

## Electronic Communications with Shareholders

We encourage individuals to receive Onex' shareholder communications electronically. You can submit your request online by visiting the TSX Trust Company website, www.tsxtrust.com, or contacting them at 1-800-387-0825.

## Shareholder Relations Contact

Requests for copies of this report, other quarterly reports, annual reports and other corporate communications should be directed to:  
Shareholder Relations  
Onex Corporation  
161 Bay Street  
P.O. Box 700  
Toronto, Ontario M5J 2S1  
(416) 362-7711

## Website

www.onex.com

## Auditor

PricewaterhouseCoopers LLP  
Chartered Professional Accountants

## Duplicate Communications

Registered holders of Onex Corporation shares may receive more than one copy of shareholder mailings. Every effort is made to avoid duplication, but when shares are registered under different names and/or addresses, multiple mailings result. Shareholders who receive but do not require more than one mailing for the same ownership are requested to write to the Registrar and Transfer Agent and arrangements will be made to combine the accounts for mailing purposes.

## Shares Held in Nominee Name

To ensure that shareholders whose shares are not held in their name receive all Company reports and releases on a timely basis, a direct mailing list is maintained by the Company. If you would like your name added to this list, please forward your request to Shareholder Relations at Onex.

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