



FOR IMMEDIATE RELEASE

All amounts in U.S. dollars  
unless otherwise stated

## Onex Reports Third Quarter 2023 Results

**TORONTO, November 10, 2023** – Onex Corporation (TSX: ONEX) today announced its financial results for the third quarter and nine months ended September 30, 2023.

“Onex performed well in the third quarter as we progressed value creation plans across our portfolios and benefitted from recent cost reductions,” said Bobby Le Blanc, Chief Executive Officer. “As outlined at our recent investor day, we are executing our plan to drive shareholder value. While the market environment remains challenging, we are focusing on the many controllable levers across the business to drive sustainable improvement and growth.”

### Financial Results

<i>(unaudited)(\$ millions except per share amounts)</i>	Three Months Ended Sept. 30		Nine Months Ended Sept. 30	
	2023	2022	2023	2022
Net earnings (loss)	\$ 256	\$ (180)	\$ 156	\$ (200)
Net earnings (loss) per diluted share	\$ 3.23	\$ (2.12)	\$ 1.94	\$ (2.33)
Investing segment net earnings (loss)	\$ 245	\$ (114)	\$ 489	\$ (258)
Asset management segment net earnings (loss)	38	(65)	(44)	(145)
Total segment net earnings (loss) <sup>(1)</sup>	\$ 283	\$ (179)	\$ 445	\$ (403)
Total segment net earnings (loss) per fully diluted share <sup>(2)</sup>	\$ 3.58	\$ (2.08)	\$ 5.51	\$ (4.62)
Asset management fee-related earnings (loss) <sup>(3)</sup>	\$ 13	\$ (6)	\$ 9	\$ (11)
Total fee-related earnings (loss) <sup>(4)</sup>	\$ 8	\$ (15)	\$ (12)	\$ (40)
Distributable earnings <sup>(5)</sup>	\$ 223	\$ 193	\$ 658	\$ 241

<sup>(1)</sup> Refer to pages 19, 20 and 21 of Onex' Q3 2023 Interim MD&A for further details concerning the composition of segment net earnings (loss). A reconciliation of total segment net earnings (loss) to net earnings (loss) is provided in the supplementary financial schedules in this press release.

<sup>(2)</sup> Refer to the glossary in Onex' Q3 2023 Interim MD&A for details concerning the composition of fully diluted shares.

<sup>(3)</sup> Asset management fee-related earnings (loss) excludes Onex' public company expenses and other expenses associated with managing Onex' investing capital and is a component of total fee-related earnings (loss).

<sup>(4)</sup> Total fee-related earnings (loss) is a non-GAAP financial measure that does not have a standardized meaning prescribed under International Financial Reporting Standards (“IFRS”). Therefore, it may not be comparable to similar financial measures disclosed by other companies. The most directly comparable financial measure under IFRS to fee-related earnings (loss) is Onex' net earnings (loss). Refer to the 2023 Year-To-Date Results & Activity section of Onex' Q3 2023 Interim MD&A and the supplementary financial schedules in this press release for further details concerning fee-related earnings (loss).

<sup>(5)</sup> Distributable earnings is a non-GAAP financial measure that does not have a standardized meaning prescribed under IFRS. Therefore, it may not be comparable to similar financial measures disclosed by other companies. The most directly comparable financial measure under IFRS to distributable earnings is Onex' net earnings (loss). Refer to the 2023 Year-To-Date Results & Activity section of Onex' Q3 2023 Interim MD&A and the supplementary financial schedules in this press release for further details concerning distributable earnings.

### **Q3 Highlights**

- Onex' investing capital per fully diluted share<sup>(6)</sup> increased 15% during the 12 months ended September 30, 2023 and 4% from the previous quarter ended June 30, 2023. Onex had approximately \$8.1 billion of investing capital, or \$103.19 (C\$139.51) per fully diluted share at September 30, 2023. In Canadian dollars, investing capital per fully diluted share increased 13% over the last 12 months and 7% from the previous quarter ended June 30, 2023.
- The value of Onex' private equity investments increased 4% in the third quarter of 2023<sup>(7)</sup> (Q3 2022: 2% decrease). Investments in Credit strategies generated a net gain of \$44 million or a return of 6% in the third quarter of 2023<sup>(8)</sup> (Q3 2022: \$10 million or a return of 1%).
- In October, Onex Partners V agreed to acquire Accredited, a specialty insurance company operating in North America and Europe that provides underwriting capacity to Managing General Agents ("MGAs") with support from the global reinsurance market. The transaction is expected to close in the first half of 2024, subject to regulatory approvals and other customary closing conditions, including approval by the seller's shareholders.
- In November, Onex Partners IV agreed to sell its interest in ASM Global for net proceeds to Onex of approximately \$270 million. The transaction is expected to close in the first quarter of 2024 and is subject to regulatory approvals and customary closing conditions.
- Onex repurchased 2,090,909 Subordinate Voting Shares (SVS) in the third quarter and an additional 527,463 SVS in October 2023 for a total of \$154 million (C\$208 million) or an average cost per share of \$58.95 (C\$79.53).
- Onex closed its twenty-eighth U.S. CLO and seventh Euro CLO adding fee-generating assets of approximately \$440 million and \$340 million, respectively.
- As of September 30, 2023, Onex had \$34.2 billion of fee-generating assets under management and run-rate management fees<sup>(9)</sup> were \$235 million.
- Unrealized carried interest increased \$29 million from the prior quarter to \$240 million at September 30, 2023.
- Onex' cash and near-cash<sup>(10)</sup> balance was \$1.5 billion or 19% of Onex' investing capital as of September 30, 2023 (December 31, 2022 – \$1.1 billion or 13% of Onex' investing capital).

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<sup>(6)</sup> Refer to the glossary in Onex' Q3 2023 Interim MD&A for details concerning the composition of investing capital per share. The percentage changes in investing capital per share exclude the impact of capital deployed in Onex' asset management segment, where applicable, and dividends paid by Onex.

<sup>(7)</sup> The gross return on Onex' private equity investments is a non-GAAP ratio calculated using methodologies that are not in accordance with IFRS. The presentation of this ratio does not have a standardized meaning prescribed under IFRS and therefore may not be comparable to similar financial measures presented by other companies. The net gains (losses) used to calculate the gross return of Onex' private equity investments are gross of management incentive programs. Refer to page 10 of Onex' Q3 2023 Interim MD&A for further details concerning the gross performance of Onex' private equity investments.

<sup>(8)</sup> The percentage returns on Credit investments have been adjusted for capital deployed, realizations and distributions

<sup>(9)</sup> Refer to the glossary in Onex' Q3 2023 Interim MD&A for details concerning the composition of run-rate management fees.

<sup>(10)</sup> Cash and near-cash is a non-GAAP financial measure calculated using methodologies that are not in accordance with IFRS. The presentation of these measures does not have standardized meaning prescribed under IFRS and therefore might not be comparable to similar financial measures presented by other companies. The most directly comparable financial measure under IFRS to cash and near-cash is Onex' consolidated cash and cash equivalents balance, which was \$455 million at September 30, 2023 (December 31, 2022 - \$111 million). Refer to the *Cash and Near-Cash* section of Onex' Q3 2023 Interim MD&A and the supplementary financial schedules in this press release for further details concerning Onex' cash and near-cash.

## **Webcast**

Onex management will host a webcast to review Onex' third quarter 2023 results on Friday, November 10, 2023 at 11:00 a.m. ET. The webcast will be available in listen-only mode from the Presentations and Events section of Onex' website, <https://www.onex.com/events-and-presentations>. A 90-day on-line replay will be available shortly following the completion of the event.

## **Additional Information**

Enclosed are supplementary financial schedules related to Onex' consolidated net earnings (loss), investing capital, fee-related earnings (loss), distributable earnings, and cash and near-cash changes for the three and nine months ended September 30, 2023. The financial statements prepared in accordance with International Financial Reporting Standards (IFRS), including Management's Discussion and Analysis of the results, are posted on Onex' website, [www.onex.com](http://www.onex.com), and are also available on SEDAR at [www.sedar.com](http://www.sedar.com). A supplemental information package with additional information is available on Onex' website, [www.onex.com](http://www.onex.com).

## **About Onex**

Onex is an investor and asset manager that invests capital on behalf of Onex shareholders and clients across the globe. Formed in 1984, we have a long track record of creating value for our clients and shareholders. Onex' two primary businesses are Private Equity and Credit. In Private Equity, we raise funds from third-party investors, or limited partners, and invest them, along with Onex' own investing capital, through the funds of our private equity platforms, Onex Partners and ONCAP. Similarly, in Credit, we raise and invest capital across several private credit, public credit and public equity strategies. Our investors include a broad range of global clients, including public and private pension plans, sovereign wealth funds, insurance companies and family offices. In total, Onex has \$49.7 billion in assets under management, of which \$8.1 billion is Onex' own investing capital. With offices in Toronto, New York, New Jersey, Boston and London, Onex and its experienced management teams are collectively the largest investors across Onex' platforms.

Onex is listed on the Toronto Stock Exchange under the symbol ONEX. For more information on Onex, visit its website at [www.onex.com](http://www.onex.com). Onex' security filings can also be accessed at [www.sedarplus.ca](http://www.sedarplus.ca).

## **Forward-Looking Statements**

This press release may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as “believes”, “expects”, “potential”, “anticipates”, “estimates”, “intends”, “plans” and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve significant and diverse risks and uncertainties that may cause actual operations, performance or results to be materially different from those indicated in these forward-looking statements. Except as may be required by Canadian securities law, Onex is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this press release.

## **Non-GAAP Financial Measures**

This press release contains non-GAAP financial measures and ratios which have been calculated using methodologies that are not in accordance with IFRS. The presentation of financial measures in this manner does not have a standardized meaning prescribed under IFRS and is therefore unlikely to be comparable to similar financial measures presented by other companies. Onex management believes these financial measures and ratios provide helpful information to investors. Reconciliations of the non-GAAP financial measures to information contained in the consolidated financial statements have been presented where practical.

### **For Further Information:**

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## Supplementary Financial Schedules

### Three months ended September 30

<i>(Unaudited)</i> (\$ millions except per share amounts)	2023 <sup>(i)</sup>			2022 <sup>(i)</sup>
	Investing	Asset Management	Total	Total
Segment income (loss)	\$ 245	\$ 97	\$ 342	\$ (96)
Segment expenses	-	(59)	(59)	(83)
Segment net earnings (loss)	\$ 245	\$ 38	\$ 283	\$ (179)
Stock-based compensation recovery (expense)			(14)	11
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(5)	(9)
Net impairment reversal of property and equipment			7	-
Restructuring expenses			(5)	-
Unrealized carried interest included in segment net earnings (loss) – Credit			(5)	1
Integration expenses			(3)	(1)
Other expenses			(2)	(3)
<b>Net earnings (loss)</b>			<b>\$ 256</b>	<b>\$ (180)</b>
Segment net earnings (loss) per fully diluted share	\$ 3.10	\$ 0.48	\$ 3.58	\$ (2.08)
<b>Net earnings (loss) per share</b>				
Basic			<b>\$ 3.24</b>	<b>\$ (2.12)</b>
Diluted			<b>\$ 3.23</b>	<b>\$ (2.12)</b>

(i) Refer to pages 19 and 20 of Onex' Q3 2023 Interim MD&A for further details concerning the composition of segmented results.

### Nine months ended September 30

<i>(Unaudited)</i> (\$ millions except per share amounts)	2023 <sup>(i)</sup>			2022 <sup>(i)</sup>
	Investing	Asset Management	Total	Total
Segment income (loss)	\$ 489	\$ 174	\$ 663	\$ (159)
Segment expenses	-	(218)	(218)	(244)
Segment net earnings (loss)	\$ 489	\$ (44)	\$ 445	\$ (403)
Stock-based compensation recovery (expense)			(42)	240
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(20)	(30)
Net impairment of goodwill, intangible assets and property and equipment			(164)	-
Restructuring expenses			(40)	-
Unrealized carried interest included in segment net earnings (loss) – Credit			(11)	(1)
Unrealized performance fees included in segment net earnings (loss)			(5)	-
Integration expenses			(3)	(5)
Other expenses			(1)	(1)
Earnings (loss) before income taxes			159	(200)
Provision for income taxes			(3)	-
<b>Net earnings (loss)</b>			<b>\$ 156</b>	<b>\$ (200)</b>
Segment net earnings (loss) per fully diluted share	\$ 6.06	\$ (0.55)	\$ 5.51	\$ (4.62)
<b>Net earnings (loss) per share</b>				
Basic			<b>\$ 1.94</b>	<b>\$ (2.33)</b>
Diluted			<b>\$ 1.94</b>	<b>\$ (2.33)</b>

(i) Refer to pages 19 and 21 of Onex' Q3 2023 Interim MD&A for further details concerning the composition of segmented results.

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

(Unaudited)(\$ millions except per share amounts)

	September 30, 2023	December 31, 2022
Private Equity		
Onex Partners Funds	\$ 4,208	\$ 4,228
ONCAP Funds	926	718
Other Private Equity	422	853
Carried Interest	217	265
	5,773	6,064
Private Credit		
Investments	754	701
Carried Interest	23	16
	777	717
Real Estate	30	34
Cash and Near-Cash	1,517	1,053
Other Net Liabilities	(23)	(5)
<b>Investing Capital</b>	<b>\$ 8,074</b>	<b>\$ 7,863</b>
<b>Investing Capital per fully diluted share (U.S. dollars)<sup>(ii)</sup></b>	<b>\$ 103.19</b>	<b>\$ 96.95</b>
<b>Investing Capital per fully diluted share (Canadian dollars)<sup>(ii)</sup></b>	<b>\$ 139.51</b>	<b>\$ 131.31</b>

(i) Refer to the glossary in Onex' Q3 2023 Interim MD&A for further details concerning the composition of investing capital.

(ii) Fully diluted shares for investing capital per share were 78.2 million at September 30, 2023.

## Fee-Related Earnings and Distributable Earnings

(Unaudited)(\$ millions)

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022
<b>Private Equity</b>		
Management and advisory fees	\$ 31	\$ 29
Total fee-related revenues from Private Equity	31	29
Compensation expense	(18)	(26)
Support and other net expenses	(7)	(11)
<b>Net contribution</b>	<b>\$ 6</b>	<b>\$ (8)</b>
<b>Credit</b>		
Management and advisory fees	\$ 34	\$ 38
Performance fees	1	-
Other income	1	1
Total fee-related revenues from Credit	\$ 36	\$ 39
Compensation expense	(16)	(19)
Support and other net expenses	(13)	(18)
<b>Net contribution</b>	<b>\$ 7</b>	<b>\$ 2</b>
<b>Asset management fee-related earnings (loss)</b>	<b>\$ 13</b>	<b>\$ (6)</b>
<b>Public Company and Onex Capital Investing</b>		
Compensation expense	\$ (3)	\$ (4)
Other net expenses	(2)	(5)
<b>Total expenses</b>	<b>\$ (5)</b>	<b>\$ (9)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ 8</b>	<b>\$ (15)</b>
Realized carried interest	\$ 1	\$ 13
Realized net gain on investments	214	195
<b>Distributable earnings</b>	<b>\$ 223</b>	<b>\$ 193</b>

<i>(Unaudited)(\$ millions)</i>	<b>Nine Months Ended September 30, 2023</b>	<b>Nine Months Ended September 30, 2022</b>
<b>Private Equity</b>		
Management and advisory fees	\$ 86	\$ 88
Total fee-related revenues from Private Equity	86	88
Compensation expense	(61)	(66)
Support and other net expenses	(29)	(31)
<b>Net contribution</b>	<b>\$ (4)</b>	<b>\$ (9)</b>
<b>Credit</b>		
Management and advisory fees	\$ 109	\$ 115
Performance fees	9	–
Other income	2	1
Total fee-related revenues from Credit	\$ 120	\$ 116
Compensation expense	(56)	(65)
Support and other net expenses	(51)	(53)
<b>Net contribution</b>	<b>\$ 13</b>	<b>\$ (2)</b>
<b>Asset management fee-related earnings (loss)</b>	<b>\$ 9</b>	<b>\$ (11)</b>
<b>Public Company and Onex Capital Investing</b>		
Compensation expense	\$ (10)	\$ (14)
Other net expenses	(11)	(15)
<b>Total expenses</b>	<b>\$ (21)</b>	<b>\$ (29)</b>
<b>Total fee-related earnings (loss)</b>	<b>\$ (12)</b>	<b>\$ (40)</b>
Realized carried interest	\$ 9	\$ 14
Realized net gain on investments	661	267
<b>Distributable earnings</b>	<b>\$ 658</b>	<b>\$ 241</b>

Fee-related earnings (loss) and distributable earnings are non-GAAP financial measures. The tables below provide reconciliations of Onex' net earnings (loss) to fee-related earnings (loss) and distributable earnings during the three months and nine months ended September 30, 2023 and 2022.

<i>(Unaudited)</i> (\$ millions)	<b>Three Months Ended September 30, 2023</b>	<b>Three Months Ended September 30, 2022</b>
<b>Net earnings (loss)</b>	<b>\$ 256</b>	<b>\$ (180)</b>
Stock-based compensation expense (recovery)	14	(11)
Amortization of property, equipment and intangible assets, excluding right-of-use assets	5	9
Net impairment reversal of property and equipment	(7)	–
Restructuring expenses	5	–
Unrealized carried interest included in segment net earnings (loss) – Credit	5	(1)
Integration expenses	3	1
Other expenses	2	3
<b>Total segment net earnings (loss)</b>	<b>283</b>	<b>(179)</b>
Net unrealized decrease (increase) in carried interest	(29)	63
Net unrealized loss (gain) on corporate investments	(25)	310
Interest and net treasury investment income	(6)	(1)
<b>Distributable earnings</b>	<b>223</b>	<b>193</b>
Less: Realized carried interest	(1)	(13)
Less: Net realized gain on corporate investments	(214)	(195)
<b>Total fee-related earnings (loss)</b>	<b>\$ 8</b>	<b>\$ (15)</b>

<i>(Unaudited)</i> (\$ millions)	<b>Nine Months Ended September 30, 2023</b>	<b>Nine Months Ended September 30, 2022</b>
<b>Net Earnings (loss)</b>	<b>\$ 156</b>	<b>\$ (200)</b>
Provision for income taxes	3	–
<b>Earnings (loss) before income taxes</b>	<b>\$ 159</b>	<b>\$ (200)</b>
Stock-based compensation expense (recovery)	42	(240)
Amortization of property, equipment and intangible assets, excluding right-of-use assets	20	30
Net impairment of goodwill, intangible assets and property and equipment	164	–
Restructuring expenses	40	–
Unrealized carried interest included in segment net earnings (loss) – Credit	11	1
Unrealized performance fees included in segment net earnings (loss)	5	–
Integration expenses	3	5
Other expenses	1	1
<b>Total segment net earnings (loss)</b>	<b>445</b>	<b>(403)</b>
Net unrealized decrease in carried interest	41	119
Net unrealized loss on corporate investments	181	525
Interest and net treasury investment income	(9)	–
<b>Distributable earnings</b>	<b>658</b>	<b>241</b>
Less: Realized carried interest	(9)	(14)
Less: Net realized gain on corporate investments	(661)	(267)
<b>Total fee-related earnings (loss)</b>	<b>\$ (12)</b>	<b>\$ (40)</b>



## Cash and Near-Cash

The table below provides a breakdown of cash and near-cash at Onex as at September 30, 2023 and December 31, 2022.

(Unaudited)(\$ millions)

	September 30, 2023	December 31, 2022
Management fees and recoverable fund expenses receivable <sup>(i)</sup>	\$ 580	\$ 460
Cash and cash equivalents – Investing segment <sup>(ii)</sup>	317	–
Cash and cash equivalents within Investment Holding Companies <sup>(iii)</sup>	217	253
Treasury investments within Investment Holding Companies	205	271
Receivable from Ryan realization <sup>(iv)</sup>	118	–
Subscription financing receivable <sup>(v)</sup>	80	69
<b>Cash and near-cash</b>	<b>\$ 1,517</b>	<b>\$ 1,053</b>

- (i) Includes management fees and recoverable fund expenses receivable from certain funds which Onex has elected to defer cash receipt from. At December 31, 2022, the amount presented is net of amounts allocated to the asset management segment related to accrued incentive compensation and contingent consideration related to the acquisition of Falcon Investment Advisors.
- (ii) Excludes cash and cash equivalents allocated to the asset management segment related to accrued incentive compensation (\$81 million (December 31, 2022 – \$122 million)) and contingent consideration related to the acquisition of Onex Falcon (\$57 million (December 31, 2022 – \$57 million)).
- (iii) Includes restricted cash and cash equivalents of \$85 million (December 31, 2022 – \$2 million) for which the Company can readily remove the external restriction or for which the restriction will be removed in the near term. Excludes cash and cash equivalents for Onex' share of uncalled expenses payable by the Investment Holding Companies of \$34 million (December 31, 2022 - \$27 million).
- (iv) Refer to page 8 of Onex' Q3 2023 Interim MD&A for further details concerning proceeds to be received from the sale of Ryan, LLC.
- (v) Subscription financing receivable, including interest receivable, attributable to third-party investors in certain Credit Funds and ONCAP V.

The table below provides a reconciliation of the change in cash and near-cash from December 31, 2022 to September 30, 2023.

(Unaudited)(\$ millions)

Cash and near-cash at December 31, 2022	\$ 1,053
Private equity realizations	900
Private equity investments	(282)
Net private credit strategies investment activity	46
Share repurchases, dividends, options exercised, Director DSUs exercised and investment in RSU hedges	(207)
Net other, including cash flows from asset management activities, capital expenditures, operating costs and changes in working capital	7
<b>Cash and near-cash at September 30, 2023</b>	<b>\$ 1,517</b>