

# ONEX

Q4 2019 Supplemental Information Package

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# Safe Harbour

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This supplemental information package may contain, without limitation, forward-looking statements related to our future growth and our financial and operational results and performance that are based on current expectations, forecasts and assumptions involving risks and uncertainties that could cause actual outcomes and results to differ materially. In some cases, forward-looking statements can be identified by the use of words such as “outlook”, “may,” “could,” “expect,” “intend,” “plan,” “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue,” “likely,” “will,” “would,” “illustrative” or the negative of such words or other words of similar connotation. Forward-looking statements are not guarantees. Specific risks and uncertainties that could cause our actual results, performance and outcomes to differ materially from those expressed in our forward-looking statements include, but are not limited to: variability of financial and operating results among periods, which include the pace, size and nature of transactions by or involving our asset management subsidiaries, investment funds, and operating companies; the volatility of the exchange rate between the U.S. dollar and the Canadian dollar and other currency exchange rates; changes in the fair market value of Onex’ operating companies, including the market value of our publicly-traded operating companies; and activities at the operating companies of our private equity funds and events within their industries. These and other risks and uncertainties and factors are discussed in the Company’s various public filings at [www.sedar.com](http://www.sedar.com) or on the Company’s website, [www.onex.com](http://www.onex.com). These risks, uncertainties and factors may cause our actual financial and operational results and performance to differ materially from the expectations expressed or implied by the forward-looking statements contained in this presentation. Any forward-looking statement speaks only as of the date on which it is made. We do not undertake to update any forward-looking statement, except as required by applicable law. These cautionary statements expressly qualify all forward-looking statements in this supplemental information package.

In addition, we may refer later in this presentation to various private offerings of securities. These offerings are made solely to such persons and in such transactions as do not require registration, qualification or approval under any U.S. or other applicable securities laws and otherwise to specified classes of permitted private purchasers. The securities are not and will not be registered, qualified or approved under U.S. or other securities laws, cannot be offered or sold in the U.S. without registration or exemption and will not be offered or sold in any other jurisdiction except in certain private, restricted transactions. This notification shall not constitute a promotion of, an offer to sell or the solicitation of an offer to buy any securities.

All dollar amounts in U.S. as at December 31, 2019, unless otherwise stated.

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# Shareholder Capital

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# Shareholder Capital Summary

*(\$ in millions, except per share data)*

As at December 31, 2019	Investing	Asset & Wealth Management	Total
Total segmented assets	\$ 6,561	\$ 1,024	\$ 7,585
Accounts payable and accrued liabilities	-	(39)	(39)
Accrued compensation	-	(109)	(109)
Lease and other liabilities	-	(153)	(153)
DSU hedge assets	-	(82)	(82)
<b>Total shareholder capital</b>	<b>\$ 6,561</b>	<b>\$ 641</b>	<b>\$ 7,202</b>
<b>Shareholder capital per share (U.S. dollars)<sup>(1)</sup></b>	<b>\$ 63.77</b>	<b>\$ 5.70</b>	<b>\$ 69.47</b>
<b>Shareholder capital per share (Canadian dollars)<sup>(1)</sup></b>	<b>C\$ 82.83</b>	<b>C\$ 7.40</b>	<b>C\$ 90.23</b>

(1) Calculated on a fully diluted basis. Fully diluted shares include all outstanding SVS as well as outstanding stock options where Onex' share price exceeds the exercise price of the stock options and the stock options have a dilutive impact to Onex' shareholder capital per share.

*This table can be found on page 44 of Onex' 2019 Annual Report.*

# Cash and Near-Cash: Q4 Changes

<i>(\$ in millions)</i>	<b>Amount</b>
<b>Cash and near-cash at September 30, 2019<sup>(1)</sup></b>	<b>\$ 1,640</b>
Private equity realizations:	
<i>Onex Partners</i>	
Clarivate Analytics secondary offering and distribution	280
SIG secondary offering	149
<i>Other</i>	12
	<u>441</u>
Private equity investments:	
<i>Onex Partners</i>	
WestJet	(261)
PowerSchool	(13)
<i>ONCAP</i>	
Enertech	(39)
<i>Other</i>	(2)
	<u>(315)</u>
Flushing Town Center distribution	7
Net Onex Credit strategies investment activity, including warehouse facilities	78
Onex share repurchases, options exercised and dividend	(12)
Net other, including capital expenditures, management fees, operating costs and treasury income <sup>(2)</sup>	3
<b>Cash and near-cash at December 31, 2019<sup>(1)</sup></b>	<b>\$ 1,842</b>
<b>Q4 treasury return:</b>	<b>\$ 8</b>

(1) Includes \$395 million (September 30, 2019 – \$137 million) of treasury investments, \$97 million (September 30, 2019 – \$96 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$190 million (September 30, 2019 – \$212 million) of management fees.

(2) Other includes the impact of acquisition and integration expenses.

# Cash and Near-Cash: YTD Changes

<i>(\$ in millions)</i>	<b>Amount</b>
<b>Cash and near-cash at December 31, 2018<sup>(1)</sup></b>	<b>\$ 1,439</b>
Private equity realizations:	
<i>Onex Partners</i>	
Clarivate Analytics secondary offering and distribution	441
SIG secondary offering and dividend	296
Jack's sale and distributions	231
BrightSpring Health sale	191
BBAM distribution	10
<i>ONCAP</i>	
PURE Canadian Gaming distribution	17
<i>Direct investments</i>	
RSG distributions	19
<i>Other</i>	11
Private equity investments:	
<i>Onex Partners</i>	
WestJet	(261)
Convex	(124)
PowerSchool	(13)
<i>ONCAP</i>	
Enertech	(39)
ILAC	(7)
<i>Direct investments</i>	
RSG	(25)
<i>Other</i>	(2)
Flushing Town Center distributions	53
Net Onex Credit strategies investment activity, including warehouse facilities	133
Acquisition of Gluskin Sheff	(297)
Onex share repurchases, options exercised and dividends	(108)
Net other, including capital expenditures, management fees, operating costs and treasury income <sup>(2)</sup>	(123)
<b>Cash and near-cash at December 31, 2019<sup>(1)</sup></b>	<b>\$ 1,842</b>
<b>YTD treasury return:</b>	<b>\$ 33</b>

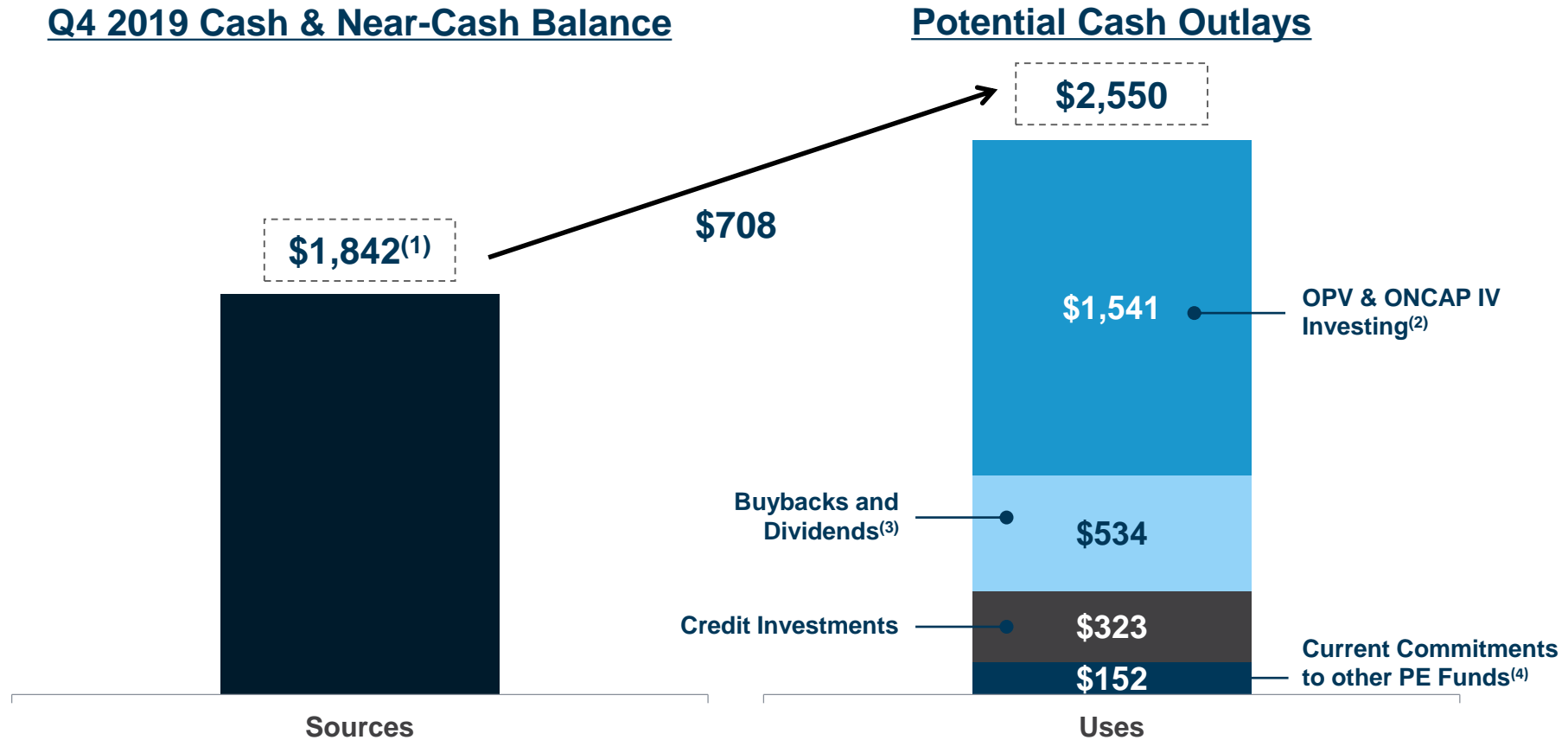
(1) Includes \$395 million (December 31, 2018 – \$279 million) of treasury investments, \$97 million (December 31, 2018 – \$89 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$190 million (December 31, 2018 – \$205 million) of management fees.

(2) Other includes the impact of incentive compensation payments paid during 2019 related to 2018 and acquisition and integration expenses.

This table can be found on page 45 of Onex' 2019 Annual Report.

# Cash: Sources and Uses

(\$ in millions)



(1) Balance is based on cash and near-cash at December 31, 2019.

(2) Assumes that 90% of Onex' \$2 billion commitment to Onex Partners V is ultimately called for investment, excludes amount invested as of December 31, 2019.

(3) Represents a three-year projected spend on dividends and buybacks based on the average annual spend on buybacks in the last five years and the current dividend rate.

(4) Balance is based on uncalled committed capital at December 31, 2019. This balance may not be fully funded due to expected future management fees and expenses, which will reduce the overall uncalled committed capital in respective funds.



## Share Repurchases and Dividends

Years	Shares Repurchased (# of Shares)	Average Share Price (C\$)	Cost of Share Repurchases (US\$ in millions)	Dividends Paid (US\$ in millions)	Total Returned to Shareholders (US\$ in millions)
1997 – 2011	76,254,227	C\$15.31	\$970	\$188	\$1,158
2012	627,061	C\$38.59	\$24	\$13	\$37
2013	3,060,400	C\$51.81	\$153	\$14	\$167
2014	2,593,986	C\$62.98	\$150	\$18	\$168
2015	3,084,877	C\$70.70	\$175	\$19	\$194
2016	3,114,397	C\$80.14	\$184	\$21	\$205
2017	1,273,209	C\$95.00	\$93	\$23	\$116
2018	1,169,733	C\$86.78	\$79	\$25	\$104
2019 <sup>(1)</sup>	629,027	C\$73.59	\$34	\$28	\$55
<b>TOTAL</b>	<b>91,806,917</b>	<b>C\$24.51</b>	<b>\$1,862</b>	<b>\$349</b>	<b>\$2,211</b>
<b>Shares Outstanding<sup>(1)</sup></b>	<b>100,063,143</b>				

(1) As at January 31, 2020.

The full list of Onex' share repurchases can be found under the Shareholders section at [www.onex.com](http://www.onex.com).

# Segment Earnings

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# Segment Earnings: Q4

(\$ in millions, except per share data)

Three Months Ended December 31, 2019

	Investing	Asset and Wealth Management <sup>(1)</sup>	Total
Net gains on corporate investments (including an increase in carried interest) <sup>(2)(3)</sup>	\$ 156	\$ 10	\$ 166
Management and advisory fees <sup>(3)</sup>	-	82	82
Interest and net treasury investment income	4	-	4
Performance fees	-	23	23
Other income	-	1	1
<b>Total segment income</b>	<b>160</b>	<b>116</b>	<b>276</b>
Compensation	-	(48)	(48)
Amortization of right-of-use-assets	-	(2)	(2)
Other expense	-	(15)	(15)
<b>Segment net earnings</b>	<b>\$ 160</b>	<b>\$ 51</b>	<b>\$ 211</b>
<b>Segment net earnings per share<sup>(4)</sup></b>	<b>\$ 1.55</b>	<b>\$ 0.49</b>	<b>\$ 2.04</b>

(1) The asset and wealth management segment includes the costs of Onex' corporate functions.

(2) The asset and wealth management segment includes an allocation of \$1 million from the investing segment, representing a net reversal of carried interest that would have been earned by the asset and wealth management segment had Onex' capital been subject to carried interest under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds.

(3) The asset and wealth management segment includes an allocation of \$15 million from the investing segment, representing management fees that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds.

(4) Calculated on a fully diluted basis.

This table can be found on page 31 of Onex' 2019 Annual Report.

# Segment Earnings: FY2019

(\$ in millions, except per share data)

Year Ended December 31, 2019	Investing	Asset and Wealth Management <sup>(1)</sup>	Total
Net gains (losses) on corporate investments (including an increase in carried interest) <sup>(2)(3)</sup>	\$ 743	\$ (5)	\$ 738
Management and advisory fees <sup>(3)</sup>	-	302	302
Interest and net treasury investment income	14	-	14
Performance fees	-	24	24
Other income	-	3	3
<b>Total segment income</b>	<b>757</b>	<b>324</b>	<b>1,081</b>
Compensation	-	(178)	(178)
Amortization of right-of-use-assets	-	(9)	(9)
Other expense	(1)	(57)	(58)
<b>Segment net earnings</b>	<b>\$ 756</b>	<b>\$ 80</b>	<b>\$ 836</b>
<b>Segment net earnings per share<sup>(4)</sup></b>	<b>\$ 7.33</b>	<b>\$ 0.76</b>	<b>\$ 8.09</b>

(1) The asset and wealth management segment includes the costs of Onex' corporate functions.

(2) The asset and wealth management segment includes an allocation of \$4 million from the investing segment, representing a net reversal of carried interest that would have been earned by the asset and wealth management segment had Onex' capital been subject to carried interest under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds.

(3) The asset and wealth management segment includes an allocation of \$61 million from the investing segment, representing management fees that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds.

(4) Calculated on a fully diluted basis.

This table can be found on page 32 of Onex' 2019 Annual Report.

# Investing Segment

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# Investing Capital

(\$ in millions, except per share data)

As at	December 31, 2019	September 30, 2019	December 31, 2018 <sup>(1)</sup>
<b>Private Equity</b>			
Onex Partners			
Private Companies <sup>(2)</sup>	\$ 1,752	\$ 1,469	\$ 2,261
Public Companies <sup>(1)(3)(4)</sup>	1,247	1,606	835
ONCAP			
Private Companies <sup>(5)</sup>	468	403	425
Public Companies <sup>(1)(3)(6)</sup>	33	21	40
Other Private Equity <sup>(1)(3)(7)</sup>	421	385	374
Unrealized Carried Interest <sup>(8)</sup>	66	59	110
<b>Total Private Equity</b>	<b>3,987</b>	<b>3,943</b>	<b>4,045</b>
<b>Credit<sup>(9)(10)</sup></b>	<b>649</b>	<b>716</b>	<b>726</b>
<b>Real Estate</b>	<b>90</b>	<b>99</b>	<b>149</b>
<b>Other Net Liabilities<sup>(11)</sup></b>	<b>(7)</b>	<b>(12)</b>	<b>-</b>
<b>Cash and Near-Cash<sup>(12)(13)</sup></b>	<b>1,842</b>	<b>1,640</b>	<b>1,439</b>
<b>Debt<sup>(14)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Onex Investing Capital</b>	<b>\$ 6,561</b>	<b>\$ 6,386</b>	<b>\$ 6,359</b>
<b>Onex Investing Capital per Share (U.S. dollars)<sup>(1)(15)(16)</sup></b>	<b>\$ 63.77</b>	<b>\$ 62.07</b>	<b>\$ 61.24</b>
<b>Onex Investing Capital per Share (Canadian dollars)<sup>(1)(15)(16)</sup></b>	<b>C\$ 82.83</b>	<b>C\$ 82.20</b>	<b>C\$ 83.55</b>

Combined endnotes for Investing Capital tables on page 32.

# Investing Capital: Q4 Changes

(\$ in millions)	September 30, 2019	Capital Deployed	Realizations & Distributions	Total Segment Earnings	Other Items <sup>(17)</sup>	December 31, 2019
<b>Onex Partners</b>						
Private Companies <sup>(2)</sup>	\$ 1,469	\$ 274	\$ (5)	\$ 14		\$ 1,752
Public Companies <sup>(1)(3)(4)</sup>	1,606	-	(429)	70		1,247
<b>ONCAP</b>						
Private Companies <sup>(5)</sup>	403	39	-	26		468
Public Companies <sup>(1)(3)(6)</sup>	21	-	-	12		33
Other Private Equity <sup>(1)(3)(7)</sup>	385	2	(5)	39		421
Unrealized Carried Interest <sup>(8)</sup>	59	n/a	(2)	9		66
<b>Total Private Equity</b>	<b>3,943</b>	<b>315</b>	<b>(441)</b>	<b>170</b>	<b>-</b>	<b>3,987</b>
Credit <sup>(9)(10)</sup>	716	22	(100)	11		649
Real Estate	99	-	(7)	(2)		90
Other Net Assets (Liabilities) <sup>(11)</sup>	(12)	-	-	5		(7)
Cash and Near-Cash <sup>(12)(13)</sup>	1,640	(337)	548	27	(36)	1,842
Debt <sup>(14)</sup>	-	-	-	-	-	-
<b>Onex Investing Capital</b>	<b>\$ 6,386</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 211</b>	<b>\$ (36)</b>	<b>\$ 6,561</b>

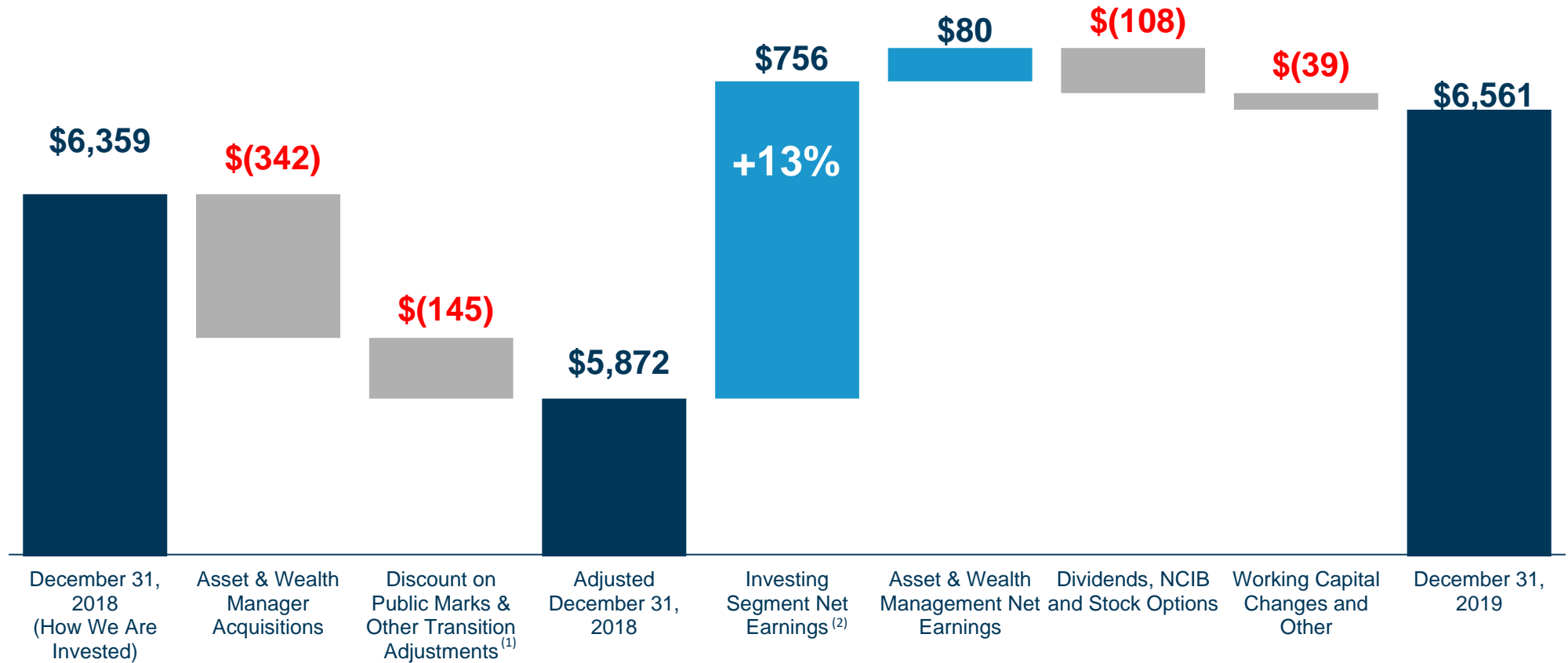
## Q4 ACTIVITY

- Private Equity
  - Clarivate secondary sales and distribution (\$280mm)
  - Secondary sale of SIG (\$149mm)
  - Investments in WestJet (\$261mm) and Enertech (\$39mm)
  - Gross portfolio gain of 6%
- Credit
  - Investments in warehouses for CLO-18 (\$10mm) and EURO CLO-4 (\$11mm)
  - Distributions and realizations from CLOs (\$27mm)
  - Realizations from Debt Opportunity Fund (\$71mm)
- Real Estate
  - Flushing Town Center distribution (\$7mm)

Combined endnotes for Investing Capital tables on page 32.

# Investing Capital: YTD Bridge

(\$ in millions)

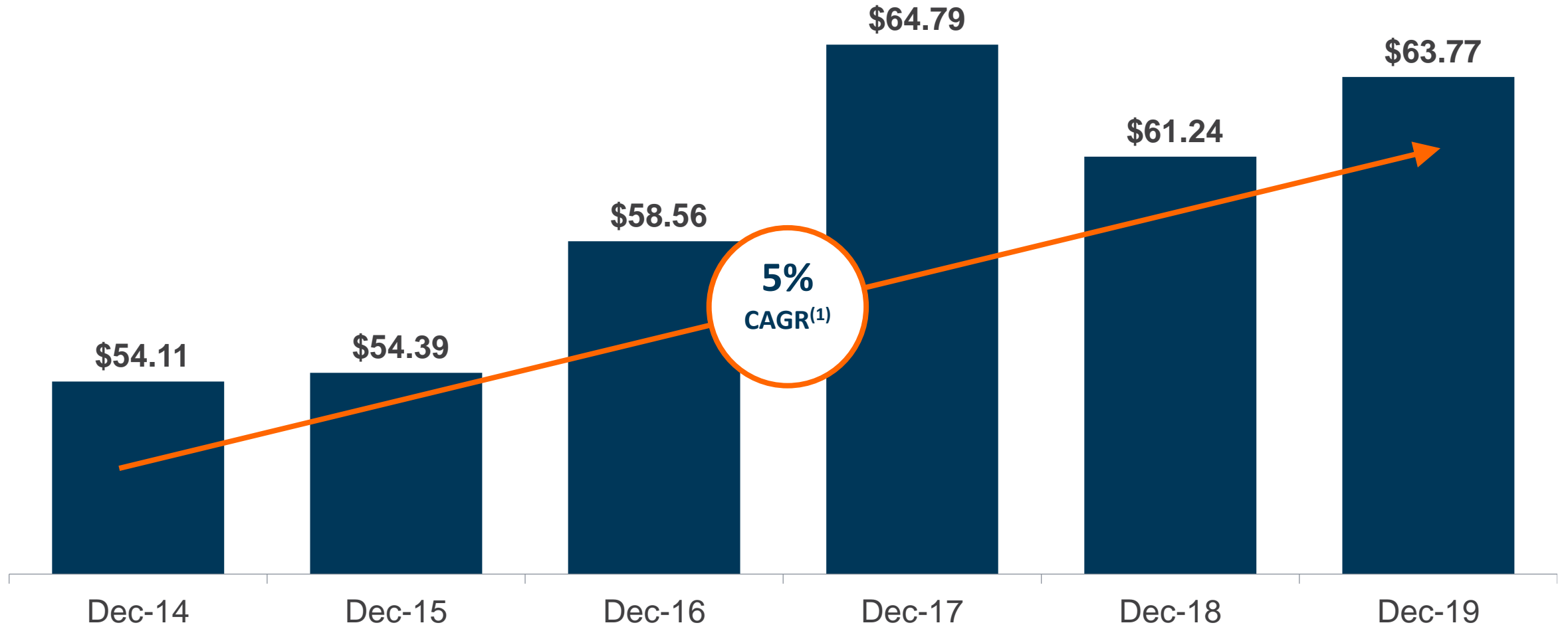


(1) Other transition adjustments primarily consist of i) bonuses paid during Q1 2019 related to the year ended December 31, 2018; and ii) other net liabilities of the investment holding companies.

(2) Investing income includes \$33 million of treasury income.



# Investing Capital Per Share



(1) The cumulative annual growth rate is calculated based on adjusted investing capital per share, which has been adjusted to exclude capital utilized to acquire Gluskin Sheff and the expected acquisition of the remaining interest in the Onex Credit asset manager.

# Private Equity Funds: Performance Returns

	Vintage	Gross IRR	Net IRR <sup>(1)</sup>	Gross MOC	Net MOC <sup>(4)</sup>
<b>Onex Partners Funds – Invested</b>					
Onex Partners I <sup>(2)</sup>	2003	55%	38%	4.0x	3.1x
Onex Partners II	2006	17%	13%	2.2x	1.9x
Onex Partners III	2009	18%	12%	2.2x	1.8x
Onex Partners IV	2014	9%	5%	1.3x	1.2x
<b>Total Onex Partners Funds – Invested<sup>(3)</sup></b>		<b>26%</b>	<b>n/a</b>	<b>2.0x</b>	<b>n/a</b>
<b>ONCAP Funds – Invested</b>					
ONCAP I <sup>(2)(4)</sup>	1999	43%	33%	4.1x	3.1x
ONCAP II <sup>(4)</sup>	2006	30%	21%	4.1x	2.8x
ONCAP III <sup>(4)</sup>	2011	24%	18%	3.0x	2.2x
<b>Total ONCAP Funds – Invested<sup>(3)(4)</sup></b>		<b>39%</b>	<b>n/a</b>	<b>3.5x</b>	<b>n/a</b>
<b>Onex Partners and ONCAP Funds – Investing</b>					
Onex Partners V <sup>(5)</sup>	2018	-	-	1.1x	1.0x
ONCAP IV	2016	12%	2%	1.1x	1.0x

Endnotes on page 33.

This table can be found on page 9 of Onex' 2019 Annual Report.

# Private Equity Funds: Onex' Gross Investment Performance

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	Year Ended December 31, 2019
Increase in value of Onex' private equity investments in U.S. dollars <sup>(1)</sup>	
Onex Partners	25%
ONCAP	3%
Direct investments	12%
<b>Total private equity investments</b>	<b>21%</b>

(1) Adjusted for capital deployed, realizations and distributions. Performance results are gross of management incentive programs and an allocation of management fees and carried interest on Onex' capital.  
*This table can be found on page 14 of Onex' 2019 Annual Report.*

# Private Equity Operating Companies: Select Private Company Disclosure

<i>(\$ in millions, unless otherwise noted)</i> As at December 31, 2019	<b>Fund Association</b>	<b>LTM Adjusted EBITDA<sup>(1)</sup></b>	<b>Net Debt<sup>(2)</sup></b>
<b>BBAM<sup>(3)(4)</sup></b>	OPIII	\$ 129	\$ (33)
<b>Carestream Health</b>	OPII	226	904
<b>KidsFoundation<sup>(5)</sup></b>	OPIV/OPV	€ 26	€ 102
<b>Parkdean Resorts<sup>(6)</sup></b>	OPIV	£ 96	£ 678
<b>Ryan<sup>(7)</sup></b>	OPIV	133	364
<b>SCP Health</b>	OPIV	130	537
<b>WireCo</b>	OPIV	93	595

This table excludes financial metrics for certain private companies due to contractual, commercial or similar reasons.

Endnotes on page 33.

# Private Equity Operating Companies: Public Company Disclosure

As at December 31, 2019	Fund Association	Shares Held by Onex <sup>(1)</sup>	Closing Share Price <sup>(2)(3)</sup>
<b>Onex Partners</b>			
Emerald Expositions	OPIII	11.4	\$ 10.55
JELD-WEN	OPIII	8.1	23.41
Clarivate	OPIV	34.9	16.80
SIG	OPIV	35.8	CHF 15.46
<b>ONCAP</b>			
Pinnacle Renewable Energy <sup>(3)</sup>	ONCAPII	5.0	C\$ 9.93
<b>Direct Investments</b>			
Celestica <sup>(4)</sup>	Direct	18.0	8.27

(1) Presented in millions of shares.

(2) Presented in the trading currency of the shares held.

(3) Share price for Pinnacle Renewable Energy reflects the average share price for the five trading days ending December 31, 2019.

(4) Excludes shares held in connection with the MIP.

## Onex Credit: CLO Contribution

<i>(\$ in millions, unless otherwise noted)</i>	December 31, 2019	September 30, 2019	December 31, 2018
Last twelve months ended			
Regular distributions	\$86	\$72	\$59
Proceeds from realizations	-	13	23
Less: capital associated with realizations	-	(26)	(34)
<b>Distributions and Net Realizations</b>	<b>\$86</b>	<b>\$59</b>	<b>\$48</b>
<i>CLO Equity Yield<sup>(1)</sup></i>	<i>12%</i>	<i>9%</i>	<i>8%</i>
CLO management fees	43	42	40
<b>Gross CLO Platform Return</b>	<b>\$129</b>	<b>\$127</b>	<b>\$122</b>
<i>Gross CLO Platform Yield<sup>(2)</sup></i>	<i>18%</i>	<i>15%</i>	<i>15%</i>

(1) Gross CLO Equity Yield is calculated as Distributions and Net Realizations in the last twelve months, as calculated above, divided by Onex' CLO Yield-Generating Capital Deployed. CLO Yield-Generating Capital Deployed is the quarterly-weighted average capital in CLOs, excluding: i) capital returned through sales and redemptions; ii) capital deployed in CLO warehouses; and iii) capital in CLOs prior to initial distribution.

(2) Gross CLO Platform Yield is calculated as Gross CLO Platform Return in the last twelve months, as calculated above, divided by Onex' CLO Yield-Generating Capital Deployed (see Note 1).

# Asset and Wealth Management Segment

# Schedule of Net Earnings: QTD

(\$ in millions, except per share data)

Three months ended	December 31, 2019	September 30, 2019
<b>Private Equity</b>		
Management and advisory fees <sup>(1)(2)(3)</sup>	\$ 51	\$ 50
Carried interest <sup>(4)(5)</sup>	10	(17)
<b>Income items</b>	<b>61</b>	<b>33</b>
Base compensation	7	6
Variable compensation	13	17
Other expenses, net <sup>(6)</sup>	8	11
<b>Expense items</b>	<b>28</b>	<b>34</b>
<b>Net contribution</b>	<b>33</b>	<b>(1)</b>
<b>Credit</b>		
Management and advisory fees <sup>(7)</sup>	13	14
Performance fees <sup>(4)(7)</sup>	-	-
<b>Income items</b>	<b>13</b>	<b>14</b>
Base compensation	2	3
Variable compensation	3	4
Other expenses	3	1
<b>Expense items</b>	<b>8</b>	<b>8</b>
<b>Net contribution</b>	<b>5</b>	<b>6</b>
<b>Wealth Management</b>		
Management and advisory fees <sup>(8)</sup>	18	18
Performance fees <sup>(4)</sup>	23	1
Other income	1	1
<b>Income items</b>	<b>42</b>	<b>20</b>
Base compensation	5	4
Variable compensation	12	3
Other expenses	4	4
<b>Expense items</b>	<b>21</b>	<b>11</b>
<b>Net contribution</b>	<b>21</b>	<b>9</b>
<b>Shared Services and Parent Company</b>		
Base compensation	3	5
Variable compensation	3	4
Other expenses, net	2	4
<b>Expense items</b>	<b>8</b>	<b>13</b>
<b>Net contribution</b>	<b>(8)</b>	<b>(13)</b>
<b>Asset &amp; wealth management segment net earnings</b>	<b>\$ 51</b>	<b>\$ 1</b>
<b>Asset &amp; wealth management segment net earnings per share<sup>(9)</sup></b>	<b>\$ 0.49</b>	<b>\$ 0.01</b>

Endnotes on page 34.



# Schedule of Adjusted Net Earnings

The following schedule adjusts the asset and wealth management segment net earnings to present carried interest on a cash received basis.

<i>(\$ in millions, except per share data)</i> Three months ended	<b>December 31, 2019</b>	September 30, 2019
<b>Asset &amp; wealth management segment net earnings</b>	<b>\$ 51</b>	<b>\$ 1</b>
Accrued carried interest <sup>(1)</sup>	<b>(10)</b>	17
Cash received carried interest <sup>(2)(3)</sup>	<b>3</b>	5
<b>Adjusted asset &amp; wealth management segment net earnings<sup>(4)</sup></b>	<b>\$ 44</b>	<b>\$ 23</b>
<b>Adjusted asset &amp; wealth management segment net earnings per share<sup>(4)(5)</sup></b>	<b>\$ 0.42</b>	<b>\$ 0.22</b>

(1) Accrued carried interest represents the reversal of the private equity carried interest that is included in the calculation of asset management segment net earnings.

(2) Cash received carried interest represents the private equity carried interest reported on a cash basis. Performance fees are not adjusted since they are typically accrued in the fourth quarter each year and are typically received shortly before or after the end of the calendar year.

(3) Cash received carried interest includes \$1 million (September 30, 2019 - \$2 million) for 40% of the additional carried interest that would have been received on Onex capital had that capital been subject to carried interest under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds.

(4) Adjusted asset and wealth management segment net earnings and adjusted asset and wealth management segment net earnings per share are non-GAAP financial measures used by management to, in part, assess Onex' performance.

(5) Calculated on a fully diluted basis using the treasury stock method.

# Schedule of Net Earnings: LTM

(\$ in millions, except per share data)

Last twelve months ended December 31,	2019	2018	2017
<b>Private Equity</b>			
Management and advisory fees <sup>(1)(2)(3)</sup>	\$ 207	\$ 149	\$ 147
Carried interest <sup>(4)(5)</sup>	(5)	(46)	115
<b>Income items</b>	<b>202</b>	<b>103</b>	<b>262</b>
Base compensation	26	24	21
Variable compensation	70	43	95
Other expenses, net <sup>(6)</sup>	37	30	27
<b>Expense items</b>	<b>133</b>	<b>97</b>	<b>143</b>
<b>Net contribution</b>	<b>69</b>	<b>6</b>	<b>119</b>
<b>Credit</b>			
Management and advisory fees <sup>(7)</sup>	52	50	43
Performance fees <sup>(4)(7)</sup>	-	-	2
<b>Income items</b>	<b>52</b>	<b>50</b>	<b>45</b>
Base compensation	10	9	8
Variable compensation	15	15	14
Other expenses	7	4	3
<b>Expense items</b>	<b>32</b>	<b>28</b>	<b>25</b>
<b>Net contribution</b>	<b>20</b>	<b>22</b>	<b>20</b>
<b>Wealth Management</b>			
Management and advisory fees <sup>(8)</sup>	43	-	-
Performance fees <sup>(4)</sup>	24	-	-
Other income	3	-	-
<b>Income items</b>	<b>70</b>	<b>-</b>	<b>-</b>
Base compensation	11	-	-
Variable compensation	15	-	-
Other expenses	10	-	-
<b>Expense items</b>	<b>36</b>	<b>-</b>	<b>-</b>
<b>Net contribution</b>	<b>34</b>	<b>-</b>	<b>-</b>
<b>Shared Services and Parent Company</b>			
Base compensation	18	19	17
Variable compensation	13	9	11
Other expenses, net	12	12	11
<b>Expense items</b>	<b>43</b>	<b>40</b>	<b>39</b>
<b>Net contribution</b>	<b>(43)</b>	<b>(40)</b>	<b>(39)</b>
<b>Asset &amp; wealth management segment net earnings (loss)</b>	<b>\$ 80</b>	<b>\$ (12)</b>	<b>\$ 100</b>
<b>Asset &amp; wealth management segment net earnings (loss) per share<sup>(9)</sup></b>	<b>\$ 0.76</b>	<b>\$ (0.12)</b>	<b>\$ 0.93</b>

Endnotes on page 35.

## Schedule of Adjusted Net Earnings: LTM

The following schedule adjusts the asset and wealth management segment net earnings to present carried interest on a cash received basis.

<i>(\$ in millions, except per share data)</i> Last twelve months ended	<b>December 31, 2019</b>	December 31, 2018	December 31, 2017
<b>Asset &amp; wealth management segment net earnings (loss)</b>	<b>\$ 80</b>	\$ (12)	\$ 100
Accrued carried interest <sup>(1)</sup>	<b>5</b>	46	(115)
Cash received carried interest <sup>(2)(3)</sup>	<b>56</b>	58	163
<b>Asset &amp; wealth management segment net earnings<sup>(4)</sup></b>	<b>\$ 144</b>	\$ 92	\$ 148
<b>Asset &amp; wealth management segment net earnings per share<sup>(5)</sup></b>	<b>\$ 1.35</b>	\$ 0.91	\$ 1.38

(1) Accrued carried interest represents the reversal of the private equity carried interest that is included in the calculation of asset management segment net earnings (loss).

(2) Cash received carried interest represents the private equity carried interest reported on a cash basis. Performance fees are not adjusted since they are typically accrued in the fourth quarter each year and are typically received shortly before or after the end of the calendar year.

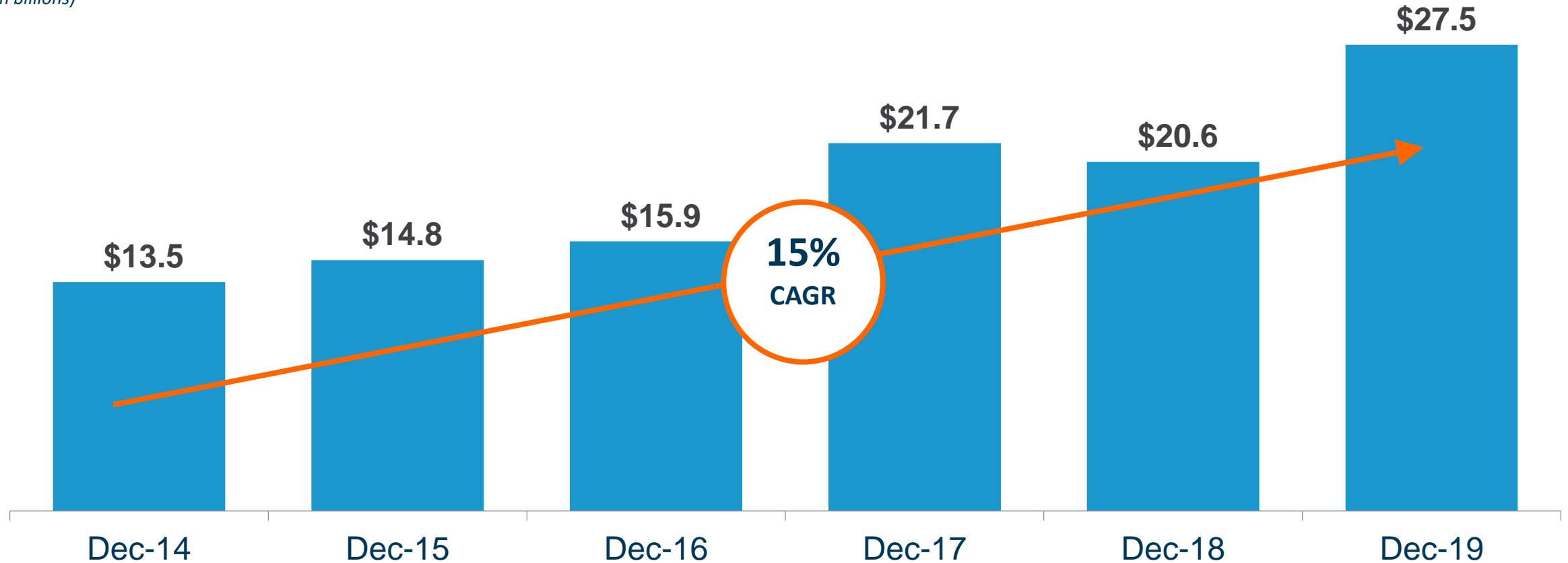
(3) Cash received carried interest includes \$13 million (year ended December 31, 2018 - \$21 million and December 31, 2017 - \$40 million) for 40% of the additional carried interest that would have been received on Onex capital had that capital been subject to carried interest under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds.

(4) Adjusted asset and wealth management segment net earnings and adjusted asset and wealth management segment net earnings per share are non-GAAP financial measures used by management to, in part, assess Onex' performance.

(5) Calculated on a fully diluted basis using the treasury stock method.

# Fee-Generating Assets Under Management

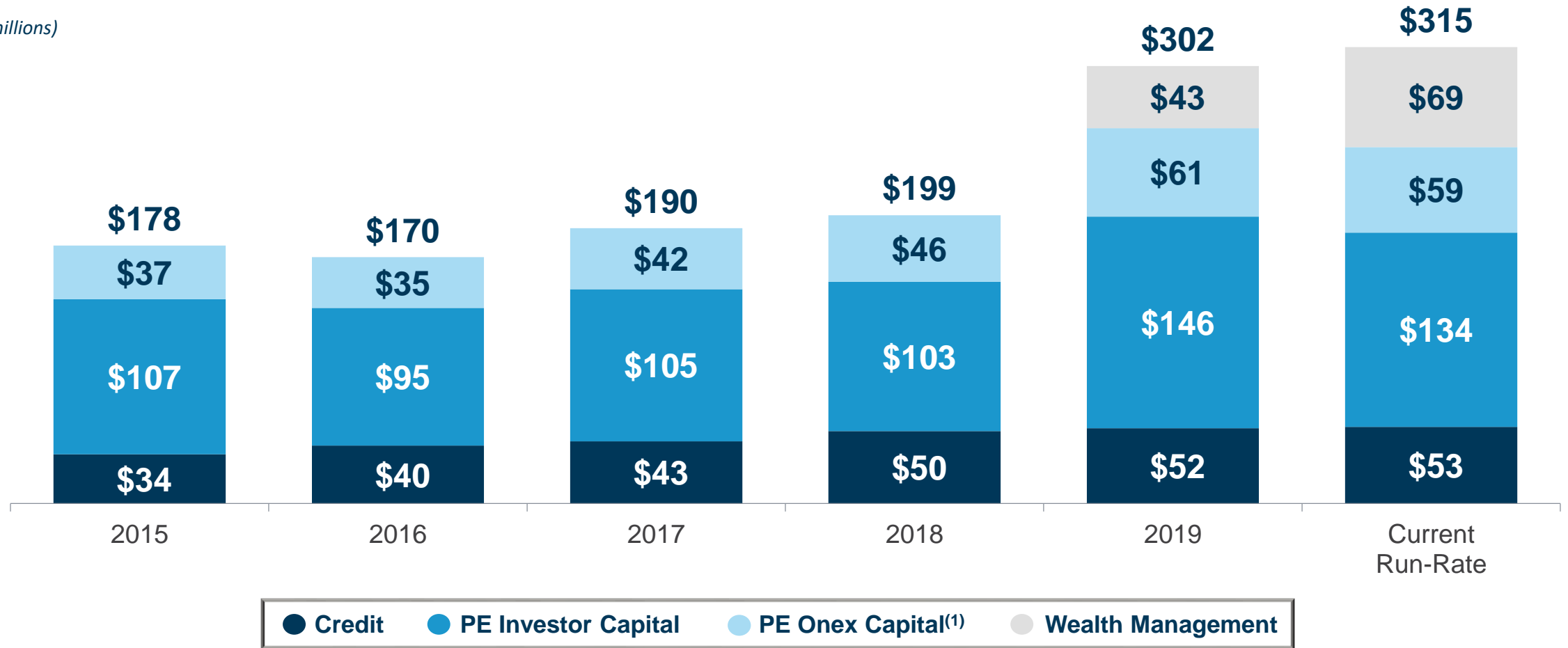
(\$ in billions)



Growth in fee-generating assets under management includes the impact of assets under management acquired in the purchase of Gluskin Sheff in June 2019.

# Growth in Management Fees

(\$ in millions)



(1) Management and advisory fees on Onex capital represents the additional net fees that would be earned on Onex capital had that capital been subject to management and advisory fees under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment income and are included in Onex' asset management segment income.

## Private Equity: Run-Rate Management and Advisory Fees

<i>(\$ in millions)</i>	Fee Basis	Limited Partner Capital	Percentage Applied	Run-Rate Fees at Dec-31
Onex Partners III	Invested	\$1,125	1%	\$11
Onex Partners IV	Invested	\$2,169	1%	\$22
Onex Partners V	Committed	\$4,957	1.7%	\$82
ONCAP II <sup>(1)</sup>	Invested	C\$80	2%	\$1
ONCAP III <sup>(1)</sup>	Invested	C\$227	1.5%	\$3
ONCAP IV	Committed	\$597	2%	\$12
Management fees on Onex' capital <sup>(2)</sup>				\$59
Advisory fees to Onex				\$3
<b>Total private equity run-rate management and advisory fees</b>				<b>\$193</b>

(1) ONCAP II and III run-rate fees are presented in U.S. dollars based on the December 31, 2019 exchange rate of 1.2988.

(2) Run-rate management fees on Onex capital represents the additional net fees that would be earned on Onex capital had that capital been subject to management and advisory fees under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment income and are included in Onex' asset management segment income.

# Gluskin Sheff Client Capital

	Total		Fee-Generating	
	December 31, 2019	December 31, 2018 <sup>(1)</sup>	December 31, 2019	December 31, 2018 <sup>(1)</sup>
<i>(\$ in millions)</i>				
Public Debt Strategies	\$3,225	\$3,088	\$3,149	\$3,067
Public Equity Strategies	2,977	3,095	2,775	2,936
Onex Credit Strategies	383	-	382	-
Onex Private Equity	53	-	52	-
<b>Total Gluskin Sheff AUM</b>	<b>\$6,638</b>	<b>\$6,183</b>	<b>\$6,358</b>	<b>\$6,003</b>

## FEE-GENERATING CAPITAL ACTIVITY

- Gluskin Sheff clients re-allocated \$154mm from public to private strategies in Q4
- Net outflows of \$31mm in Q4 (YTD - \$561mm)
- Net investment performance from Gluskin Sheff public strategies of \$217mm in Q4 including the impact of foreign exchange (YTD - \$916mm)

(1) Gluskin Sheff client capital at December 31, 2018 does not represent Onex' assets under management as Gluskin Sheff was acquired by Onex in June 2019. This table can be found on page 17 of Onex' 2019 Annual Report.

# Endnotes

Supplemental Information Package

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# Endnotes

## Investing Capital (page 13) and Investing Capital: Q4 Changes (page 14)

- (1) December 31, 2018 reflects Onex NAV and Onex NAV per share as previously presented in the How We Are Invested schedule. It has not been restated for the marketability discount on public companies, which is reflected in Onex investing capital and Onex investing capital per share beginning in 2019. Additionally, previous periods are not restated to exclude capital utilized to acquire Gluskin Sheff and the expected acquisition of the remaining interest in the Onex Credit asset management platform.
- (2) Based on the fair value of the investments in Onex Partners, net of the estimated management incentive programs liability on these investments of \$41 million (September 30, 2019 – \$30 million, December 31, 2018 – \$45 million) and any debt financing within the Onex Partners Funds.
- (3) For certain public investments, a discount was applied to the closing prices in relation to trading restrictions relating to Onex, the Onex Partners Funds or the ONCAP Funds holdings in these investments. These discounts resulted in a reduction of \$84 million in the fair value of the investments (September 30, 2019 - \$95 million, December 31, 2018 – \$52 million).
- (4) Based on the closing prices on December 31, 2019 and September 30, 2019, adjusted for a marketability discount, and the unadjusted closing price on December 31, 2018 (refer to endnote 1). Net of the estimated management incentive programs liability on these investments of \$149 million (September 30, 2019 – \$72 million, December 31, 2018 – \$33 million).
- (5) Based on the fair value of the investments in ONCAP, net of the estimated management incentive programs liability on these investments of \$34 million (September 30, 2019 – \$27 million, December 31, 2018 – \$33 million).
- (6) Based on the average closing price for the five trading days ending December 31, 2019 and the average closing price for the five trading days subsequent to September 30, 2019, adjusted for a marketability discount, and the unadjusted closing price on December 31, 2018 (refer to endnote 1). Net of the estimated management incentive programs liability on this investment of \$3 million (September 30, 2019 – \$4 million, December 31, 2018 – \$4 million).
- (7) Primarily includes Onex' investments in Celestica Inc. Ryan Specialty Group and Incline Aviation Fund and net of the estimated MIP liability on these investments of \$3 million (September 30, 2019 – \$1 million, December 31, 2018 - less than \$1 million). Celestica is based on the closing prices on December 31, 2019 and September 30, 2019, adjusted for a marketability discount, and the unadjusted closing price on December 31, 2018 (refer to endnote 1).
- (8) Represents Onex' share of the unrealized carried interest for Onex Partners and ONCAP Funds.
- (9) Includes CLO warehouse facilities.
- (10) Onex Credit Funds excludes \$97 million (September 30, 2019 – \$96 million, December 31, 2018 – \$89 million) invested in an Onex Credit unlevered senior secured loan strategy fund, which has been included with cash and near-cash items.
- (11) Represents other investment-related net liabilities of investment holding companies.
- (12) Includes \$646 million (September 30, 2019 – \$129 million, December 31, 2018 – \$279 million) of investments managed by third-party investment managers.
- (13) Includes \$190 million (September 30, 2019 – \$212 million, December 31, 2018 – \$205 million) of management fees receivable from the limited partners of its private equity platforms.
- (14) Represents debt at Onex Corporation, the parent company.
- (15) Calculated on a fully diluted basis. Fully diluted shares were 112.4 million (September 30, 2019 – 110.0 million, December 31, 2018 – 110.0 million). Fully diluted shares include all outstanding SVS as well as outstanding stock options where Onex' share price exceeds the exercise price of the stock options and the stock options have a dilutive impact to Onex' investing capital per share.
- (16) The change in Onex' investing capital per share is impacted by the fair value changes of Onex' investments. Shares repurchased and options exercised during the period will decrease or increase Onex' investing capital per share to the extent that the price for share repurchases and option exercises was above or below Onex investing capital per share, respectively.
- (17) Other items include Onex share repurchases; options exercised; and dividends, as applicable.

# Endnotes (continued)

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## Private Equity Funds: Performance Returns, page 17

- (1) Net IRR and Net MOC are presented for limited partners in the Onex Partners and ONCAP Funds and exclude the capital contributions and distributions attributable to Onex' commitment as a limited partner in each fund.
- (2) Onex Partners I is substantially realized and ONCAP I has been fully realized.
- (3) Represents the aggregate performance returns for all invested Onex Partners and ONCAP Funds. Invested Funds are those funds that do not have uncalled commitments outstanding that can be used for future Onex-sponsored investments. Net IRR and Net MOC are not calculable across the aggregate Onex Partners and ONCAP Funds.
- (4) Performance returns are calculated in Canadian dollars, the functional currency of these ONCAP Funds.
- (5) Performance returns reflect the short operating period of Onex Partners V. Cash outflows occurred in November 2018 to fund the first investment made by the Fund. The Gross IRR and Net IRR are not presented as they are not meaningful. The Net MOC is 1.0x for an Onex Partners V limited partner that elected to participate in the credit facility of Onex Partners V.

## Private Equity Operating Companies: Select Private Company Disclosure, page 19

- (1) Adjusted EBITDA is a non-GAAP financial measure and is based on the local accounting standards of the individual operating companies. Adjustments may include non-cash costs of stock-based compensation and retention plans, transition and restructuring expenses including severance payments, the impact of derivative instruments that no longer qualify for hedge accounting, the impacts of purchase accounting and other similar amounts.
- (2) Net debt excludes restricted cash and other similar amounts.
- (3) LTM adjusted EBITDA and net debt are presented for BBAM and do not reflect information for Onex' investments in FLY Leasing Limited (NYSE: FLY).
- (4) Net debt for BBAM is reduced for accrued compensation liabilities.
- (5) LTM adjusted EBITDA is presented without pro forma adjustment for pre-acquisition results of the acquired businesses.
- (6) LTM adjusted EBITDA is stated net of the rent impact of sale-leaseback transactions. Net debt excludes capital lease obligations related to long dated sale-leaseback transactions.
- (7) LTM adjusted EBITDA is presented on a pro-forma basis to reflect the impact of acquired and/or divested businesses.

# Endnotes (continued)

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## Schedule of Net Earnings: Q4, page 23

- (1) Management and advisory fees include those earned in the Onex Partners and ONCAP Funds and Onex' retained portion of the management and advisory fees earned from operating companies.
- (2) Management and advisory fees include \$15 million (September 30, 2019 - \$15 million) of additional net fees that would have been earned on Onex capital had that capital been subject to management and advisory fees under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment results in the period.
- (3) Onex began to receive management fees for Onex Partners V in November 2018 based on 1.7% of committed capital by investors other than Onex and the Onex management team. In December 2018, in connection with beginning to accrue management fees for Onex Partners V, Onex Partners IV management fees were reduced to 1% of net funded commitments. Prior to December 2018, management fees for Onex Partners IV were based on 1.7% of committed capital. Annual run-rate private equity management fees at December 31, 2019 are \$193 million, which includes \$59 million of run-rate management and advisory fees that would be earned on Onex capital.
- (4) Carried interest and performance fees are reported on an accrual basis.
- (5) Carried interest includes a \$1 million net increase (September 30, 2019 - reversal of \$5 million) for 40% of the change in carried interest on Onex capital had that capital been subject to carried interest under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. This carried interest reduces Onex' investing segment results in the period.
- (6) Expenses include those of Onex' corporate functions. This schedule excludes stock-based compensation and amounts paid to Onex and ONCAP management under the Management Investment Plan and carried interest in connection with Onex capital.
- (7) Credit management and advisory fees and performance fees include less than \$1 million paid by Onex in respect of its investment in Onex Credit Funds (September 30, 2019 – \$1 million). Annual run-rate credit management fees at December 31, 2019 are \$53 million.
- (8) Annual run-rate management and advisory fees from asset and wealth management at December 31, 2019 are \$69 million.
- (9) Calculated on a fully diluted basis using the treasury stock method.

# Endnotes (continued)

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## Schedule of Net Earnings: LTM, page 25

- (1) Management and advisory fees include those earned in the Onex Partners and ONCAP Funds and Onex' retained portion of the management and advisory fees earned from operating companies.
- (2) Management and advisory fees include \$61 million (year ended December 31, 2018 - \$46 million and year ended December 31, 2017 - \$42 million) of additional net fees that would have been earned on Onex capital had that capital been subject to management and advisory fees under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment results in the period.
- (3) Onex began to receive management fees for Onex Partners V in November 2018 based on 1.7% of committed capital by investors other than Onex and the Onex management team. In December 2018, in connection with beginning to accrue management fees for Onex Partners V, Onex Partners IV management fees were reduced to 1% of net funded commitments. Prior to December 2018, management fees for Onex Partners IV were based on 1.7% of committed capital. Annual run-rate private equity management fees at December 31, 2019 are \$193 million, which includes \$59 million of run-rate management and advisory fees that would be earned on Onex capital.
- (4) Carried interest and performance fees are reported on an accrual basis.
- (5) Carried interest includes a \$4 million net reversal (year ended December 31, 2018 - \$9 million and December 31, 2017 - increase of \$29 million) for 40% of the change in carried interest on Onex capital had that capital been subject to carried interest under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. This carried interest reduces Onex' investing segment results in the period.
- (6) Expenses include those of Onex' corporate functions. This schedule excludes stock-based compensation and amounts paid to Onex and ONCAP management under the Management Investment Plan and carried interest in connection with Onex capital.
- (7) Credit management and advisory fees and performance fees include \$2 million paid by Onex in respect of its investment in Onex Credit Funds (year ended December 31, 2018 – \$3 million and December 31, 2017 - \$3 million). Annual run-rate credit management fees at December 31, 2019 are \$53 million.
- (8) Annual run-rate management and advisory fees from asset and wealth management at December 31, 2019 are \$69 million.
- (9) Calculated on a fully diluted basis using the treasury stock method.

# Contact

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