



Q3 2020 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, 2020 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 statements of comprehensive 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 ("IFRS") to provide information about Onex and should not be considered as providing sufficient information to make an investment or lending decision in regard to any particular 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 12, 2020. Preparation of the interim MD&A includes the review of the disclosures by senior management of Onex and by the Onex Disclosure Committee. The Board of Directors carries out its responsibility for the review of this disclosure through its Audit and Corporate Governance Committee, composed exclusively of independent directors. The Audit and Corporate Governance Committee has reviewed and recommended approval of this interim MD&A by the Board of Directors. The Board of Directors has approved this disclosure.

The interim MD&A is presented in the following sections:

3	Company Overview	21	Financial Review
11	2020 Year-to-Date Activity	45	Glossary

Onex Corporation's financial filings, including the 2020 Third Quarter Interim MD&A and Financial Statements, and the 2019 Annual Report, Annual Information Form and Management Information Circular, are available on Onex' website, www.onex.com, and on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

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

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

The following non-GAAP financial and performance measures are presented within this interim MD&A and have not been reconciled to a comparable GAAP measure as there are no appropriate comparable GAAP measures within IFRS:

- Performance returns, including Gross IRR, Net IRR, Gross MOC and Net MOC;
- Assets under management and fee-generating assets under management;
- Investor and client capital under management and fee-generating investor and client capital under management;
- Shareholder capital per share; and
- Annualized principal default rate.

References

References to **Onex** or the **Company** represent Onex Corporation. References to the **Onex management team** include the management of Onex, Onex Partners, ONCAP, Onex Credit and Gluskin Sheff. References to management without the use of “team” include only the relevant group. For example, Onex management does not include management of Onex Partners, ONCAP, Onex Credit or Gluskin Sheff.

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. For example, references to the Onex Partners IV Group represent Onex, the limited partners of Onex Partners IV, the Onex management team and, where applicable, certain other limited partners as co-investors.

A glossary of terms commonly used within this interim MD&A is included on page 45.

COMPANY OVERVIEW

Onex is a public company, the shares of which trade on the Toronto Stock Exchange under the symbol ONEX. The Company manages and invests capital in its private equity, credit and wealth management platforms on behalf of shareholders, institutional investors and high net worth families from its offices in Toronto, New York, New Jersey and London.



Onex is an investor first and foremost, with \$6.7 billion of shareholder capital (\$74.04 or C\$98.76 per fully diluted share) at September 30, 2020, primarily invested in or committed to its private equity and credit platforms. As at September 30, 2020, Onex also managed \$30.0 billion of invested and committed capital on behalf of institutional investors and high net worth families from around the world, including public and private pension plans, sovereign wealth funds, insurance companies and family offices that have chosen to invest alongside Onex. Onex' policy is to maintain a financially strong parent company with funds available to meet capital commitments to its investing platforms and to support the growth of its asset and wealth management businesses.

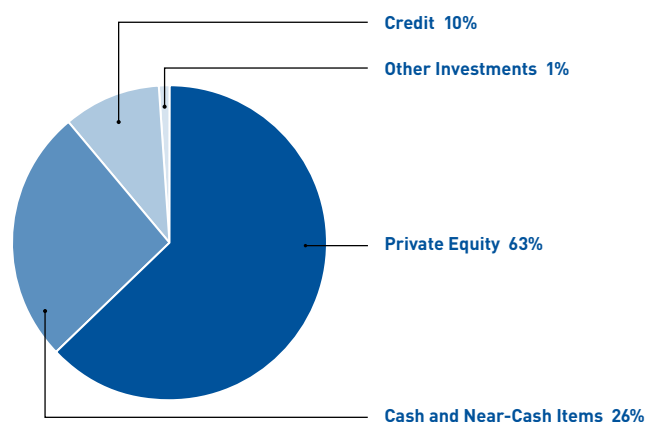
Critical to Onex' success is the strong alignment of interests between shareholders, limited partners, clients and the Onex management team. Onex' distinctive ownership culture is evidenced by the Onex management team's \$1.5 billion investment in Onex shares, DSUs and various Onex funds.

With an experienced management team, significant financial resources and no external debt, Onex is well-positioned to continue building shareholder value through its investment activities and its asset and wealth management platforms.

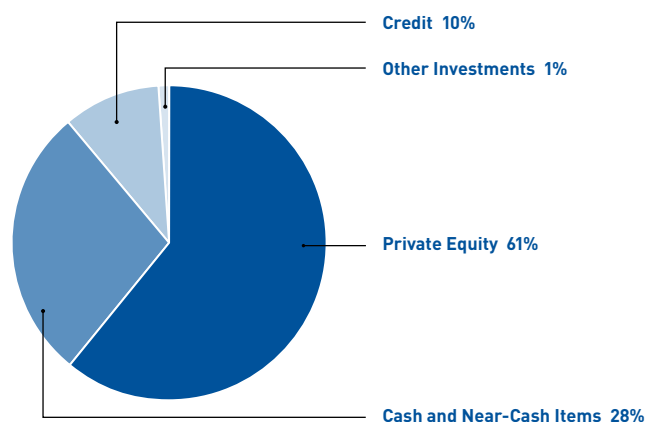
INVESTING

At September 30, 2020, substantially all of Onex' shareholder capital was invested in or committed to its private equity and credit platforms.

Onex' Investment Allocation at September 30, 2020



Onex' Investment Allocation at December 31, 2019



Private Equity

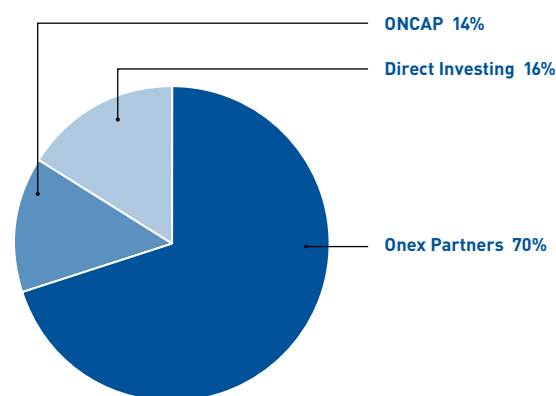
Founded in 1984, Onex is one of the oldest and most successful private equity firms. Today, the Company primarily invests in its two private equity platforms: Onex Partners for larger transactions and ONCAP for middle-market and smaller transactions. Onex' private equity funds acquire and build high-quality businesses in partnership with talented management teams and focus on execution theses rather than macro-economic or industry trends. Onex has always been the largest limited partner in each of its private equity funds.

Onex' private equity funds typically acquire control positions, which allow the funds to drive important strategic decisions and effect change at the operating businesses. The Onex management team and Onex private equity funds do not get involved in the daily decisions of the operating businesses.

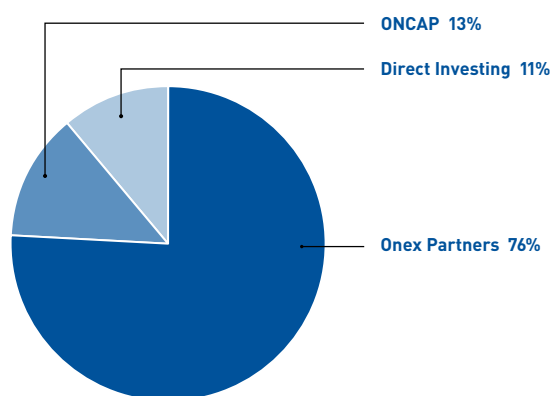
Over 36 years, Onex has built more than 105 operating businesses, completing over 665 acquisitions with a total value of \$86 billion. Since inception, Onex has generated a Gross MOC of 2.5 times, resulting in a 27% Gross IRR on realized, substantially realized and publicly traded investments.

As at September 30, 2020, Onex' investments in private equity totalled \$4.0 billion (December 31, 2019 – \$4.0 billion).

Onex' \$4.0 billion Investment in Private Equity at September 30, 2020



Onex' \$4.0 billion Investment in Private Equity at December 31, 2019



Credit

Established in 2007, Onex Credit focuses on investing in non-investment grade debt. Historically this has been through collateralized loan obligation funds ("CLOs"), senior loan strategies and other private credit strategies. Beginning in 2020, Onex Credit has begun to expand into other non-investment grade credit strategies including opportunistic and special situation strategies, structured credit and high yield strategies, while also enhancing its capabilities in direct lending.

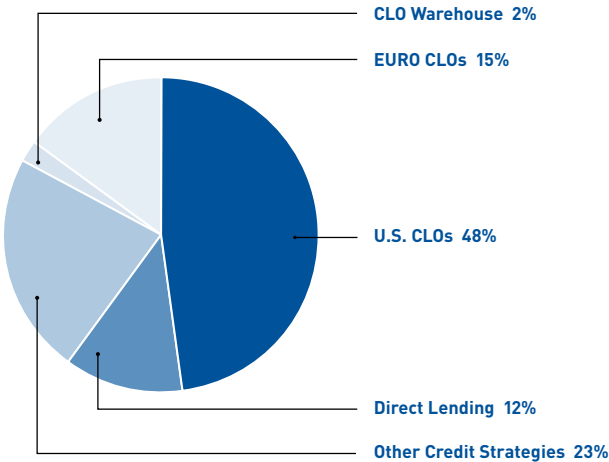
Onex Credit practises value-oriented investing, employing a bottom-up, fundamental and structural analysis of the underlying borrowers. Stringent oversight of portfolio profile and construction risk, along with liquidity management, complement Onex Credit's approach to investment research. The Onex Credit team maintains disciplined risk management, with a focus on capital preservation across all strategies, and targets strong risk-adjusted and absolute returns across market cycles. Onex is a significant investor across its private credit strategies.

Onex Credit's senior loan strategies, which represent the vast majority of its assets under management, have generated strong risk-adjusted returns, low defaults and low loan losses. Since December 2007 and up to December 2019, Onex Credit has invested \$32 billion across more than 920 borrowers in North America and, selectively, in Europe. During this period, those strategies experienced very few defaults, representing an annualized principal default rate of 0.36%⁽¹⁾, well below the leveraged loan market default rate of 2.88%⁽¹⁾ over the same period.

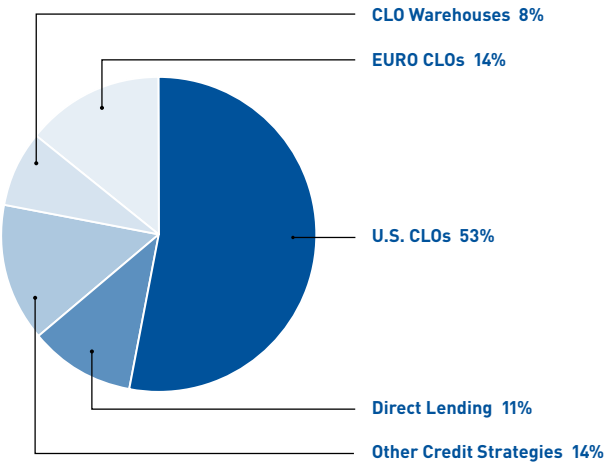
(1) The annualized principal and leveraged loan market default rates are calculated as the average default rate for each 12-month period since December 2007. The leveraged loan market default rate is based on historical default rates reported by J.P. Morgan's U.S. High-Yield and Leveraged Loan Strategy.

As at September 30, 2020, Onex' investments in Onex Credit strategies totalled \$623 million (December 31, 2019 – \$649 million). In addition, Onex had \$96 million (December 31, 2019 – \$97 million) invested in an Onex Credit strategy included in cash and near-cash items.

Onex' \$623 million Investment in Onex Credit Strategies at September 30, 2020



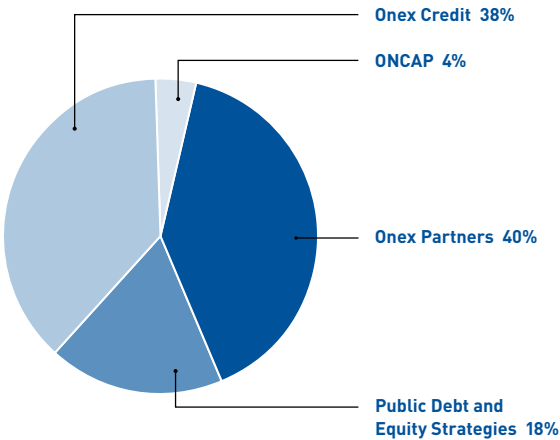
Onex' \$649 million Investment in Onex Credit Strategies at December 31, 2019



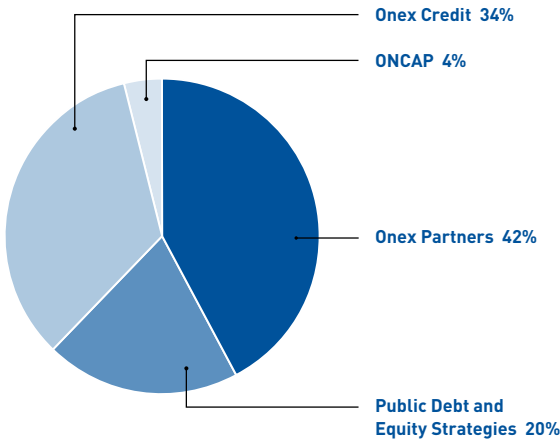
ASSET MANAGEMENT

As of September 30, 2020, Onex managed \$30.0 billion (December 31, 2019 – \$31.2 billion) of invested and committed capital on behalf of institutional investors and high net worth families from around the world.

Onex' \$30.0 billion of Investor Capital at September 30, 2020



Onex' \$31.2 billion of Investor Capital at December 31, 2019



Managing investor capital provides Onex with two significant financial benefits: (i) a committed stream of management fees and (ii) the opportunity to share in investors' gains. Onex has run-rate management fees from investor capital of \$238 million, consisting of \$127 million from private equity, \$59 million from public debt and equity strategies and \$52 million from private credit. Onex had \$22.5 billion of investor capital subject to carried interest or performance fees at September 30, 2020.

Private Equity

In private equity, Onex has raised nine Onex Partners and ONCAP Funds since 1999 and is currently investing Onex Partners V, a \$7.15 billion fund, and ONCAP IV, a \$1.1 billion fund.

During the initial fee period of the Onex Partners and ONCAP Funds, Onex receives a management fee based on limited partners' committed capital. At September 30, 2020, the management fees of Onex Partners V and ONCAP IV were determined on this basis, with management fee rates of 1.7% and 2.0%, respectively.

Following the termination of the initial fee period, Onex is entitled to a management fee based on limited partners' net funded commitments. At September 30, 2020, management fees were determined on this basis for Onex Partners III (0.5%), Onex Partners IV (1.0%), ONCAP II (2.0%) and ONCAP III (1.5%). As realizations occur in these funds, the management fees earned by Onex will decrease.

Onex is entitled to 40% of the carried interest realized from limited partners in the Onex Partners and ONCAP Funds, while Onex Partners and ONCAP management are entitled to the remaining 60%. Carried interest is 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 compound annual return on their investment. For ONCAP IV, carried interest participation increases from 20% to 25% of the realized net gains in ONCAP IV once investors achieve a net return of two times their aggregate capital contributions. The following table presents carried interest received by Onex since 2016.

<i>(Unaudited) (\$ millions)</i>	Carried Interest Received
2016	\$ 14
2017	121
2018	37
2019	43
2020 (up to September 30)	–
Total	\$ 215

The amount of carried interest ultimately received by Onex is based on realizations, the timing of which can vary significantly from year to year.

Onex' ability to raise new private equity capital is primarily dependent on the general fundraising environment and Onex' investment track record. The following table summarizes the performance of the Onex Partners and ONCAP Funds from their inception up to September 30, 2020. Net IRR and Net MOC represent the performance for fee-paying limited partners of the Onex Partners and ONCAP Funds.

Performance Returns ⁽¹⁾					
	Vintage	Gross IRR	Net IRR ⁽²⁾	Gross MOC	Net MOC ⁽²⁾
Onex Partners Funds – Invested					
Onex Partners I ⁽³⁾	2003	55%	38%	4.0x	3.1x
Onex Partners II	2006	17%	13%	2.2x	1.8x
Onex Partners III	2009	17%	11%	2.0x	1.7x
Onex Partners IV	2014	10%	7%	1.4x	1.3x
Total Onex Partners Funds – Invested⁽⁴⁾		26%	n/a	2.0x	n/a
ONCAP Funds – Invested					
ONCAP I ⁽³⁾⁽⁵⁾	1999	43%	33%	4.1x	3.1x
ONCAP II ⁽⁵⁾	2006	29%	21%	3.9x	2.7x
ONCAP III ⁽⁵⁾	2011	24%	18%	3.2x	2.4x
Total ONCAP Funds – Invested⁽⁴⁾⁽⁵⁾		39%	n/a	3.6x	n/a
Onex Partners and ONCAP Funds – Investing					
Onex Partners V ⁽⁶⁾	2018	4%	–	1.0x	0.9x
ONCAP IV	2016	15%	6%	1.3x	1.1x

(1) Performance returns are non-GAAP financial measures. Onex management believes that performance returns are useful to investors since Onex' ability to raise capital in new funds may be materially impacted by the performance returns of current and prior funds.

(2) 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.

(3) Onex Partners I is substantially realized and ONCAP I has been fully realized.

(4) Represents the aggregate performance returns for all invested Onex Partners and ONCAP Funds. Invested funds are those funds that do not have uncalled commitments 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.

(5) Performance returns are calculated in Canadian dollars, the functional currency of these ONCAP Funds.

(6) 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. Net IRR is not presented as it is not meaningful. The performance returns of Onex Partners V represent a limited partner that did not elect to participate in the credit facility of Onex Partners V.

Private Credit

Onex Credit continues to grow the product lines and distribution channels for its non-investment grade credit investing. Building on the foundation of its senior loan strategies, Onex Credit is expanding into opportunistic credit, structured credit and high yield strategies. Recently, Onex Credit added several experienced investment professionals to support growth in each of these areas.

In April 2020, Jason New joined Onex Credit as Co-CEO alongside Stuart Kovensky. Jason will also be the Head of Opportunistic Credit and was recently joined by Chad Valerio and Tom Higbie, who will be Portfolio Managers focused on opportunistic credit strategies. Chad comes to Onex Credit from Oak Hill Advisors, where he was Managing Director and Portfolio Manager focusing on stressed and distressed investments. Tom Higbie was a Managing Director at Solus Alternative Asset Management, focused on distressed and special situations as well as opportunistic corporate credit.

In May 2020, Ronnie Jaber joined Onex Credit as Portfolio Manager and Head of Structured Credit. Ronnie joined Onex Credit from The Carlyle Group, where he was a Managing Director, Co-Head of Structured Credit and Portfolio Manager for Global Credit.

Lastly, Clint Comeaux joined Onex Credit in July 2020 as Portfolio Manager and Head of High Yield Credit. Clint joined Onex Credit from Muzinich & Co., where he was most recently Lead Portfolio Manager responsible for U.S. High Yield Strategies.

Onex Credit launched both opportunistic and structured credit strategies during the first nine months of 2020 and expects to launch additional strategies focused on both opportunistic and structured credit in the fourth quarter of 2020.

As of September 30, 2020, Onex Credit earns run-rate management fees of \$52 million on \$10.9 billion of fee-generating assets under management:

As at September 30, 2020	Fee-Generating Assets Under Management	Management Fee Basis	Management Fee %
CLOs	\$ 9,646	Collateral principal balance	up to 0.50%
Direct lending	\$ 456	Funded commitments	up to 1.25%
		Unfunded commitments	up to 0.50%
Other credit strategies ⁽¹⁾	\$ 847	Net asset value;	up to 0.75%
		Gross invested assets; or	0.55%
		Funded commitments	up to 0.75%

(1) Includes senior loan strategies, opportunistic and special situation strategies, and structured credit and high yield strategies.

Onex Credit is also entitled to performance fees on \$10.2 billion of assets under management as at September 30, 2020. Performance fees range between 12.5% and 20% of net gains and are generally subject to a hurdle or minimum preferred return to investors.

WEALTH MANAGEMENT

In June 2019, Onex acquired Gluskin Sheff, a Canadian wealth management firm serving high net worth families and institutional investors. Gluskin Sheff invests the capital of its clients mainly across a number of public debt and equity strategies and earns revenue primarily from base management fees and performance fees. As at September 30, 2020, Gluskin Sheff had total fee-generating client capital of \$5.7 billion (C\$7.6 billion).

As of September 30, 2020, Gluskin Sheff earns base management fees of up to 1.5% on assets under management, with run-rate management fees of \$59 million (C\$79 million). Gluskin Sheff is also entitled to performance fees on \$2.4 billion (C\$3.1 billion) of assets under management, which range between 10% and 20% and may be subject to performance hurdles.

FIRM RESOURCES

Experienced team with significant depth

In August 2020, Onex announced the promotion of Bobby Le Blanc to President of Onex. In his new role, Mr. Le Blanc oversees all of Onex' business units and is the sole Head of Onex Partners, the firm's flagship private equity strategy.

Onex is led by the firm's founder and CEO, Gerry Schwartz, Mr. Le Blanc and experienced leadership teams at each of its investment platforms.

Onex' 175 investment and wealth management professionals are each dedicated to a separate investment platform: Onex Partners (64), ONCAP (22), Onex Credit (36) and Wealth Management (53). These investment teams are supported by approximately 160 professionals dedicated to Onex' corporate functions and investment platforms.

Substantial financial resources available for future growth

Onex seeks to maintain a financially strong parent company with funds available to meet its capital commitments to its investing platforms and to support the growth of its asset and wealth management businesses. Onex' financial strength comes from both its own capital as well as the capital committed by its investors. Today, Onex has substantial financial resources available to support its investing platforms with:

- approximately \$1.6 billion of cash and near-cash items and no external debt;
- \$3.5 billion of limited partner uncalled capital available for future Onex Partners V investments; and
- \$229 million of limited partner uncalled capital available for future ONCAP IV investments.

Strong alignment of interests

Critical to Onex' success is the strong alignment of interests between shareholders, limited partners, clients and the Onex management team. In addition to Onex being the largest limited partner in each private equity fund and having meaningful investments in its private credit platform, the Company's distinctive ownership culture requires the Onex management team to have a significant ownership in Onex shares and to invest meaningfully in each private equity investment. At September 30, 2020, the Onex management team:

- was the largest shareholder in Onex, with a combined holding of approximately 15.1 million shares, or 17% of outstanding shares, and 0.8 million DSUs;
- had a total investment in Onex' private equity investments at market value of approximately \$475 million;
- had a total investment in Onex Credit strategies at market value of approximately \$265 million; and
- had a total investment managed by Gluskin Sheff at market value of approximately \$60 million.

Onex Partners management is also required to reinvest up to 25% of all Onex Partners carried interest and MIP distributions in Onex shares and must hold these shares for at least three years.

OUR OBJECTIVE

Onex works to create long-term value for shareholders and to have that value reflected in its share price. Onex delivers this value by (i) investing Onex' shareholder capital primarily in Onex' private equity funds and Onex Credit strategies and (ii) managing and growing the third-party capital invested in and committed to its private equity, public equity and credit platforms. Onex believes it has the investment philosophy, talent, financial resources and track record to continue to deliver on this objective.

2020 YEAR-TO-DATE ACTIVITY

PRIVATE EQUITY INVESTING

Capital Deployment

The table below presents the private equity investments made since December 31, 2019.

<i>(Unaudited)</i>				Onex' Share
Fund	Company	Transaction	Period	<i>(\$ millions)</i>
Direct investment	RSG	Add-on investment	Aug '20	\$ 108
Onex Partners V	Emerald	Add-on investment	Jun '20 and Aug '20	107
Onex Partners V	ICS	Original investment	Sep '20	64
Other investments				46
Total				\$ 325

In June and August 2020, Onex invested \$72 million and \$35 million, respectively, in Onex Partners V as part of the fund's investments in preferred shares of Emerald Holding, Inc. ("Emerald"). Emerald is an operator of large business-to-business trade shows in the United States across several end markets.

In August 2020, Onex invested an additional \$108 million in preferred shares of Ryan Specialty Group ("RSG"), in connection with an add-on acquisition completed by RSG. RSG is an international specialty insurance organization, which includes a wholesale brokerage firm and an underwriting management organization.

In September 2020, Onex invested \$64 million in Onex Partners V as part of the fund's investment in Independent Clinical Services Group Ltd. ("ICS"), a specialized staffing, workforce management solutions, and health and social services business operating primarily in Europe and present across four continents globally.

In October 2020, Onex Partners V entered into an agreement to acquire OneDigital, a leading U.S. provider of employee benefits insurance brokerage and retirement consulting services. Onex' share of the investment is expected to be approximately \$200 million. The transaction is expected to close later this year, subject to customary conditions and regulatory approvals.

At September 30, 2020, Onex had uncalled committed capital of \$1.3 billion to Onex Partners V, which includes uncalled committed capital related to the pending OneDigital acquisition, and \$158 million to ONCAP IV.

Realizations

The table below presents the private equity realizations and distributions to date in 2020.

<i>(Unaudited)</i>				Onex' Share⁽¹⁾
Fund	Company	Transaction	Period	<i>(\$ millions)</i>
Onex Partners IV	SIG	Secondary offerings and dividend	Various	\$ 372
Onex Partners IV	Clarivate	Secondary offering	Jun '20	171
Other realizations				39
Total				\$ 582

(1) Reduced for amounts paid under management incentive programs, if applicable, and includes Onex' share of proceeds as a co-investor, if applicable.

In March 2020, the Onex Partners IV Group sold approximately 37.5 million shares of SIG Combibloc Group AG ("SIG") at a price of CHF 14.20 per share. SIG is a systems and solutions provider for aseptic carton packaging. Onex' combined share of the net proceeds from the Onex Partners IV Group was CHF 187 million (\$202 million). In August 2020, the Onex Partners IV Group sold approximately 32.0 million shares of SIG at a price of CHF 15.50 per share. Onex' combined share of the net proceeds from the Onex Partners IV Group was CHF 147 million (\$162 million), net of payments under the management incentive programs. As a result of these secondary offerings and previous realizations, Onex has realized approximately \$848 million to date, net of payments under the management incentive programs, on its investment of \$440 million in SIG and continues to hold approximately 11.4 million shares of SIG through its investment in Onex Partners IV and its investment as a co-investor.

In June 2020, the Onex Partners IV Group sold approximately 20.8 million ordinary shares of Clarivate Analytics Plc ("Clarivate Analytics") at a price of \$22.50 per share. Clarivate Analytics is a global analytics provider. Onex' share of the net proceeds from the Onex Partners IV Group was \$171 million. As a result of this secondary offering and previous realizations, Onex has realized approximately \$612 million to date on its investment of \$447 million in Clarivate Analytics and continues to hold approximately 27.0 million shares of Clarivate Analytics through its investment in Onex Partners IV and its investment as a co-investor.

Fund-level Developments

During the nine months ended September 30, 2020, the Onex Partners and ONCAP operating businesses continued to execute on their investment theses:

- completing follow-on acquisitions for total consideration of approximately \$1.2 billion;
- collectively raising or refinancing approximately \$4.4 billion of debt;
- paying down debt totalling approximately \$380 million;
- in Onex Partners IV, Clarivate Analytics acquired Decision Resources Group, a premier provider of high-value data, analytics and insights products and services to the healthcare industry. Clarivate Analytics also acquired CPA Global, a global leader in intellectual property software and tech-enabled services; and
- in Onex Partners IV and Onex Partners V, KidsFoundation completed its acquisition of Partou Holding B.V., the second-largest childcare provider in the Netherlands.

Performance

During the three and nine months ended September 30, 2020, Onex' investing segment recognized a net gain from private equity investments of \$457 million and \$248 million, respectively. The following table presents the recent gross performance of Onex' private equity investments:

	Nine Months Ended September 30, 2020	Twelve Months Ended September 30, 2020
Increase in value of Onex' private equity investments in U.S. dollars ⁽¹⁾⁽²⁾ :		
Onex Partners	7%	13%
ONCAP	7%	17%
Direct investments	24%	37%
Total private equity investments	9%	16%

(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.

(2) The increase in value of Onex' private equity investments is a non-GAAP financial measure. The Company has not disclosed the unadjusted percentage change in fair value of Onex' private equity investments as these percentages would not be meaningful in light of the impact of capital deployments, realizations and distributions, which are all included within the corporate investments balances.

Overall, Onex' private equity investments increased in value during the nine and twelve months ended September 30, 2020 despite market volatility and continued economic uncertainty related to the evolving COVID-19 pandemic, as more fully described on pages 22 and 26 of this interim MD&A. The operating businesses that Onex, Onex Partners and ONCAP have invested in operate across a broad range of industry segments and countries, providing beneficial diversification, which contributed to the overall increase in value, despite certain individual investments declining in value as a result of their exposure to the pandemic. The majority of Onex' private equity investments, by value, are in operating businesses with low to positive COVID-19 exposure which have generated net gains for the nine months ended September 30, 2020. Private equity investments in operating businesses with demand/supply headwinds as a result of COVID-19 have shown good resiliency during the pandemic, with an overall limited negative impact to value, while operating businesses with direct COVID-19 exposure, a relatively small percentage of Onex' private equity portfolio by value, have stabilized.

PRIVATE CREDIT INVESTING

Capital Deployment

During the nine months ended September 30, 2020, Onex made a net investment of \$113 million in Onex Credit strategies:

Strategy	Net Amount Invested ⁽¹⁾ (\$ millions)
Opportunistic and special situation strategies	\$ 38
U.S. CLOs	32
EURO CLOs	13
Direct lending	11
CLO warehouses	10
Structured credit and high yield strategies	9
Total	\$ 113

(1) Net investments made to support the warehouse facilities for CLOs that subsequently closed during the year are included with U.S. CLOs and EURO CLOs, as applicable.

During the nine months ended September 30, 2020, Onex completed fundraising for the Onex Senior Loan Opportunity Fund, as described on page 43 of this interim MD&A. Through September 30, 2020, Onex has invested a total of \$10 million into the Fund. In addition, Onex invested a net \$28 million in a separately managed account which follows a similar strategy as the Fund.

During the nine months ended September 30, 2020, Onex closed CLO-18 and CLO-19, investing a total of \$62 million for 100% and approximately 65% of the most subordinated capital of CLO-18 and CLO-19, respectively. On closing, Onex received \$78 million plus interest for the investments that supported the warehouse facilities for these CLOs, including \$48 million invested during the year.

During the nine months ended September 30, 2020, Onex closed EURO CLO-4, investing €31 million (\$35 million) for 100% of the most subordinated capital of EURO CLO-4. On closing, Onex received €59 million (\$66 million) plus interest for the investment that supported the warehouse facility for EURO CLO-4, including €39 million (\$44 million) invested during the year.

During the three months ended September 30, 2020, Onex invested \$10 million to support the warehouse facility for CLO-20.

At September 30, 2020, Onex had a net investment of \$507 million in its CLOs.

Realizations

Onex receives regular quarterly distributions from its CLO investments, including \$50 million during the nine months ended September 30, 2020 (2019 – \$58 million). Additionally, Onex received distributions totalling \$3 million from direct lending (2019 – \$5 million).

Each CLO is subject to an Interest Diversion Test, which measures the par amount of the respective portfolio's loans and cash balances as a percentage of the aggregate par amount of the CLO's rated debt securities. If this percentage falls below a prescribed level, a portion of the excess interest generated by the portfolio loans in a quarter, which would normally be distributed to Onex as an equity investor in the CLOs, will be retained by the CLO to purchase additional loans. In certain circumstances, subordinated management fees which would be collected by Onex Credit may also be retained to purchase additional loans if the Interest Diversion Test is not met. These diverted payments can be recovered in future periods if the breach of the Interest Diversion Test is cured. Onex Credit actively manages its CLO portfolios and all of the Onex Credit CLOs have passed their Interest Diversion Tests related to equity distributions and management fees during the fourth quarter of 2020. Additional ratings downgrades and/or loan defaults could result in one or more of the Onex Credit CLOs failing its Interest Diversion Test in future periods.

Performance

During the three and nine months ended September 30, 2020, Onex had a net gain of \$34 million and a net loss of \$80 million, respectively, on its Onex Credit strategies investments, representing an increase in value of 5% and a decrease in value of 11%, respectively. The performance of the Onex Credit investments during the three months ended September 30, 2020 was primarily driven by the continued recovery in the leveraged loan market following the disruption resulting from COVID-19. The performance of the Onex Credit investments during the nine months ended September 30, 2020 was primarily driven by the weakening of the leveraged loan market, which declined by 1%⁽¹⁾, and the structural leverage employed in the underlying strategies.

Onex primarily invests in the equity tranches of its CLOs. Market pricing for CLO equity is more volatile than that of the underlying leveraged loan market due to the leverage employed in a CLO and the relative illiquidity of CLO equity. CLO equity pricing may also be affected by changes in fixed income market sentiment and investors' general appetite for risk. Historically, when Onex launched a new CLO its long-term target Net IRR for its CLO equity investment was 12%. The targeted Net IRRs on Onex' CLO equity investments have been significantly impacted by COVID-19, as described on page 22 of this interim MD&A. Therefore, management expects that the resulting Net IRRs of its existing portfolio of CLO investments will fall short of the 12% target Net IRR.

Onex had a mark-to-market net gain of \$11 million on its CLO investments during the three months ended September 30, 2020 (2019 – loss of \$19 million) and a mark-to-market net loss of \$78 million on its CLO investments during the nine months ended September 30, 2020 (2019 – net gain of \$32 million). All of the Onex Credit CLOs remain onside with their various coverage tests and Onex remains a long-term investor in its CLOs. To date, Onex has fully realized three CLOs, generating a Net IRR of approximately 12%.

INVESTING SEGMENT EARNINGS (LOSS)

During the three months ended September 30, 2020, Onex' investing segment generated net earnings of \$492 million (\$5.17 per fully diluted share) (2019 – \$130 million (\$1.26 per fully diluted share)), which were primarily driven by a \$457 million net gain from private equity investments and a \$34 million net gain from investments held in Onex Credit strategies. Onex' investing segment net gain for the three months ended September 30, 2020 was reduced by a net allocation of \$19 million to the asset and wealth management segment (2019 – \$10 million), representing management fees and carried interest that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees and carried interest under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. These allocations were made in accordance with IFRS 8, *Operating segments* ("IFRS 8"), as this presentation of segmented results is used by management, in part, to assess the performance of Onex.

During the nine months ended September 30, 2020, Onex' investing segment generated net earnings of \$164 million (\$1.67 per fully diluted share) (2019 – \$596 million (\$5.79 per fully diluted share)), which were primarily driven by a \$248 million net gain from private equity investments, partially offset by an \$80 million net loss from investments held in Onex Credit strategies. Onex' investing segment net earnings for the nine months ended September 30, 2020 included a net allocation of \$31 million to the asset and wealth management segment (2019 – \$41 million), as described above.

(1) Based on the performance of the Credit Suisse Leveraged Loan Index.

ASSET AND WEALTH MANAGEMENT

At September 30, 2020, Onex' third-party assets under management totalled \$30.0 billion (December 31, 2019 – \$31.2 billion), of which \$26.1 billion was fee-generating (December 31, 2019 – \$27.5 billion).

Investor Capital Under Management⁽¹⁾⁽²⁾

(Unaudited) (\$ millions)		Total		Change in Total	Fee-Generating		Change in Total
	September 30, 2020	December 31, 2019			September 30, 2020	December 31, 2019	
Onex Credit Strategies	\$ 11,400	\$ 10,689	7 %		\$ 10,949	\$ 10,491	4 %
Onex Partners Funds	11,915	13,077	(9)%		8,891	10,038	(11)%
Public Debt and Equity Strategies ⁽³⁾	5,370	6,202	(13)%		5,142	5,924	(13)%
ONCAP Funds ⁽⁴⁾	1,333	1,247	7 %		1,108	1,039	7 %
Total	\$ 30,018	\$ 31,215	(4)%		\$ 26,090	\$ 27,492	(5)%

(1) Capital under management is a non-GAAP financial measure.

(2) Investor capital under management is presented as defined in the glossary and includes co-investments and capital invested by the Onex management team, as applicable.

(3) Capital under management for Gluskin Sheff's public debt and equity strategies is in Canadian dollars and has been converted to U.S. dollars using the exchange rates on September 30, 2020 and December 31, 2019, respectively.

(4) Capital under management for ONCAP II and III is in Canadian dollars and has been converted to U.S. dollars using the exchange rates on September 30, 2020 and December 31, 2019, respectively.

Since the June 2019 acquisition, Gluskin Sheff clients have been provided access to Onex' private equity and credit strategies. Gluskin Sheff's management fees are based on the fair value of assets under management, including those assets invested in Onex Credit strategies, but excluding assets invested in private equity which accrue management fees based on invested capital at cost. Gluskin Sheff clients have invested their capital across the following strategies:

Gluskin Sheff Client Capital

(Unaudited) (\$ millions)		Total		Change in Total	Fee-Generating		Change in Total
	September 30, 2020	December 31, 2019			September 30, 2020	December 31, 2019	
Public Debt Strategies	\$ 3,000	\$ 3,225	(7)%		\$ 2,825	\$ 3,149	(10)%
Public Equity Strategies	2,370	2,977	(20)%		2,317	2,775	(17)%
Onex Credit Strategies	505	383	32 %		495	382	30 %
Onex Private Equity	65	53	23 %		63	52	21 %
Total	\$ 5,940	\$ 6,638	(11)%		\$ 5,700	\$ 6,358	(10)%

Gluskin Sheff's client capital is mostly invested in Canadian dollar-denominated strategies. As a result, the \$658 million or 10% decline in Gluskin Sheff's fee-generating client capital during the nine months ended September 30, 2020 included approximately \$160 million or 2% related to the translation of Canadian dollar-denominated capital into U.S. dollars.

During the three and nine months ended September 30, 2020, Onex' asset and wealth management segment generated net earnings of \$23 million (\$0.22 per fully diluted share) (2019 – \$1 million (\$0.01 per fully diluted share)) and a net loss of \$12 million (\$0.12 per fully diluted share) (2019 – net earnings of \$29 million (\$0.27 per fully diluted share)), respectively, as described on pages 24 and 25 of this interim MD&A.

Onex' asset and wealth management segment net earnings for the three months ended September 30, 2020 included allocations from the investing segment of \$14 million (2019 – \$15 million) of management fees and carried interest of \$5 million (2019 – net reversal of \$5 million) that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees and carried interest under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. For the nine months ended September 30, 2020, the management fees and net reversal of carried interest allocations from the investing segment were \$42 million (2019 – \$46 million) and \$11 million (2019 – \$5 million), respectively. These allocations were made in accordance with IFRS 8 as this presentation of segmented results is used by management, in part, to assess the performance of Onex.

Segment management and advisory fees during the three and nine months ended September 30, 2020 totalled \$75 million (2019 – \$82 million) and \$224 million (2019 – \$220 million), respectively.

Segment Management and Advisory Fees

<i>(Unaudited) (\$ millions)</i>	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Change in Total	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019	Change in Total
Onex Partners Funds ⁽¹⁾	\$ 39	\$ 44	\$ (5)	\$ 118	\$ 136	\$ (18)
Public Debt and Equity Strategies ⁽²⁾	16	18	(2)	47	25	22
Onex Credit Strategies	13	14	(1)	39	39	–
ONCAP Funds ⁽³⁾	7	6	1	20	20	–
Total	\$ 75	\$ 82	\$ (7)	\$ 224	\$ 220	\$ 4

(1) Includes advisory fees from the Onex Partners operating businesses.

(2) Management and advisory fees for the public debt and equity strategies include the results of Gluskin Sheff since its acquisition by Onex in June 2019.

(3) Includes advisory fees from the ONCAP operating businesses.

The decrease in management and advisory fees for the three months ended September 30, 2020 was primarily driven by a decrease in fees from the Onex Partners Funds as realizations decreased the management fees in funds determined on the basis of limited partners' net funded commitments.

The increase in management and advisory fees for the nine months ended September 30, 2020 was primarily a result of the acquisition of Gluskin Sheff in June 2019, partially offset by a decrease from Onex Partners Funds as realizations decreased the management fees in funds determined on the basis of limited partners' net funded commitments.

Segment carried interest of \$17 million was earned during the three months ended September 30, 2020 (2019 – net reversal of \$17 million) primarily as a result of changes in fair value of certain underlying investments in Onex Partners III and ONCAP III. A net reversal of segment carried interest of \$44 million was recognized during the nine months ended September 30, 2020 (2019 – \$15 million) primarily as a result of changes in fair value of certain underlying investments in Onex Partners III. Carried interest is typically received only on the realization of underlying fund investments. During the three and nine months ended September 30, 2020, Onex did not receive any carried interest. At September 30, 2020, unrealized carried interest outstanding totalled \$33 million (December 31, 2019 – \$66 million).

Unrealized Carried Interest ⁽¹⁾			
(\$ millions)	As at December 31, 2019	Change in Fair Value	As at September 30, 2020
Onex Partners Funds	\$ 48	\$ (37)	\$ 11
ONCAP Funds	18	4	22
Total	\$ 66	\$ (33)	\$ 33

(1) Excludes unrealized carried interest related to Onex' capital. The actual amount of carried interest earned by Onex will depend on the ultimate performance of each underlying fund.

Over the past five years, fee-generating capital under management has increased at a compound annual growth rate ("CAGR") of 12%, which includes the fee-generating capital of Gluskin Sheff acquired in June 2019.

Fee-Generating Capital Under Management (September 30, 2015 to September 30, 2020)



SHARE PRICE

Onex' objective is to have the value of its investing and asset and wealth management activities reflected in its share price. These efforts are supported by a long-standing quarterly dividend and an active stock buy-back program.

Onex has had an active share repurchase program for more than 20 years and has reduced its shares outstanding by more than half of the original share count when it launched the program in 1997. Year-to-date through October 31, 2020, \$28 million was returned to shareholders through dividends and Onex repurchased and cancelled 9,780,411 SVS at a total cost of \$444 million (C\$595 million), or an average purchase price of \$45.35 (C\$60.86) per share.

Through its dividends and share repurchase program, Onex has returned more than C\$3.3 billion to shareholders since 1997.

At October 31, 2020, Onex' SVS closed at C\$57.60, a 30% decrease from December 31, 2019. This compares to a 9% decrease in the S&P/TSX Composite Index ("TSX").

The following chart shows the performance of Onex' SVS in Canadian dollars during the 10 months ended October 31, 2020 relative to the TSX.

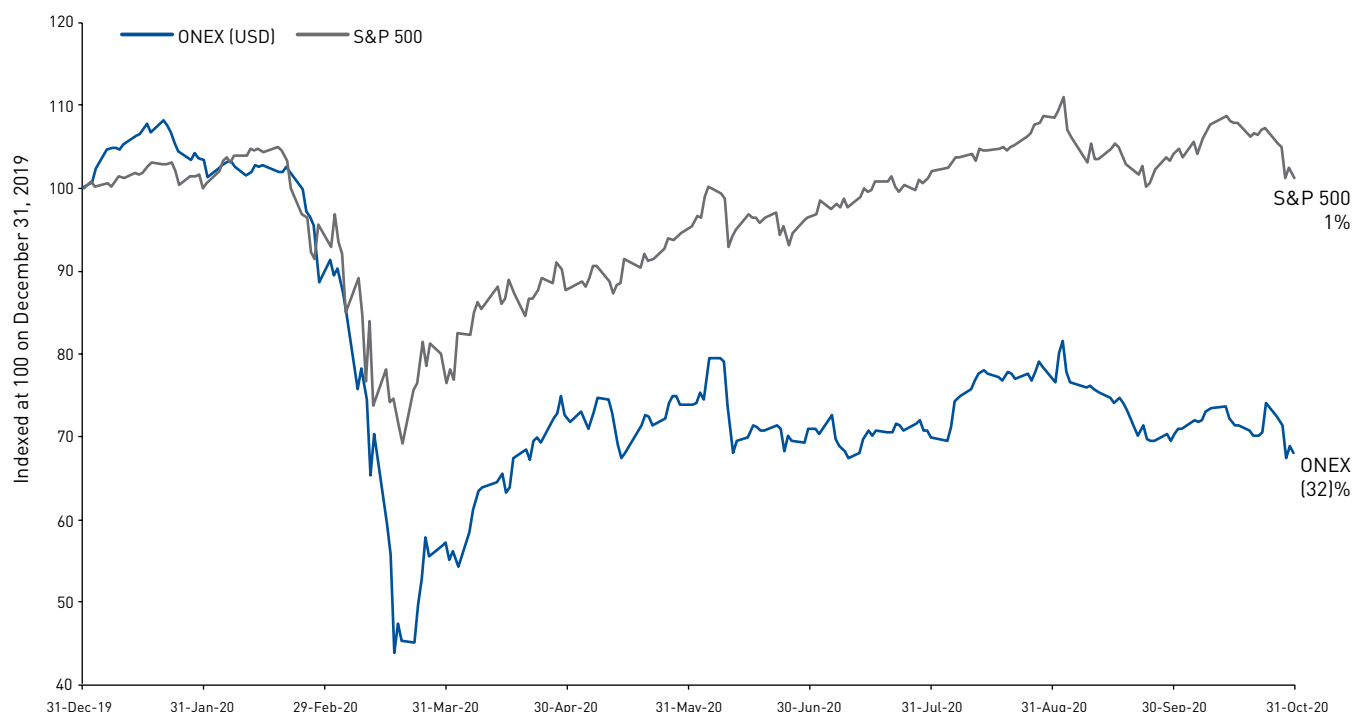
Onex Relative Performance (CAD) (December 31, 2019 to October 31, 2020)



As a substantial portion of Onex' investments and management fees are denominated in U.S. dollars, Onex' Canadian dollar share price will also be impacted by the change in the exchange rate between the U.S. dollar and Canadian dollar. During the ten months ended October 31, 2020, the value of Onex' SVS decreased by 32% in U.S. dollars compared to a 1% increase in the Standard & Poor's 500 Index ("S&P 500").

The chart below shows the performance of Onex' SVS in U.S. dollars during the ten months ended October 31, 2020 relative to the S&P 500.

Onex Relative Performance (USD) (December 31, 2019 to October 31, 2020)



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, 2020 compared to the same periods in 2019, the unaudited interim consolidated statement of cash flows for the nine months ended September 30, 2020 compared to the same period in 2019, and compares Onex' financial condition at September 30, 2020 to that at December 31, 2019.

In simple terms, Onex is an investor and asset manager. **Investments** and **investing activity** refer to the investment of Onex' shareholder capital primarily in its private equity funds, credit strategies and certain investments held outside the private equity funds and 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, substantially all of these companies 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 substantially all of Onex' investments, excluding intercompany loans receivable from Onex and the Asset Managers. The Primary Investment Holding Companies were formed in the United States.

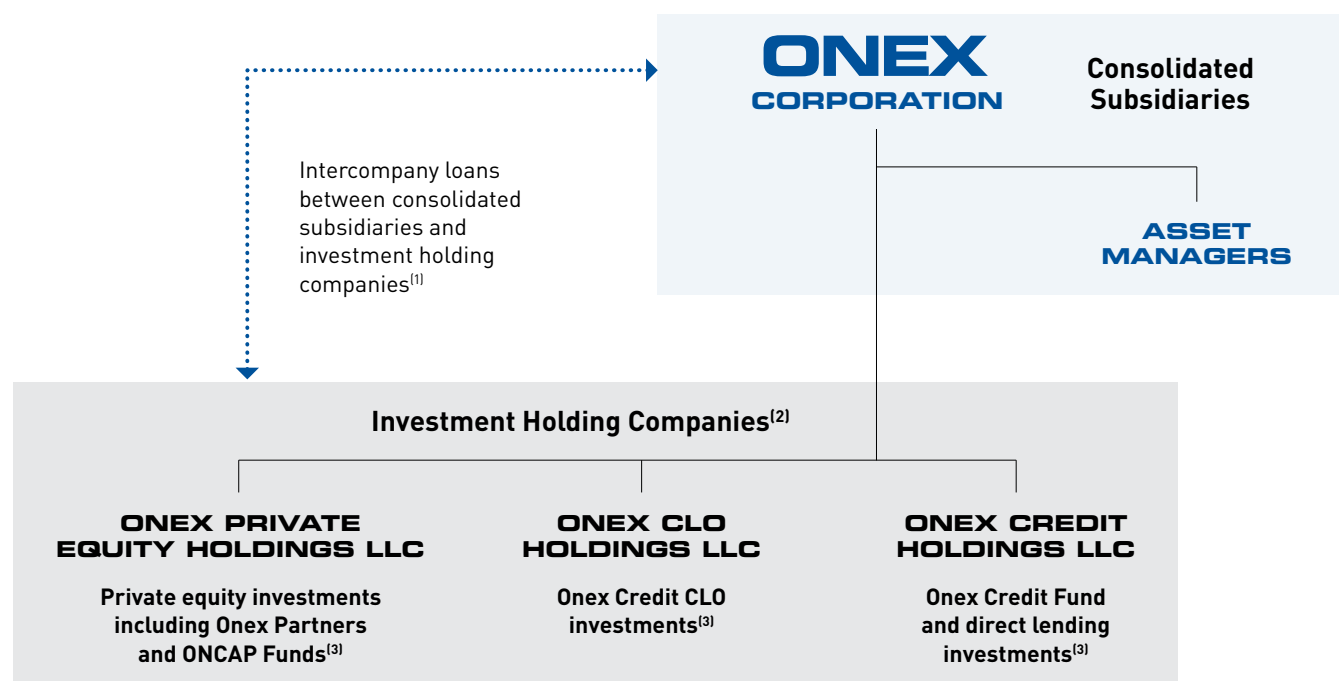
Asset management refers to the activity of managing capital in Onex' private equity funds, private credit strategies, public debt strategies and public equity strategies. This activity is conducted through wholly-owned subsidiaries of Onex, which are the managers of the Onex Partners Funds, ONCAP Funds, Onex Credit strategies and the Gluskin Sheff strategies. These subsidiaries are referred to as Onex' **Asset Managers** and are consolidated by Onex.

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



(1) 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 an asset within corporate investments in the unaudited interim consolidated balance sheets.

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

(3) Onex' investments in private equity, direct lending, CLOs and Onex Credit Funds are typically held directly or indirectly through wholly-owned investment holding companies, which are subsidiaries of the Primary Investment Holding Companies identified above.

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, 2020 and September 30, 2019, the corresponding notes thereto and the December 31, 2019 audited annual consolidated financial statements.

Use of judgements and estimates

In addition to the use of judgements and estimates outlined in note 1 of the 2019 audited annual financial statements, the Company also exercised significant judgement when evaluating the impact of the 2019 novel coronavirus disease ("COVID-19") on the fair value of its corporate investments and when testing goodwill and intangible assets for impairment, as described in the following section.

Impact of COVID-19 on significant estimates

During March 2020, the World Health Organization characterized COVID-19 as a pandemic. COVID-19 has had a material adverse impact on global economies, including economies that the underlying private equity operating businesses operate in, as well as global credit markets. As a result of COVID-19, the fair value estimates of the Company's private equity investments were impacted as follows:

- higher weightings were given to valuation approaches that reflected more current market information;
- cash flow forecasts used in discounted cash flow valuation models were updated to reflect the known and expected impacts of COVID-19, which resulted in an overall reduction in expected future cash flows; and
- risk premiums implied by equity and credit markets due to the uncertainty surrounding the long-term impacts of COVID-19 were considered.

As a result of the above impacts, certain private equity investments held by the Company reflected significant fair value declines.

Determining the impact of COVID-19 on the valuation of the Company's corporate investments and the recoverable amount of the Company's goodwill and intangible assets required significant judgement given the amount of uncertainty regarding the long-term impact of COVID-19. The ultimate impact of COVID-19 on the financial results of the Company will depend on future developments, including the duration and spread of the pandemic and related advisories and restrictions. These developments and the impact of COVID-19 on the financial markets and the overall economy are highly uncertain and are difficult to predict. If the financial markets and/or the overall economy are impacted for a period significantly longer than currently implied by the markets, the financial results of the Company, including the fair value of its corporate investments, may be materially adversely affected.

VARIABILITY OF RESULTS

Onex' unaudited interim 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 and wealth management activities and the fees and carried interest associated therewith; (ii) the aggregate fair value of its 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, foreign exchange and interest rates, the value of stock-based compensation, and tax and trade legislation or its application, for example. Given the diversity of Onex' asset and wealth management businesses and of the Onex Partners and ONCAP Funds' operating businesses and Onex Credit investments, 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' 2019 Annual Information Form.

In addition, the fair values of Onex' underlying investments in Onex 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.

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, 2020.

Consolidated net earnings

Onex recorded consolidated net earnings of \$501 million and net earnings per diluted share of \$5.29 during the three months ended September 30, 2020 compared to net earnings of \$100 million and net earnings per diluted share of \$0.99 recorded during the three months ended September 30, 2019.

Onex recorded consolidated net earnings of \$133 million and net earnings per diluted share of \$1.36 during the nine months ended September 30, 2020 compared to net earnings of \$4.1 billion and net earnings per diluted share of \$40.90 recorded during the nine months ended September 30, 2019, which included a non-recurring net gain of \$3.5 billion as a result of the derecognition of previously consolidated corporate investments following the change in Onex' investment entity status.

Tables 1 and 2 present the segmented results for the three and nine months ended September 30, 2020 and September 30, 2019. Onex' segmented results include allocations of management fees and carried interest that would have been recognized on Onex' capital in the Onex Partners and ONCAP Funds had Onex' capital been subject to the same terms as third-party limited partners. These allocations are made as this presentation of segmented results is used by Onex management, in part, to assess Onex' performance. During the three and nine months ended September 30, 2020, these allocations, on a net basis, decreased (2019 – decreased) Onex' investing segment income and increased (2019 – increased) Onex' asset and wealth management segment income, with no net impact to total segment net earnings.

Onex' segmented results exclude revenues and expenses associated with recoverable expenses from the Onex Partners Funds, ONCAP Funds, Onex 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.

		Three Months Ended September 30, 2020			Three Months Ended September 30, 2019		
TABLE 1	(Unaudited) (\$ millions)	Investing	Asset and Wealth Management ^(a)	Total	Investing	Asset and Wealth Management ^(a)	Total
	Net gain (loss) on corporate investments (including an increase (decrease) in carried interest)	\$ 490 ^{(b)(c)}	\$ 17 ^(b)	\$ 507 ^{(b)(c)}	\$ 127 ^{(b)(c)}	\$ (17) ^(b)	\$ 110 ^{(b)(c)}
	Management and advisory fees	–	75 ^(c)	75 ^(c)	–	82 ^(c)	82 ^(c)
	Interest and net treasury investment income	2	–	2	3	–	3
	Other income	–	1	1	–	2	2
	Total segment income	492	93	585	130	67	197
	Compensation	–	(52)	(52)	–	(46)	(46)
	Amortization of right-of-use assets	–	(3)	(3)	–	(3)	(3)
	Other expenses	–	(15)	(15)	–	(17)	(17)
	Segment net earnings	\$ 492	\$ 23	\$ 515	\$ 130	\$ 1	\$ 131
	Stock-based compensation recovery (expense)			3			(18)
	Amortization of property and equipment, and other intangible assets, excluding right-of-use assets			(12)			(12)
	Integration expense			(5)			(1)
	Net earnings			\$ 501			\$ 100
	Segment net earnings per share ^(d)			\$ 5.39			\$ 1.27
	Net earnings per share – diluted			\$ 5.29			\$ 0.99

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

(b) The asset and wealth management segment includes an allocation of \$5 million (2019 – net reversal of \$5 million) from the investing segment, representing 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.

(c) The asset and wealth management segment includes an allocation of \$14 million (2019 – \$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.

(d) Calculated on a fully diluted basis. Segment net earnings per share is a non-GAAP financial measure. A reconciliation of segment net earnings to net earnings is provided in the table above.

		Nine Months Ended September 30, 2020			Nine Months Ended September 30, 2019		
TABLE 2	(Unaudited) (\$ millions)	Investing	Asset and Wealth Management ^(a)	Total	Investing	Asset and Wealth Management ^(a)	Total
Net gain (loss) on corporate investments (including a decrease in carried interest)		\$ 148 ^{(b)(c)}	\$ (44) ^(b)	\$ 104 ^{(b)(c)}	\$ 587 ^{(b)(c)}	\$ (15) ^(b)	\$ 572 ^{(b)(c)}
Management and advisory fees		–	224 ^(c)	224 ^(c)	–	220 ^(c)	220 ^(c)
Interest and net treasury investment income		16	–	16	10	–	10
Other income		–	2	2	–	3	3
Total segment income		164	182	346	597	208	805
Compensation		–	(146)	(146)	–	(130)	(130)
Amortization of right-of-use assets		–	(8)	(8)	–	(7)	(7)
Other expenses		–	(40)	(40)	(1)	(42)	(43)
Segment net earnings (loss)		\$ 164	\$ (12)	\$ 152	\$ 596	\$ 29	\$ 625
Stock-based compensation recovery (expense)				108			(53)
Amortization of property and equipment, and other intangible assets, excluding right-of-use assets				(35)			(23)
Acquisition and integration expense				(7)			(45)
Impairment of goodwill				(85)			–
Gain on derecognition of previously consolidated corporate investments				–			3,719
Reclassification from accumulated other comprehensive loss on derecognition of previously consolidated corporate investments				–			(170)
Earnings before income taxes				\$ 133			\$ 4,053
Recovery of income taxes				–			37
Net earnings				\$ 133			\$ 4,090
Segment net earnings per share ^(d)				\$ 1.55			\$ 6.06
Net earnings per share – diluted				\$ 1.36			\$ 40.90

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

(b) The asset and wealth management segment includes an allocation of \$11 million (2019 – \$5 million) to the investing segment, representing a net reversal of carried interest that would have been recognized 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.

(c) The asset and wealth management segment includes an allocation of \$42 million (2019 – \$46 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.

(d) Calculated on a fully diluted basis. Segment net earnings per share is a non-GAAP financial measure. A reconciliation of segment net earnings to net earnings is provided in the table above.

Consolidated income for the three and nine months ended September 30, 2020 and September 30, 2019

Consolidated income for the three and nine months ended September 30, 2020 and September 30, 2019 primarily consisted of: (i) a net gain on corporate investments, which

primarily consisted of Onex' share of the net gain in the Onex Partners Funds and ONCAP Funds; and (ii) management and advisory fees, which Onex earns primarily from managing client and limited partner capital through its private equity funds, private credit strategies, public debt strategies and public equity strategies.

The net gains on corporate investments in the investing segment of \$490 million and \$148 million for the three and nine months ended September 30, 2020, respectively (2019 – \$127 million and \$587 million, respectively) were primarily attributable to the following private equity investments and Onex Credit strategies:

TABLE 3 | (Unaudited) (\$ millions)

	Net Gain on Private Equity Investments			
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Onex Partners Funds^(a)				
Onex Partners I	\$ -	\$ 1	\$ -	\$ 1
Onex Partners II	(3)	(21)	(26)	(21)
Onex Partners III	43	(49)	(153)	(21)
Onex Partners IV	370	235	420	685
Onex Partners V	28	3	(32)	2
Management incentive programs	(41)	(17)	(56)	(48)
Total net gain from Onex Partners Funds	397	152	153	598
ONCAP Funds^(a)				
ONCAP II	10	(10)	(21)	(7)
ONCAP III	18	(3)	30	(4)
ONCAP IV	33	8	30	(19)
Management incentive programs	(13)	(1)	(10)	6
Total net gain (loss) from ONCAP Funds	48	(6)	29	(24)
Net gain from other private equity investments	31	10	97	5
Management fees on Onex' capital^(b)	(14)	(15)	(42)	(46)
Carried interest on Onex' capital^(c)	(5)	5	11	5
Total net gain from private equity	\$ 457	\$ 146	\$ 248	\$ 538

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

(b) Represents management fees that would have been incurred had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment income and increase Onex' asset and wealth management segment income.

(c) Represents carried interest that would have been recognized had Onex' capital been subject to carried interest under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. The carried interest allocations increase (decrease) Onex' investing segment income, with a corresponding decrease (increase) in Onex' asset and wealth management segment income.

During the three months ended September 30, 2020, the net gain from private equity investments was primarily driven by net gains from Onex Partners III and Onex Partners IV. Net gains from Onex Partners III were primarily due to the underlying fair value increase of JELD-WEN while net gains from Onex Partners IV were primarily due to the underlying fair value increases of Clarivate Analytics, Parkdean Resorts, PowerSchool and SIG.

During the nine months ended September 30, 2020, the net gain from private equity investments reflected the overall resiliency and diversification of the operating businesses that Onex has invested in directly or through the Onex Partners and ONCAP Funds, despite certain operating businesses having individually declined in fair value as a result of being more directly impacted by the market volatility and economic disruption resulting from the COVID-19 pandemic, as more fully described on page 22 of this interim MD&A. The net gain from private equity investments was partially offset by the strengthening of the U.S. dollar against the Canadian dollar and pound sterling during the nine months ended September 30, 2020, which decreased the fair value of certain underlying investments.

In the Onex Partners Funds, the increase in fair value of Onex Partners IV was primarily due to Clarivate Analytics and SIG, partially offset by underlying fair value decreases of ASM Global and Parkdean Resorts. The decrease in fair value of Onex Partners III was primarily due to the underlying fair value decrease of Emerald.

The increase in fair value of other private equity investments during the nine months ended September 30, 2020 was primarily due to RSG, partially offset by the fair value decrease of Celestica.

During the three and nine months ended September 30, 2019, net gains on corporate investments were primarily driven by the net increase in fair value of Onex' investment in Onex Partners IV. The net increase in the fair value of Onex' investment in Onex Partners IV was primarily driven by increases in the underlying fair values of Clarivate Analytics, Jack's and SIG. During the nine months ended September 30, 2019, the net increase in the fair value of Onex' investment in Onex Partners IV was partially offset by a decrease in the fair value of Save-A-Lot and Survitec.

TABLE 4 | (Unaudited) (\$ millions)

Net Gain (Loss) on Investments in Onex Credit Strategies				
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Onex Credit Strategies				
U.S. CLOs	\$ 13	\$ (17)	\$ (57)	\$ 26
EURO CLOs	(2)	(2)	(26)	(2)
CLO warehouses	–	–	5	8
Direct lending	11	1	(4)	5
Senior loan strategies	9	1	(3)	13
Opportunistic and special situation strategies	2	(1)	4	2
Structured credit and high yield strategies	1	–	1	–
Total net gain (loss) from Onex Credit Strategies	\$ 34	\$ (18)	\$ (80)	\$ 52

The net gain on investments in Onex Credit strategies recognized during the three months ended September 30, 2020 was primarily driven by gains from the Onex Credit CLOs and direct lending due to a partial recovery in the leveraged loan market following the disruption resulting from COVID-19.

During the nine months ended September 30, 2020, the Onex Credit CLOs represented a significant portion of the net loss in Onex Credit strategies. The net loss was driven by the weakening of the leveraged loan market as a result of the market volatility and economic disruption resulting from the COVID-19 pandemic, as more fully described on pages 15

and 22 of this interim MD&A, and the impact of the financial leverage in the underlying strategies.

During the three months ended September 30, 2019, the net loss on investments in Onex Credit strategies was primarily driven by decreases in fair value of Onex' investments in the U.S. CLOs.

During the nine months ended September 30, 2019, the net gain on investments in Onex Credit strategies was primarily driven by increases in fair value of Onex' investments in the U.S. CLOs, driven by the strengthening of the leveraged loan market.

Management and advisory fees for the three months ended September 30, 2020 and September 30, 2019 were generated from the following sources:

TABLE 5 | (Unaudited) (\$ millions)

Management and Advisory Fees			
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Change in Total
Source of management and advisory fees			
Onex Partners Funds ^(a)	\$ 28	\$ 31	\$ (3)
Public Debt and Equity Strategies	16	18	(2)
Onex Credit Strategies	13	14	(1)
ONCAP Funds ^(b)	4	4	-
Total management and advisory fees earned	\$ 61	\$ 67	\$ (6)
Management fees on Onex' capital ^(c)	14	15	(1)
Total segment management and advisory fees	\$ 75	\$ 82	\$ (7)

(a) Includes advisory fees earned from Onex Partners operating businesses.

(b) Includes advisory fees earned from ONCAP operating businesses.

(c) Represents management fees that would have been earned had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment income in the period and increase Onex' asset and wealth management segment income.

The decrease in segment management and advisory fees for the three months ended September 30, 2020 was primarily from the Onex Partners Funds as realizations decreased the management fees in funds determined on the basis of limited partners' net funded commitments.

Management and advisory fees for the nine months ended September 30, 2020 and September 30, 2019 were generated from the following sources:

TABLE 6 | (Unaudited) (\$ millions)

Management and Advisory Fees			
	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019	Change in Total
Source of management and advisory fees			
Onex Partners Funds ^(a)	\$ 84	\$ 98	\$ (14)
Public Debt and Equity Strategies ^(b)	47	25	22
Onex Credit Strategies	39	39	–
ONCAP Funds ^(c)	12	12	–
Total management and advisory fees earned	\$ 182	\$ 174	\$ 8
Management fees on Onex' capital ^(d)	42	46	(4)
Total segment management and advisory fees	\$ 224	\$ 220	\$ 4

(a) Includes advisory fees earned from Onex Partners operating businesses.

(b) Includes management fees earned from Gluskin Sheff since June 2019, when Onex acquired the company.

(c) Includes advisory fees earned from ONCAP operating businesses.

(d) Represents management fees that would have been earned had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment income in the period and increase Onex' asset and wealth management segment income.

The increase in segment management and advisory fees for the nine months ended September 30, 2020 was primarily due to the acquisition of Gluskin Sheff in June 2019, partially offset by a decrease from the Onex Partners Funds as realizations decreased the management fees in funds determined on the basis of limited partners' net funded commitments.

Certain deal investigation, research and other costs incurred by the Asset Managers are recoverable from the Onex Partners Funds, ONCAP Funds, Onex Credit strategies and the operating businesses of Onex Partners and ONCAP. 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, 2020, Onex recognized \$1 million and \$8 million, respectively, in revenues and expenses associated with these reimbursements (2019 – \$4 million and \$16 million, respectively).

Compensation

Compensation expense for the three months ended September 30, 2020 was \$52 million compared to \$46 million during the same period in 2019. The increase in compensation expense was primarily due to an increase in compensation to support growth at Onex Credit.

Compensation expense for the nine months ended September 30, 2020 was \$146 million compared to \$130 million during the same period in 2019. The increase in compensation expense was primarily due to the compensation expense of Gluskin Sheff, which was acquired in June 2019, and an increase in compensation to support growth at Onex Credit. These increases were partially offset by a decrease in incentive compensation.

Stock-based compensation recovery (expense)

During the three months ended September 30, 2020, Onex recorded a consolidated stock-based compensation recovery of \$3 million compared to an expense of \$18 million during the same period in 2019. The stock-based compensation recovery recorded during the three months ended September 30, 2020 was primarily due to the 3% decrease in the market value of Onex' shares to C\$59.40 at September 30, 2020 from C\$61.33 at June 30, 2020. This compares to a 4% increase during the same period in 2019.

During the nine months ended September 30, 2020, Onex recorded a consolidated stock-based compensation recovery of \$108 million compared to an expense of \$53 million during the same period in 2019. The stock-based compensation recovery recorded during the first nine months of 2020 was primarily due to the 28% decrease in the market value of Onex' shares to C\$59.40 at September 30, 2020 from C\$82.17 at December 31, 2019. This compares to a 10% increase during the same period in 2019.

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

TABLE 7	(Unaudited) (\$ millions)		Three Months Ended September 30			Nine Months Ended September 30		
			2020	2019	Change	2020	2019	Change
Stock Option Plan	\$	3		\$ (18)	\$ 21	\$ 106	\$ (53)	\$ 159
Director DSU Plan		-		-	-	2	-	2
Total stock-based compensation recovery (expense)	\$	3		\$ (18)	\$ 21	\$ 108	\$ (53)	\$ 161

Impairment of goodwill

As at September 30, 2020, management concluded that there were no conditions present which would indicate that goodwill and intangible assets associated with the acquisitions of Gluskin Sheff and Onex Credit were impaired.

Management concluded that as at March 31, 2020, conditions existed which may indicate that goodwill and intangible assets associated with the acquisitions of Gluskin Sheff and Onex Credit were impaired as a result of the market volatility and economic disruption which occurred during March 2020 in connection with the COVID-19 pandemic, as described on page 22 of this interim MD&A. As a result, management tested the goodwill and intangible assets of Gluskin Sheff and Onex Credit for impairment as at March 31, 2020 and recorded a non-cash goodwill impairment charge of C\$114 million (\$85 million) associated with the goodwill of Gluskin Sheff, measured in accordance with IAS 36, *Impairment of Assets* ("IAS 36"). The impairment was primarily due to the decrease in assets under management as a result of the COVID-19 pandemic, as described on page 22 of this interim MD&A. The impairment for Gluskin Sheff was calculated on a fair value less costs of disposal basis, which resulted in a recoverable amount of C\$310 million (\$219 million) as at March 31, 2020. As a result of the impairment charge, goodwill associated with the acquisition of Gluskin Sheff was reduced to a value of C\$146 million (\$109 million) as at September 30, 2020.

Management determined that the goodwill and intangible assets associated with the acquisition of Onex Credit were not impaired as at March 31, 2020, based on their value in use.

Acquisition, integration and other expenses

During the three and nine months ended September 30, 2020, acquisition, integration and other expenses were \$20 million and \$47 million, respectively, compared to \$18 million and \$88 million, respectively, during the same periods in 2019. The decrease in acquisition, integration and other expenses during the nine months ended September 30, 2020 was primarily driven by the recognition of a \$41 million expense during the second quarter of 2019 related to the former Onex Credit CEO's participation in the Onex Credit business.

Gain on derecognition of previously consolidated corporate investments

As a result of a change in Onex' investment entity status on January 1, 2019, a non-recurring gain on derecognition of previously consolidated corporate investments of \$3.7 billion was recorded in the unaudited interim consolidated statement of earnings for the nine months ended September 30, 2019. The gain represented the difference between the fair value of previously consolidated corporate investments and their carrying values on January 1, 2019.

Reclassification from accumulated other comprehensive loss on derecognition of previously consolidated corporate investments

As a result of a change in Onex' investment entity status on January 1, 2019, a non-recurring \$170 million loss was reclassified from accumulated other comprehensive loss to net earnings for the nine months ended September 30, 2019 as a result of the derecognition of previously consolidated corporate investments. The accumulated other comprehensive loss primarily consisted of currency translation adjustments.

Other comprehensive earnings (loss)

Other comprehensive earnings of \$5 million for the three months ended September 30, 2020 were due to favourable currency translation adjustments associated with the consolidation of Gluskin Sheff's net assets. Other comprehensive loss of \$12 million for the nine months ended September 30, 2020 was due to unfavourable currency translation adjustments associated with the consolidation of Gluskin Sheff's net assets.

During the three months ended September 30, 2019, Onex recorded other comprehensive loss of \$4 million due to the unfavourable currency translation adjustments associated with the consolidation of Gluskin Sheff's net assets.

Other comprehensive earnings of \$177 million for the nine months ended September 30, 2019 were due to the \$170 million reclassification of accumulated other comprehensive loss of the previously consolidated operating companies to the unaudited interim consolidated statement of earnings as a result of the change in Onex' investment entity status under IFRS 10, as well as favourable currency translation adjustments of \$7 million associated with the consolidation of Gluskin Sheff's net assets.

SUMMARY OF QUARTERLY INFORMATION

Tables 8 and 9 summarize Onex' key consolidated financial information for the last eight quarters. Historical financial information has been restated for the discontinued operations of BrightSpring Health.

Onex' quarterly consolidated financial results following the change in Onex' investment entity status on January 1, 2019 are not comparable to the historical results. In addition, Onex' quarterly consolidated results up to December 31, 2018 did not follow any specific trends due to the acquisitions or dispositions of businesses by Onex, and the varying business activities and cycles at Onex' operating businesses and Onex Credit strategies.

Consolidated Quarterly Financial Information

TABLE 8	(Unaudited) (\$ millions except per share amounts)						
	2020			2019			
	September	June	March	December	September	June	March
Total segment income (loss)	\$ 585	\$ 754	\$ (993)	\$ 276	\$ 197	\$ 355	\$ 253
Total segment expenses	(70)	(65)	(59)	(65)	(66)	(56)	(58)
Segment net earnings (loss)	515	689	(1,052)	211	131	299	195
Other non-segment items	(14)	(60)	55	(24)	(31)	(41)	3,537
Net earnings (loss)	\$ 501	\$ 629	\$ (997)	\$ 187	\$ 100	\$ 258	\$ 3,732
Segment net earnings (loss) per share ⁽ⁱ⁾	\$ 5.39	\$ 7.02	\$ (10.34)	\$ 2.04	\$ 1.27	\$ 2.90	\$ 1.91
Net earnings (loss) per share – basic	\$ 5.30	\$ 6.44	\$ (9.97)	\$ 1.86	\$ 0.99	\$ 2.58	\$ 37.37
Net earnings (loss) per share – diluted	\$ 5.29	\$ 6.43	\$ (9.97)	\$ 1.86	\$ 0.99	\$ 2.58	\$ 37.37

(i) Calculated on a fully diluted basis.

Consolidated Quarterly Results Prior to Change in Investment Entity Status

TABLE 9	(Unaudited) (\$ millions except per share amounts)	December 2018
Revenues		\$ 6,090
Earnings from continuing operations		\$ 73
Net earnings		\$ 88
Net earnings (loss) attributable to:		
Equity holders of Onex		\$ 173
Non-controlling Interests		(85)
Net earnings		\$ 88
Earnings per share		
Earnings from continuing operations		\$ 1.57
Earnings from discontinued operations		0.14
Net earnings		\$ 1.71

SHAREHOLDER CAPITAL

As at September 30, 2020, Onex' shareholder capital was \$6.7 billion (\$74.04 or C\$98.76 per fully diluted share). Shareholder capital and shareholder capital per share are non-GAAP financial measures used by Onex management to, in part, assess Onex' performance. A reconciliation of total segmented assets to shareholder capital is included in the following table:

TABLE 10	(Unaudited) (\$ millions except per share amounts) As at September 30, 2020	Investing	Asset and Wealth Management	Total
Total segmented assets		\$ 6,260	\$ 780	\$ 7,040
Accounts payable and accrued liabilities		–	(33)	(33)
Accrued compensation		–	(86)	(86)
Lease and other liabilities		–	(118)	(118)
DSU hedge assets		–	(61)	(61)
Total shareholder capital		\$ 6,260	\$ 482	\$ 6,742
Shareholder capital per share (U.S. dollars) ⁽ⁱ⁾		\$ 68.74	\$ 5.30	\$ 74.04
Shareholder capital per share (Canadian dollars) ⁽ⁱ⁾		\$ 91.70	\$ 7.06	\$ 98.76

(i) Calculated on a fully diluted basis.

CASH AND NEAR-CASH

Table 11 provides a breakdown of cash and near-cash at Onex as at September 30, 2020 and December 31, 2019.

Cash and Near-Cash

TABLE 11	(Unaudited) (\$ millions)	September 30, 2020	December 31, 2019
Cash and cash equivalents ^(a)		\$ 246	\$ 832
Cash and cash equivalents within Investment Holding Companies ^(b)		133	328
Treasury investments ^(c)		631	306
Treasury investments within Investment Holding Companies ^(c)		303	89
Management fees receivable ^(d)		192	190
OCP Senior Floating Income Fund		96	97
Cash and near-cash ^(a)		\$ 1,601	\$ 1,842

(a) Excludes cash and cash equivalents allocated to the asset and wealth management segment related to accrued incentive compensation and the liability relating to the retirement of the Onex Credit chief executive officer.

(b) Includes restricted cash and cash equivalents of \$22 million (December 31, 2019 – \$22 million) for which the Company can readily remove the external restriction.

(c) Includes net working capital managed by a third-party investment manager.

(d) Includes management fees receivable from the Onex Partners and ONCAP Funds.

Table 12 provides a reconciliation of the change in cash and near-cash at Onex from December 31, 2019 to September 30, 2020.

Change in Cash and Near-Cash

TABLE 12	(Unaudited) (\$ millions)	Amount
Cash and near-cash at December 31, 2019^{(a)(b)}		\$ 1,842
Private equity realizations:		
<i>Onex Partners</i>		
SIG secondary offerings and dividend	372	
Clarivate Analytics secondary offering	171	
BBAM distribution	5	
<i>Direct investments</i>		
Incline Aviation Fund	25	
RSG distributions	6	
<i>Other</i>	3	582
Private equity investments:		
<i>Onex Partners</i>		
Emerald preferred stock investment	(107)	
ICS investment	(64)	
Parkdean Resorts investment	(10)	
<i>ONCAP</i>		
Precision Global investment	(4)	
<i>Direct investments</i>		
RSG preferred stock investment	(108)	
Incline Aviation Fund	(31)	
<i>Other</i>	(1)	(325)
Flushing Town Center distributions		15
Net Onex Credit Strategies investment activity, including warehouse facilities		(53)
Onex share repurchases, options exercised, dividends and director DSU redemption		(472)
Net other, including capital expenditures, management fees, operating costs and treasury income		12
Cash and near-cash at September 30, 2020^{(a)(b)}		\$ 1,601

(a) Includes \$934 million (December 31, 2019 – \$395 million) of treasury investments and associated working capital managed by a third-party investment manager, \$96 million (December 31, 2019 – \$97 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$192 million (December 31, 2019 – \$190 million) of management fees.

(b) Refer to reconciliation in table 11.

CONSOLIDATED FINANCIAL POSITION

Consolidated assets

Consolidated assets totalled \$11.1 billion at September 30, 2020 compared to \$11.8 billion at December 31, 2019. The decrease in consolidated assets was primarily driven by a net decrease in cash and cash equivalents and treasury investments, as described on page 34 of this interim MD&A, and a net decrease in intercompany loans receivable from Onex and the Asset Managers, which are included within corporate investments.

Table 13 presents consolidated assets by reportable segment as at September 30, 2020 and December 31, 2019.

Consolidated Assets by Reportable Segment

		As at September 30, 2020			As at December 31, 2019		
TABLE 13	(Unaudited) (\$ millions)	Investing	Asset and Wealth Management	Total	Investing	Asset and Wealth Management	Total
Cash and cash equivalents	\$ 246	\$ 125 ^(a)	\$ 371	\$ 832	\$ 156 ^(a)	\$ 988	
Treasury investments	631	–	631	306	–	306	
Management and advisory fees, recoverable fund expenses and other receivables	192 ^(b)	111	303	190 ^(b)	142	332	
Corporate investments	5,191	–	5,191	5,233	–	5,233	
Other assets	–	79	79	–	126	126	
Property and equipment	–	163	163	–	181	181	
Intangible assets	–	131	131	–	158	158	
Goodwill	–	171	171	–	261	261	
Total segment assets	\$ 6,260	\$ 780	\$ 7,040	\$ 6,561	\$ 1,024	\$ 7,585	
Net intercompany loans receivable, comprising part of the fair value of Investment Holding Companies				4,084			4,217
Total assets				\$ 11,124			\$ 11,802

(a) Cash and cash equivalents allocated to the asset and wealth management segment relate to accrued employee incentive compensation and the liability relating to the retirement of the Onex Credit chief executive officer.

(b) Represents management fees receivable that Onex has elected to defer cash receipt from the Onex Partners and ONCAP Funds.

Corporate investments

The Company's interests in 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, Onex Credit strategies and other investments. The Company's corporate investments include the following amounts:

		December 31, 2019	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2020
TABLE 14	(Unaudited) (\$ millions)					
Onex Partners Funds	\$ 2,999	\$ 181	\$ (550)	\$ 153	\$ 2,783	
ONCAP Funds	501	4	(1)	29	533	
Other private equity	421	140	(31)	97	627	
Carried interest	66	n/a	-	(33)	33	
Total private equity investments	3,987	325	(582)	246	3,976	
Onex Credit Strategies	746	306	(253)	(80)	719	
Real estate	90	-	(15)	(10)	65	
Other net assets ^[a]	410	(438)	469	(10)	431	
Total corporate investments excluding intercompany loans	5,233	193	(381)	146	5,191	
Intercompany loans receivable from Onex and the Asset Managers	4,217	125	(258)	-	4,084	
Intercompany loans payable to Onex and the Asset Managers	(714)	(16)	300	-	(430)	
Intercompany loans receivable from Investment Holding Companies	714	16	(300)	-	430	
Total corporate investments	\$ 9,450	\$ 318	\$ (639)	\$ 146	\$ 9,275	

(a) Other net assets consist of the assets (primarily cash, cash equivalents and treasury investments) and liabilities of the Investment Holding Companies, excluding investments in private equity, Onex 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 represent the cash flows of the Investment Holding Companies associated with investments in private equity, Onex Credit strategies, real estate and intercompany loans receivable from and payable to Onex and the Asset Managers.

At September 30, 2020, Onex' corporate investments, which are more fully described in note 4 to the unaudited interim consolidated financial statements, totalled \$9.3 billion (December 31, 2019 – \$9.5 billion).

During the nine months ended September 30, 2020, Onex' investment of capital primarily consisted of investments made in certain CLOs and CLO warehouse facilities, as described on page 13 of this interim MD&A, investments made in Onex Partners V, as described on page 11 of this interim MD&A, and an investment made in RSG, as described on page 11 of this interim MD&A.

During the nine months ended September 30, 2020, realizations and distributions to Onex primarily consisted of Onex' share of the proceeds from Onex Partners IV for the secondary offerings by Clarivate and SIG, as described on page 12 of this interim MD&A, and distributions received from Onex' CLOs, as described on page 14 of this interim MD&A.

During the nine months ended September 30, 2020, the change in fair value of Onex' corporate investments totalled an increase of \$146 million, which was primarily driven by changes in fair value of Onex' investments in private equity, which is more fully described on page 26 of this interim MD&A.

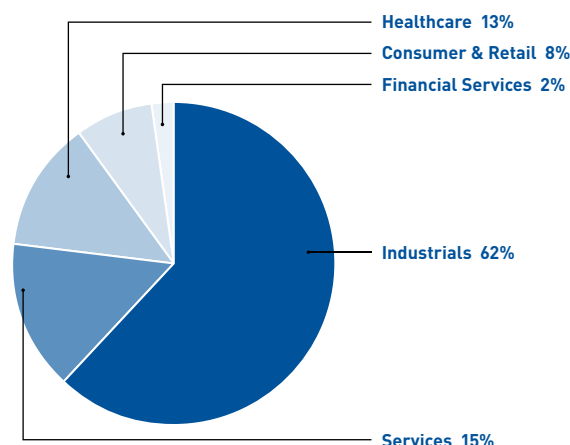
The valuation of public investments held directly by Onex or through the Onex Partners Funds and ONCAP Funds is based on their publicly traded closing prices at September 30, 2020. For certain public investments, a discount was applied to the closing price in relation to restrictions that were in place at September 30, 2020 relating to the securities held by Onex, the Onex Partners Funds or the ONCAP Funds. At September 30, 2020, these discounts resulted in a reduction of \$71 million in the fair value of corporate investments (December 31, 2019 – \$84 million).

Onex' private equity investments include direct and indirect investments in 38 operating businesses, which operate in a variety of industries and countries. Details of these operating businesses' revenues, assets and debt are as follows:

TABLE 15	(Unaudited) (\$ millions) Nine months ended September 30, 2020	Operating Business Revenues ^(a)
Industrials	\$ 11,231	62%
Services	2,799	15%
Healthcare	2,366	13%
Consumer & Retail	1,395	8%
Financial Services	386	2%
Total	\$ 18,177	100%

(a) 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, 2020^(a)

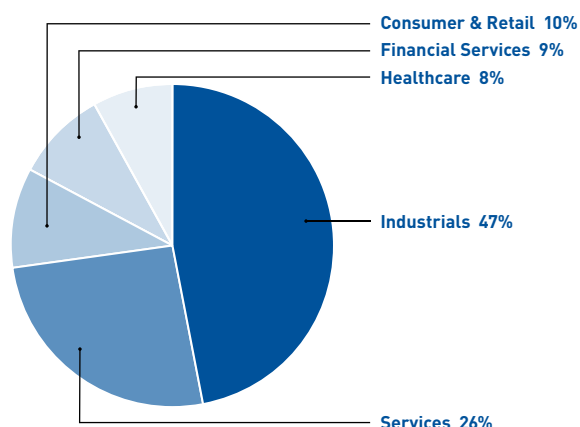


(a) Includes revenues during the period that Onex controls, jointly controls or has significant influence over the operating businesses.

TABLE 16	(Unaudited) (\$ millions)				
	As at September 30, 2020				
		Operating Business Assets ^(a)		Operating Business Debt ^(a)	
Industrials	\$ 16,690	47%	\$ 6,533	46%	
Services	9,167	26%	4,034	28%	
Consumer & Retail	3,734	10%	1,709	12%	
Financial Services	3,124	9%	–	n/a	
Healthcare	2,957	8%	2,011	14%	
Total	\$ 35,672	100%	\$ 14,287	100%	

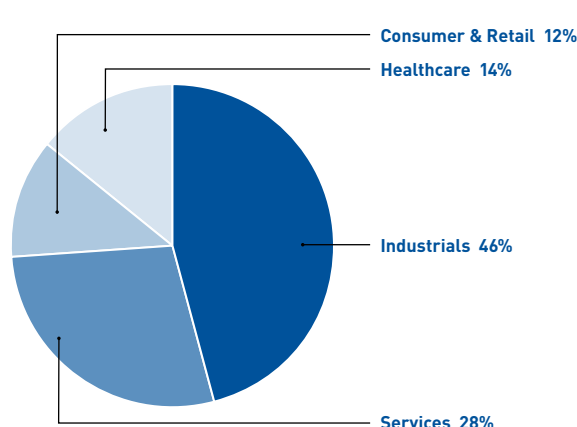
(a) Includes the assets and debt of operating businesses that Onex controls, jointly controls or has significant influence over.

Operating Business Assets by Industry Vertical –
September 30, 2020^(a)



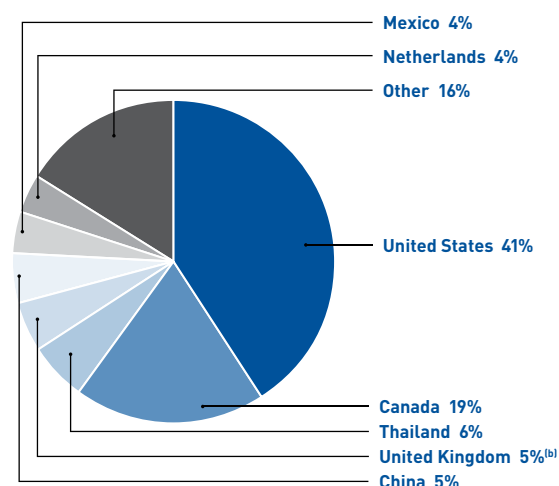
(a) Includes the assets of operating businesses that Onex controls, jointly controls or has significant influence over.

Operating Business Debt by Industry Vertical –
September 30, 2020^(a)



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

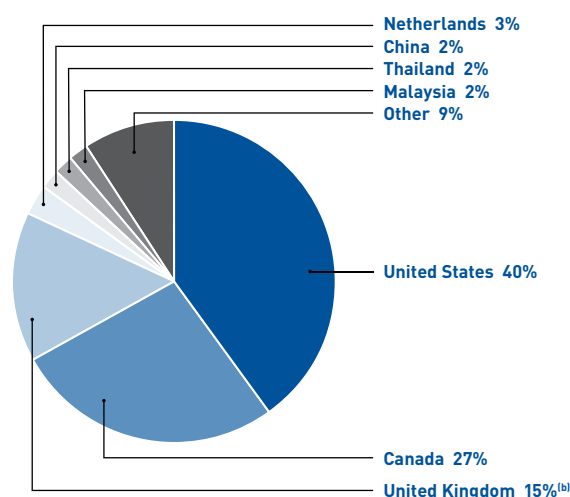
**Operating Business Revenues by Country –
Year Ended December 31, 2019^(a)**



(a) Includes revenues of operating businesses that are controlled or jointly controlled by Onex.

(b) Includes revenues recognized in United Kingdom Overseas Territories.

**Operating Business Assets by Country –
December 31, 2019^(a)**



(a) Includes assets of operating businesses that are controlled or jointly controlled by Onex.

(b) Includes assets held in United Kingdom Overseas Territories.

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 are non-interest bearing. At September 30, 2020, intercompany loans payable to the Investment Holding Companies totalled \$4.1 billion (December 31, 2019 – \$4.2 billion) and the corresponding receivable of \$4.1 billion (December 31, 2019 – \$4.2 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.

Equity

Table 17 provides a reconciliation of the change in equity from December 31, 2019 to September 30, 2020.

Change in Equity

TABLE 17	(Unaudited) (\$ millions)	
Balance – December 31, 2019		\$ 6,983
Dividends declared	(21)	
Repurchase and cancellation of shares	(441)	
Net earnings	133	
Currency translation adjustments included in other comprehensive loss	(12)	
Equity as at September 30, 2020		\$ 6,642

Dividend policy

Table 18 presents Onex' dividends paid per share for the twelve months ended September 30 during the past five years. The table reflects the increase in dividends per share over this time.

TABLE 18	(\$ per share amounts)	Dividend Paid per Share
Twelve months ended September 30:		
2016		C\$ 0.26
2017		C\$ 0.28
2018		C\$ 0.31
2019		C\$ 0.36
2020		C\$ 0.40

Shares outstanding

At September 30, 2020, 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 90,429,500 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, 2020.

Table 19 shows the change in the number of SVS outstanding from December 31, 2019 to October 31, 2020.

TABLE 19	(Unaudited) (\$ millions except per share amounts)	Number of SVS	Average Price per Share		Total Cost	
			(USD)	(CAD)	(USD)	(CAD)
SVS outstanding at December 31, 2019		100,063,143				
Shares repurchased and cancelled:						
Normal Course Issuer Bid	(9,780,411)		\$ 45.35	\$ 60.86	\$ 444	\$ 595
SVS outstanding at October 31, 2020		90,282,732				

Shares repurchased and cancelled

The 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 taking into account other opportunities to invest Onex' cash.

On April 18, 2020, Onex renewed its NCIB following the expiry of its previous NCIB on April 17, 2020. Under the new NCIB, Onex is permitted to purchase up to 10% of its public float of SVS, or 8,135,162 SVS. Onex may purchase up to 48,768 SVS during any trading day, being 25% of its average daily trading volume for the six months ended March 31, 2020. 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. The new NCIB commenced on April 18, 2020 and will conclude on the earlier of the date on which purchases under the NCIB have been completed and April 17, 2021. 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, 2020, Onex repurchased 2,190,000 SVS at a total cost of \$87 million (C\$122 million) or an average purchase price of \$39.84 (C\$55.64) per share.

Stock Option Plan

At September 30, 2020, Onex had 13,431,800 options outstanding to acquire SVS, of which 721,100 options were vested and exercisable. During the nine months ended September 30, 2020, 196,750 options were surrendered at a weighted average exercise price of C\$35.56 for aggregate cash consideration of \$7 million (C\$10 million) and 489,250 options expired.

Director Deferred Share Unit Plan

During the nine months ended September 30, 2020, grants totalling 42,486 DSUs were issued to directors, having an aggregate value of \$2 million (C\$3 million). During the first nine months of 2020, 102,407 Director DSUs were redeemed upon the retirement of a director. At September 30, 2020, there were 658,063 Director DSUs outstanding (December 31, 2019 – 702,857). At September 30, 2020, Onex had economically hedged 90% of the outstanding Director DSUs with a counterparty financial institution.

Management Deferred Share Unit Plan

In early 2020, 58,770 DSUs were issued to the Onex management team having an aggregate value, at the date of grant, of \$4 million (C\$5 million) in lieu of that amount of cash compensation for Onex' 2019 fiscal year. At September 30, 2020, there were 769,205 Management DSUs outstanding (December 31, 2019 – 707,048).

Forward agreements were entered into with a counterparty financial institution to economically hedge Onex' exposure to changes in the value of all outstanding Management DSUs. Forward agreements with a fair value of \$61 million at September 30, 2020, including those associated with Director DSUs, were recorded within other assets in the unaudited interim consolidated balance sheet.

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 Onex Credit strategies, and other investments. Onex also manages capital from other investors in the Onex Partners Funds, ONCAP Funds, Gluskin Sheff strategies and Onex Credit strategies. Onex' objectives in managing capital have not changed since December 31, 2019.

At September 30, 2020, Onex had \$1.6 billion of cash and near-cash items, including \$133 million of cash and cash equivalents held within Investment Holding Companies, and \$1.2 billion of near-cash items at fair value. Near-cash items included treasury investments managed by a third-party investment manager, as described below, \$96 million invested in an unlevered fund managed by Onex Credit and \$192 million of management fees receivable from limited partners of its private equity platforms.

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

At September 30, 2020, the fair value of treasury investments, including cash yet to be deployed and net working capital managed by a third-party investment manager, was \$982 million (December 31, 2019 – \$646 million). The increase in treasury investments was primarily driven by the transfer of cash and cash equivalents to the Company's third-party investment manager. Treasury investments are managed in a mix of short-term and long-term portfolios and consist of money market instruments, commercial paper with original maturities of three months to one year, federal and provincial debt instruments, corporate obligations and structured products with maturities of one to five years. The 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.

Today, Onex has access to uncalled committed limited partner capital for investments through Onex Partners V (\$3.5 billion) and ONCAP IV (\$229 million). In addition, Onex has uncalled committed capital of \$308 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 20 summarizes the major consolidated cash flow components for the nine months ended September 30, 2020 and September 30, 2019.

Major Cash Flow Components

TABLE 20	(Unaudited) (\$ millions)		2020	2019
	Nine months ended September 30			
	Cash provided by operating activities	\$ 293	\$ 388	
	Cash provided by (used in) financing activities	\$ (600)	\$ 163	
	Cash used in investing activities	\$ (309)	\$ (135)	
	Decrease in cash due to the derecognition of previously consolidated corporate investments	\$ -	\$ (2,169)	
	Consolidated cash and cash equivalents	\$ 371	\$ 950	

Cash provided by operating activities

Table 21 provides a breakdown of cash provided by operating activities by cash generated from operations and changes in non-cash working capital items for the nine months ended September 30, 2020 and September 30, 2019.

Components of Cash Provided by Operating Activities

TABLE 21	(Unaudited) (\$ millions)		2020	2019
	Nine months ended September 30			
Cash generated from operations			\$ 303	\$ 454
Changes in non-cash working capital items:				
Management and advisory fees, recoverable fund expenses and other receivables			22	(41)
Other assets			(2)	(2)
Accounts payable, accrued liabilities and other liabilities			(7)	(17)
Accrued compensation			(23)	(5)
Decrease in cash and cash equivalents due to changes in non-cash working capital items			(10)	(65)
Decrease in other operating activities			-	(1)
Cash provided by operating activities			\$ 293	\$ 388

Cash generated from operations includes net earnings from operations before interest and income taxes, adjusted for cash taxes received (paid) and items not affecting cash and cash equivalents, in addition to cash flows from Onex' investments in and loans made to the Investment Holding Companies. The significant changes in non-cash working capital items for the nine months ended September 30, 2020 and September 30, 2019 were:

- a \$22 million decrease in management and advisory fees, recoverable fund expenses and other receivables, driven by the receipt of management fees from the limited partners of the Onex Partners' Funds and performance fees from Gluskin Sheff managed products, partially offset by management fees earned but not yet received from the limited partners of the ONCAP Funds. This compares to a \$41 million increase during the nine months ended September 30, 2019, which was driven by an increase in fees earned but not yet received from the limited partners of the Onex Partners and ONCAP Funds;
- a \$7 million decrease in accounts payable, accrued liabilities and other liabilities primarily as a result of payments associated with the cost to acquire the former Onex Credit CEO's participation in the Onex Credit business. This compares to a decrease in accounts payable, accrued liabilities and other liabilities of \$17 million during the nine months ended September 30, 2019, primarily as a result of the payment of transaction-related liabilities acquired with Gluskin Sheff; and
- a \$23 million decrease in accrued compensation primarily as a result of the payment of 2019 incentive compensation during the first quarter of 2020, partially offset by accrued incentive compensation related to the 2020 fiscal year. This compares to a \$5 million decrease during the nine months ended September 30, 2019, which was primarily as a result of the payment of incentive compensation related to the 2018 fiscal year and accrued compensation acquired with Gluskin Sheff, substantially offset by accrued incentive compensation related to the 2019 fiscal year.

Cash provided by (used in) financing activities

Cash used in financing activities was \$600 million for the nine months ended September 30, 2020 compared to cash provided by financing activities of \$163 million for the same period in 2019. Cash used in financing activities for the nine months ended September 30, 2020 primarily consisted of \$437 million of cash used to repurchase Onex stock (2019 – \$36 million), as described on page 39 of this interim MD&A, net loan repayments to the Investment Holding Companies of \$133 million (2019 – net loan issuances of \$226 million) and \$22 million of cash dividends paid (2019 – \$20 million).

Cash used in investing activities

Cash used in investing activities totalled \$309 million for the nine months ended September 30, 2020 compared to \$135 million during the same period in 2019. Cash used in investing activities during the nine months ended September 30, 2020 primarily consisted of net purchases of treasury investments totalling \$319 million (2019 – net sales of \$156 million). In addition, cash used in investing activities during the nine months ended September 30, 2019 included \$297 million of net cash consideration for the acquisition of Gluskin Sheff.

Decrease in cash due to the derecognition of previously consolidated corporate investments

During the nine months ended September 30, 2019, cash decreased by \$2.2 billion due to the derecognition of previously consolidated corporate investments on January 1, 2019 as a result of the change in Onex' investment entity status.

Consolidated cash resources

At September 30, 2020, consolidated cash and cash equivalents decreased to \$371 million from \$1.0 billion at December 31, 2019. The major components of cash and cash equivalents at September 30, 2020 included \$240 million of money market funds (December 31, 2019 – \$779 million) and \$126 million of cash on hand (December 31, 2019 – \$137 million).

At September 30, 2020, Onex had \$1.6 billion of cash and near-cash on hand (December 31, 2019 – \$1.8 billion), as discussed on page 33 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

At September 30, 2020, Onex' total uncalled committed capital to the Onex Partners and ONCAP Funds was \$1.6 billion, including approximately \$1.3 billion to Onex Partners V and \$158 million to ONCAP IV, which will be primarily deployed for future new investments. Of the remaining uncalled committed capital at September 30, 2020, \$144 million may be used for possible future funding of existing businesses and funding of partnership expenses. Onex' total uncalled committed capital to the Onex Partners and ONCAP Funds excludes remaining commitments to funds solely for possible future funding of partnership expenses. At September 30, 2020, Onex also had uncalled committed capital of \$26 million to OCLP I.

During the first nine months of 2020, Onex completed fundraising for the Onex Senior Loan Opportunity Fund, which invests primarily in North American and European first-lien, senior-secured loans, second-lien loans and other debt investments having similar characteristics, reaching aggregate commitments of \$85 million, including \$20 million from Onex and \$25 million from the Onex management team. In addition to Onex' \$20 million commitment to the fund, Onex committed \$80 million to be invested through a separately managed account which follows a similar strategy as the Onex Senior Loan Opportunity Fund. As at September 30, 2020, Onex had invested \$38 million of its aggregate \$100 million commitment.

During the third quarter of 2020, Onex completed the first close for the Onex Structured Credit Opportunities Fund, which invests primarily in U.S. and European collateralized loan obligations, reaching aggregate commitments of \$64 million, including \$25 million from Onex and \$37 million from the Onex management team. In addition to Onex' \$25 million commitment to the fund, Onex committed \$25 million to be invested through a separately managed account which follows a similar strategy as the Onex Structured Credit Opportunities Fund. As at September 30, 2020, Onex had invested \$9 million of its aggregate \$50 million commitment through the separately managed account.

In September 2020, Onex committed \$125 million to Incline Aviation Fund II, an aircraft investment fund managed by BBAM and focused on investments in contractually leased commercial jet aircraft. Onex had made no investments in Incline Aviation Fund II as at September 30, 2020.

RELATED-PARTY TRANSACTIONS

Related-party revenues

Onex receives management fees on limited partners' and clients' capital within the Onex Partners Funds, ONCAP Funds, Onex Credit strategies and advisory fees directly from certain operating businesses. Onex also receives performance fees from the Onex Credit strategies and recovers certain deal investigation, research and other expenses from the Onex Partners Funds, ONCAP Funds, Onex Credit strategies and the operating businesses of Onex Partners and ONCAP. Onex indirectly controls the Onex Partners Funds, ONCAP Funds and Onex Credit strategies, and therefore the management and performance fees 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 Partners and ONCAP Funds, and as such, advisory fees from these operating businesses represent related-party transactions.

Gluskin Sheff has agreements to manage its pooled fund vehicles, where it generally acts as the trustee, manager, transfer agent and principal distributor. In the case of those pooled fund vehicles that are limited partnerships, Gluskin Sheff or an affiliate of Gluskin Sheff is the General Partner. As such, the Gluskin Sheff pooled fund vehicles are related parties of the Company.

Related-party revenues recognized during the three and nine months ended September 30, 2020 comprised the following:

TABLE 22	(Unaudited) (\$ millions)	Three Months Ended September 30, 2020			Nine Months Ended September 30, 2020		
	Management and Advisory Fees	Reimbursement of Expenses	Total	Management and Advisory Fees	Reimbursement of Expenses	Total	
Source of related-party revenues							
Onex Partners Funds	\$ 28	\$ –	\$ 28	\$ 84	\$ 6	\$ 90	
Gluskin Sheff pooled fund vehicles ^[a]	15	–	15	44	–	44	
Onex Credit Strategies	13	–	13	39	1	40	
ONCAP Funds	4	1	5	12	1	13	
Total related-party revenues	\$ 60	\$ 1	\$ 61	\$ 179	\$ 8	\$ 187	
Gluskin Sheff third-party revenues	1	–	1	3	–	3	
Total revenues	\$ 61	\$ 1	\$ 62	\$ 182	\$ 8	\$ 190	

(a) Revenues associated with the reimbursement of expenses from the Gluskin Sheff pooled fund vehicles are included within other income.

At September 30, 2020, related-party receivables comprised the following:

TABLE 23	(Unaudited) (\$ millions) As at September 30, 2020	Management and Advisory Fees Receivable	Recoverable Fund and Operating Expenses Receivable	Other Receivables	Total
Onex Partners Funds		\$ 178	\$ 71	\$ –	\$ 249
ONCAP Funds		16	6	–	22
Onex Credit Strategies		11	1	1	13
Gluskin Sheff pooled fund vehicles		5	–	–	5
Total related-party receivables		\$ 210	\$ 78	\$ 1	\$ 289
Third-party receivables		–	–	14	14
Total		\$ 210	\$ 78	\$ 15	\$ 303

Services received from operating companies

During the three and nine months ended September 30, 2020, Onex received services from certain operating companies, the value of which was not significant.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

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. 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 consolidated financial statements and their corresponding definitions.

Adjusted EBITDA is a non-GAAP financial measure and is based on the local accounting standards of the individual operating businesses. The metric is based on 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.

Annualized principal default rate is the annualized percentage of principal defaults that a loan strategy has experienced over a stated period of time.

Assets under management are the assets that Onex manages on behalf of investors, including Onex' own capital 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 direct lending funds; and
- (iv) The gross invested assets or net asset value of the public credit, public equity and other private 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 limited partners alongside a fund.

Collateral principal amount is the aggregate principal balance of the CLO investments in debt obligations, excluding defaulted debt obligations, and also includes the principal balance of cash deposits.

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 the 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 consists of Onex Credit Lending Partners and direct lending originated by Onex.

Fee-generating capital is the assets under management on which the Company receives management fees, performance fees and/or 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") are a set of standards adopted by Onex to determine accounting policies for the consolidated financial statements that were formulated by the International Accounting Standards Board and allow for comparability and consistency across businesses. As a publicly listed entity in Canada, Onex is required to report under IFRS.

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

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

Investor capital is the assets under management of third-party investors, including co-investments and capital invested by the Onex management team, as applicable.

Leveraged loans refer to the non-investment grade senior secured debt of relatively highly leveraged borrowers. A leveraged loan is often issued by a company in connection with it being acquired by a private equity or corporate investor.

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

Management incentive plans include: (i) the management investment plan ("MIP"), which is a plan that required Onex and Onex Partners management to invest in each of the operating businesses acquired or invested in by Onex. Management's required cash investment was 1.5% of Onex' interest in each acquisition or investment. Management is allocated 7.5% of Onex' realized gain from an operating business investment, subject to Onex realizing the full return of its investment plus a net 15% internal rate of return on the investment. The MIP also has vesting requirements, certain limitations and voting requirements; (ii) the Onex Partners carried interest program, which allocates 60% of the carried interest realized in the Onex Partners Funds to management of Onex Partners. 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, subject to an 8% compound annual preferred return to Onex on amounts contributed to the fund; and (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.

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 are investment holdings in readily marketable investments that can be converted to cash in an orderly market. In addition, near-cash includes management fees receivable from the limited partners of Onex' private equity funds.

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.

Net multiple of capital ("Net MOC") is the investment distributions and unrealized value, net of carried interest and taxes, to limited partners subject to carried interest and management fees in the funds, excluding Onex as a limited partner, divided by the limited partners' total contributions for investments, fees and expenses.

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

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

Onex Credit Funds are the actively managed, diversified portfolio investment funds of Onex Credit, which include senior loan strategies, opportunistic and special situation strategies and structured credit and high yield strategies.

Onex Credit Lending Partners ("OCLP") is a direct lending fund which provides credit to middle-market, upper middle-market and large private equity sponsor-owned portfolio companies and, selectively, other corporate borrowers predominantly in the United States and, selectively, in Canada and Europe. The strategy invests the majority of its capital in senior secured loans of companies primarily in less cyclical and less capital-intensive industries, with a focus on capital preservation. The fund employs a buy-and-hold approach to investing, with a goal of owning a diversified pool of investments.

Performance fees include performance allocations and are generated on high net worth clients and institutional investors' capital managed by Onex Credit and Gluskin Sheff, some of which are subject to a hurdle or preferred return to investors.

Private equity platform refers to Onex' investing and asset management activities carried on through the Onex Partners and ONCAP Funds.

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

Shareholder capital represents Onex' total assets adjusted to include accounts payable and accrued liabilities, accrued compensation, and lease and other liabilities, and to exclude associated DSU hedge assets.

Shareholder capital per share is shareholder capital divided by the number of fully diluted shares outstanding.

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.

Wealth management is a platform that includes capital managed by Gluskin Sheff in its public equity and debt strategies.

INTERIM CONSOLIDATED BALANCE SHEETS

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	As at September 30, 2020	As at December 31, 2019
Assets		
Cash and cash equivalents	\$ 371	\$ 988
Treasury investments (note 2)	631	306
Management and advisory fees, recoverable fund expenses and other receivables (note 3)	303	332
Corporate investments (including intercompany loans receivable from Onex and the Asset Managers of \$4,084 (December 31, 2019 – \$4,217), comprising part of the fair value of Investment Holding Companies) (note 4)	9,275	9,450
Other assets (note 6)	79	126
Property and equipment	163	181
Intangible assets (note 10)	131	158
Goodwill (note 10)	171	261
Total assets	11,124	11,802
Intercompany loans payable to Investment Holding Companies (note 5)	(4,084)	(4,217)
Total assets net of intercompany loans payable to Investment Holding Companies	\$ 7,040	\$ 7,585
Other liabilities		
Accounts payable and accrued liabilities	\$ 33	\$ 39
Accrued compensation	86	109
Stock-based compensation payable (note 6)	161	301
Lease and other liabilities	118	153
Total other liabilities	\$ 398	\$ 602
Net assets	\$ 6,642	\$ 6,983
Equity		
Share capital (note 7)	\$ 313	\$ 342
Retained earnings and accumulated other comprehensive earnings	6,329	6,641
Total equity	\$ 6,642	\$ 6,983

These unaudited interim consolidated financial statements should be read in conjunction with the 2019 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	
	2020	2019	2020	2019
Income				
Net gain on corporate investments (including an increase in carried interest of \$12 and a decrease in carried interest of \$33 during the three and nine months ended September 30, 2020, respectively (2019 – decrease of \$12 and \$10, respectively)) (note 4)	\$ 521	\$ 125	\$ 146	\$ 618
Management and advisory fees (note 8)	61	67	182	174
Interest and net treasury investment income (note 9)	2	3	16	10
Reimbursement of expenses from investment funds and operating businesses (note 8)	1	4	8	16
Other income	1	2	2	3
Total income	\$ 586	\$ 201	\$ 354	\$ 821
Expenses				
Compensation	\$ (52)	\$ (46)	\$ (146)	\$ (130)
Stock-based compensation recovery (expense) (note 6)	3	(18)	108	(53)
Amortization of property and equipment, and other intangible assets	(15)	(15)	(43)	(30)
Recoverable expenses from investment funds and operating businesses	(1)	(4)	(8)	(16)
Impairment of goodwill (note 10)	–	–	(85)	–
Acquisition, integration and other expenses	(20)	(18)	(47)	(88)
Total expenses	\$ (85)	\$ (101)	\$ (221)	\$ (317)
Gain on derecognition of previously consolidated corporate investments (note 1)	\$ –	\$ –	\$ –	\$ 3,719
Reclassification from accumulated other comprehensive loss on derecognition of previously consolidated corporate investments (note 1)	–	–	–	(170)
Net gain on derecognition of previously consolidated corporate investments	\$ –	\$ –	\$ –	\$ 3,549
Earnings before income taxes	\$ 501	\$ 100	\$ 133	\$ 4,053
Recovery of income taxes	–	–	–	37
Net earnings	\$ 501	\$ 100	\$ 133	\$ 4,090
Net Earnings per Subordinate Voting Share of Onex Corporation (note 11)				
Basic	\$ 5.30	\$ 0.99	\$ 1.36	\$ 40.92
Diluted	\$ 5.29	\$ 0.99	\$ 1.36	\$ 40.90

These unaudited interim consolidated financial statements should be read in conjunction with the 2019 audited annual consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

(Unaudited) (in millions of U.S. dollars)	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Net earnings	\$ 501	\$ 100	\$ 133	\$ 4,090
Other comprehensive earnings (loss), net of tax				
Items that may be reclassified to net earnings (loss):				
Currency translation adjustments	5	(4)	(12)	7
Reclassification to net earnings on derecognition of previously consolidated corporate investments	-	-	-	170
Other comprehensive earnings (loss), net of tax	\$ 5	\$ (4)	\$ (12)	\$ 177
Total comprehensive earnings	\$ 506	\$ 96	\$ 121	\$ 4,267

These unaudited interim consolidated financial statements should be read in conjunction with the 2019 audited annual consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF EQUITY

(Unaudited) (in millions of U.S. dollars except per share data)	Share Capital (note 7)	Retained Earnings	Accumulated Other Comprehensive Earnings (Loss)	Total Equity Attributable to Equity Holders of Onex Corporation	Non- controlling Interests	Total Equity
Balance – December 31, 2018	\$ 320	\$ 2,412	\$ (170) ^(a)	\$ 2,562	\$ 3,075	\$ 5,637
Derecognition of previously consolidated corporate investments	-	-	170	170	(3,075)	(2,905)
Dividends declared ^(b)	-	(22)	-	(22)	-	(22)
Options exercised	1	-	-	1	-	1
Repurchase and cancellation of shares (note 7)	(1)	(33)	-	(34)	-	(34)
Equity issued in connection with the acquisition of Gluskin Sheff	21	-	-	21	-	21
Net earnings	-	4,090	-	4,090	-	4,090
Currency translation adjustments included in other comprehensive earnings	-	-	7	7	-	7
Balance – September 30, 2019	\$ 341	\$ 6,447	\$ 7^(c)	\$ 6,795	\$ -	\$ 6,795
Balance – December 31, 2019	\$ 342	\$ 6,627	\$ 14^(d)	\$ 6,983	\$ -	\$ 6,983
Dividends declared ^(b)	-	(21)	-	(21)	-	(21)
Repurchase and cancellation of shares (note 7)	(29)	(412)	-	(441)	-	(441)
Net earnings	-	133	-	133	-	133
Currency translation adjustments included in other comprehensive loss	-	-	(12)	(12)	-	(12)
Balance – September 30, 2020	\$ 313	\$ 6,327	\$ 2^(e)	\$ 6,642	\$ -	\$ 6,642

(a) Accumulated other comprehensive loss as at December 31, 2018 consisted of currency translation adjustments of negative \$156 and unrealized losses on the effective portion of cash flow hedges of \$14. Accumulated other comprehensive loss as at December 31, 2018 included \$2 of net losses related to discontinued operations. Income taxes did not have a significant effect on these items.

(b) Dividends declared per Subordinate Voting Share were C\$0.30 for the nine months ended September 30, 2020 (2019 – C\$0.2875). During 2019, shares issued under the dividend reinvestment plan amounted to less than \$1. There are no tax effects for Onex on the declaration or payment of dividends.

(c) Accumulated other comprehensive earnings as at September 30, 2019 consisted of currency translation adjustments of positive \$7. Income taxes did not have a significant effect on this item.

(d) Accumulated other comprehensive earnings as at December 31, 2019 consisted of currency translation adjustments of positive \$14. Income taxes did not have a significant effect on this item.

(e) Accumulated other comprehensive earnings as at September 30, 2020 consisted of currency translation adjustments of positive \$2. Income taxes did not have a significant effect on this item.

These unaudited interim consolidated financial statements should be read in conjunction with the 2019 audited annual consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

		Nine months ended September 30	
(Unaudited)			
(in millions of U.S. dollars)			
	2020		2019
Operating Activities			
Net earnings	\$ 133	\$	4,090
Adjustments to net earnings:			
Recovery of income taxes	-		(37)
Interest and net treasury investment income	(16)		(10)
Interest expense	2		2
Earnings before interest and recovery of income taxes	119		4,045
Cash taxes received (paid)	1		(1)
Investments made in and loans made to Investment Holding Companies	(318)		(19)
Distributions and loan repayments received from Investment Holdings Companies	639		501
Items not affecting cash and cash equivalents:			
Amortization of property and equipment, and other intangible assets	43		30
Net gain on corporate investments (note 4)	(146)		(618)
Stock-based compensation (note 6)	(121)		13
Impairment of goodwill (note 10)	85		-
Gain on derecognition of previously consolidated corporate investments (note 1)	-		(3,719)
Reclassification from accumulated other comprehensive loss on derecognition of previously consolidated corporate investments (note 1)	-		170
Foreign exchange gain (loss)	(1)		5
Expense related to future Onex Credit asset manager distributions	-		41
Other	2		6
	303		454
Changes in non-cash working capital items:			
Management and advisory fees, recoverable fund expenses and other receivables	22		(41)
Other assets	(2)		(2)
Accounts payable, accrued liabilities and other liabilities	(7)		(17)
Accrued compensation	(23)		(5)
Decrease in cash and cash equivalents due to changes in non-cash working capital items	(10)		(65)
Decrease in other operating activities	-		(1)
Cash provided by operating activities	\$ 293	\$	388
Financing Activities			
Cash dividends paid	\$ (22)	\$	(20)
Principal elements of lease payments	(6)		(5)
Cash interest paid	(2)		(2)
Repurchase of share capital of Onex Corporation	(437)		(36)
Issuance of loans from Investment Holding Companies	125		305
Repayment of loans to Investment Holding Companies	(258)		(79)
Cash provided by (used in) financing activities	\$ (600)	\$	163
Investing Activities			
Net sale (purchase) of treasury investments	\$ (319)	\$	156
Cash interest received	11		9
Purchases of property and equipment	(1)		(2)
Acquisition of Gluskin Sheff, net of cash and cash equivalents acquired of \$11	-		(297)
Decrease due to other investing activities	-		(1)
Cash used in investing activities	\$ (309)	\$	(135)
Increase (decrease) in Cash and Cash Equivalents	\$ (616)	\$	416
Decrease in cash due to the derecognition of previously consolidated corporate investments, including cash from discontinued operations	-		(2,169)
Decrease in cash due to changes in foreign exchange rates	(1)		(4)
Cash and cash equivalents, beginning of the period – continuing operations	988		2,680
Cash and cash equivalents, beginning of the period – discontinued operations	-		27
Cash and Cash Equivalents	\$ 371	\$	950

These unaudited interim consolidated financial statements should be read in conjunction with the 2019 audited annual consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

Onex Corporation and its wholly-owned subsidiaries manage capital invested and committed by investors from around the world and invest shareholder capital primarily in private equity and non-investment grade credit strategies.

Onex invests in its two private equity platforms: Onex Partners for larger transactions and ONCAP for middle-market and smaller transactions. Onex is currently investing through Onex Partners V, a \$7,150 fund raised in November 2017, and ONCAP IV, a \$1,107 fund raised in November 2016.

Onex also invests in Onex Credit strategies, which consist of non-investment grade debt in collateralized loan obligations, direct lending and other credit strategies.

Throughout these statements, the terms “Onex” and the “Company” refer to Onex Corporation, the ultimate parent company.

Onex 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 of the outstanding Multiple Voting Shares of the corporation. Mr. Schwartz also indirectly held 13% of the outstanding Subordinate Voting Shares of Onex at September 30, 2020.

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 12, 2020.

1. BASIS OF PREPARATION AND SIGNIFICANT 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 (“IFRS”) and its interpretations adopted by the International Accounting Standards Board (“IASB”). Accordingly, certain information and note disclosures normally included in annual financial statements prepared in accordance with IFRS 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 financial statements have been reported on a U.S. dollar basis.

BASIS OF PRESENTATION

Throughout the notes to the unaudited interim consolidated financial statements, **investments** and **investing activity** of Onex’ capital primarily relate to its private equity funds, credit strategies and certain investments held outside the private equity funds and 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, substantially all of these companies 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 substantially all 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, public debt strategies and public equity strategies. This activity is conducted through wholly-owned subsidiaries of Onex, which are the managers of the Onex Partners Funds, ONCAP Funds, Onex Credit strategies and the Gluskin Sheff + Associates Inc. (“Gluskin Sheff”) strategies. These subsidiaries are referred to as Onex’ **Asset Managers** and are consolidated by Onex.

References to the Onex management team include the management of Onex, Onex Partners, ONCAP, Onex Credit and Gluskin Sheff. References to management without the use of “team” include only the relevant group. 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.

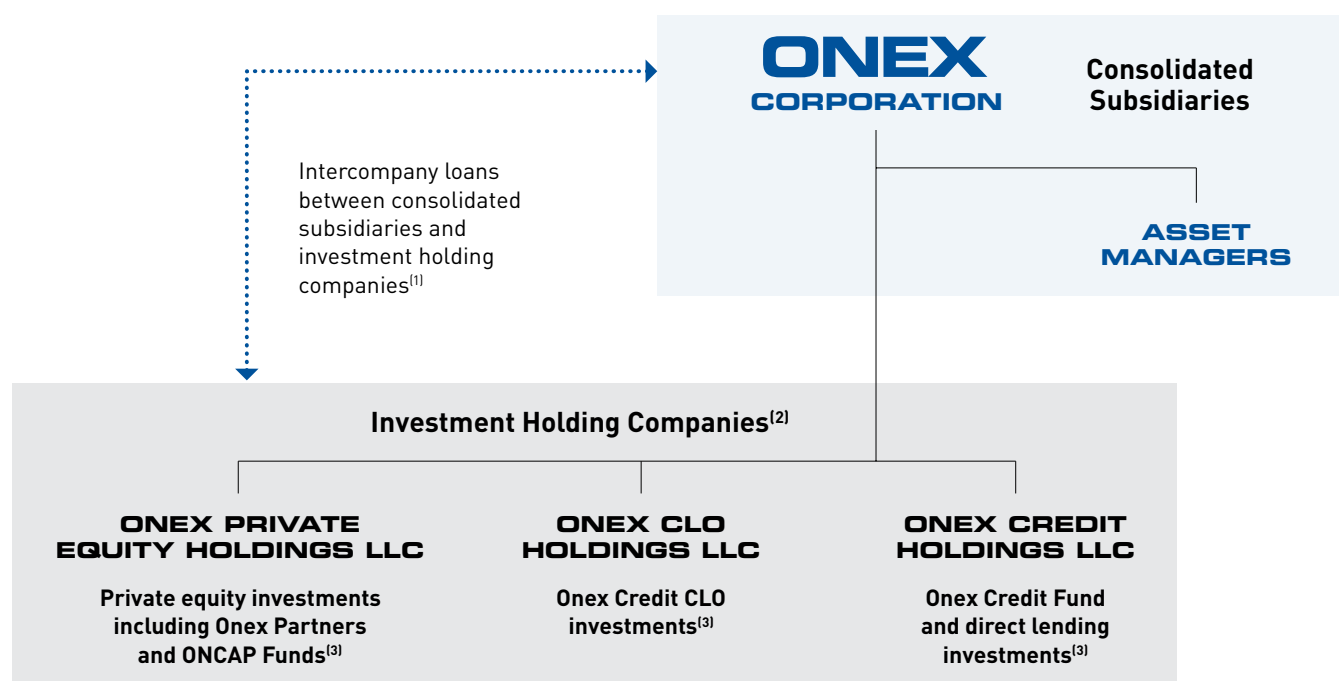
Onex meets the definition of an investment entity, as defined by IFRS 10, *Consolidated financial statements* ("IFRS 10"). As a result, Onex' investments in its subsidiaries that do not provide investment-related services are accounted for as corporate investments at fair value through net earnings (loss). On January 1, 2019, Onex recognized a net gain on the transition to investment entity status, as described in note 1 to the 2019 audited annual consolidated financial statements.

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 for.



(1) 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 an asset within corporate investments in the unaudited interim consolidated balance sheets.

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

(3) Onex' investments in private equity, direct lending, CLOs and Onex Credit Funds are typically held directly or indirectly through wholly-owned investment holding companies, which are subsidiaries of the Primary Investment Holding Companies identified above.

SIGNIFICANT ACCOUNTING POLICIES

The disclosures contained in these unaudited interim consolidated financial statements do not include all the requirements of IFRS 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, 2019.

The unaudited interim consolidated financial statements are based on accounting policies, as described in note 1 to the 2019 audited annual consolidated financial statements. Several amendments and interpretations of IFRS apply for the first time in 2020; however, these items do not have an impact on the unaudited interim consolidated financial statements of the Company.

Use of judgements and estimates

In addition to the use of judgements and estimates outlined in note 1 to the 2019 audited annual financial statements, the Company also exercised significant judgement when evaluating the impact of the 2019 novel coronavirus disease ("COVID-19") on the fair value of its corporate investments and when testing goodwill and intangible assets for impairment, as described in the following section.

Impact of COVID-19 on significant estimates

During March 2020, the World Health Organization characterized COVID-19 as a pandemic. COVID-19 has had a material adverse impact on global economies, including economies that the underlying private equity operating businesses operate in, as well as global credit markets. As a result of COVID-19, the fair value estimates of the Company's private equity investments were impacted as follows:

- higher weightings were given to valuation approaches that reflected more current market information;
- cash flow forecasts used in discounted cash flow valuation models were updated to reflect the known and expected impacts of COVID-19, which resulted in an overall reduction in expected future cash flows; and
- risk premiums implied by equity and credit markets due to the uncertainty surrounding the long-term impacts of COVID-19 were considered.

As a result of the above impacts, certain private equity investments held by the Company reflected significant fair value declines.

Determining the impact of COVID-19 on the valuation of the Company's corporate investments and the recoverable amount of the Company's goodwill and intangible assets required significant judgement given the amount of uncertainty regarding the long-term impact of COVID-19. The ultimate impact of COVID-19 on the financial results of the Company will depend on future developments, including the duration and spread of the pandemic and related advisories and restrictions. These developments and the impact of COVID-19 on the financial markets and the overall economy are highly uncertain and are difficult to predict. If the financial markets and/or the overall economy are impacted for a period significantly longer than currently implied by the markets, the financial results of the Company, including the fair value of its corporate investments, may be materially adversely affected.

2. TREASURY INVESTMENTS

Treasury investments comprised the following:

	September 30, 2020	December 31, 2019
Commercial paper and corporate obligations	\$ 372	\$ 207
Federal and provincial debt instruments	213	82
Other	46	17
Total treasury investments	\$ 631	\$ 306

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

The Company's receivables comprised the following:

	September 30, 2020	December 31, 2019
Management and advisory fees	\$ 210	\$ 205
Recoverable fund and operating businesses' expenses	78	82
Performance fees	–	20
Other	15	25
Total	\$ 303	\$ 332

Management and advisory fees receivable primarily consisted of management fees receivable of \$192 (December 31, 2019 – \$190) from the Onex Partners and ONCAP Funds. Onex has elected to defer cash receipt of management fees from certain funds until the later stages of each fund's life. At September 30, 2020, the receivable for management and advisory fees primarily related to fees due from Onex Partners IV.

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, Onex Credit strategies and other investments. The Company's corporate investments comprised the following amounts:

	December 31, 2019	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2020	Change in Fair Value During the Three Months Ended September 30, 2020
Onex Partners Funds	\$ 2,999	\$ 181	\$ (550)	\$ 153	\$ 2,783	\$ 397
ONCAP Funds	501	4	(1)	29	533	48
Other private equity	421	140	(31)	97	627	31
Carried interest	66	n/a	-	(33)	33	12
Total private equity investments ^(a)	3,987	325	(582)	246	3,976	488
Onex Credit Strategies ^(b)	746	306	(253)	(80)	719	34
Real estate ^(c)	90	-	(15)	(10)	65	1
Other net assets ^(d)	410	(438)	469	(10)	431	(2)
Total corporate investments						
excluding intercompany loans	5,233	193	(381)	146	5,191	521
Intercompany loans receivable from Onex and the Asset Managers ^(e)	4,217	125	(258)	-	4,084	-
Intercompany loans payable to Onex and the Asset Managers ^(f)	(714)	(16)	300	-	(430)	-
Intercompany loans receivable from Investment Holding Companies ^(f)	714	16	(300)	-	430	-
Total corporate investments	\$ 9,450	\$ 318	\$ (639)	\$ 146	\$ 9,275	\$ 521

a) Private equity investments

The Company's private equity investments comprised the following:

	December 31, 2019	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2020	Change in Fair Value During the Three Months Ended September 30, 2020
Onex Partners Funds						
Onex Partners I	\$ 1	\$ -	\$ -	\$ -	\$ 1	\$ -
Onex Partners II	84	-	-	(26)	58	(3)
Onex Partners III	554	-	(5)	(153)	396	43
Onex Partners IV	2,087	10	(574)	420	1,943	370
Onex Partners V	463	171	-	(32)	602	28
Management incentive programs	(190)	n/a	29	(56)	(217)	(41)
Total investment in Onex Partners Funds⁽ⁱ⁾	2,999	181	(550)	153	2,783	397
ONCAP Funds						
ONCAP II	106	-	(1)	(21)	84	10
ONCAP III	184	-	-	30	214	18
ONCAP IV	248	4	-	30	282	33
Management incentive programs	(37)	n/a	-	(10)	(47)	(13)
Total investment in ONCAP Funds⁽ⁱⁱ⁾	501	4	(1)	29	533	48
Other private equity investments⁽ⁱⁱⁱ⁾	421	140	(31)	97	627	31
Carried interest^(iv)	66	n/a	-	(33)	33	12
Total private equity investments	\$ 3,987	\$ 325	\$ (582)	\$ 246	\$ 3,976	\$ 488

i) Onex Partners Funds

At September 30, 2020, the Onex Partners Funds had investments in 19 operating businesses in various industry sectors and countries. Onex' investments in the Onex Partners Funds include co-investments, where applicable.

In March 2020, the Onex Partners IV Group sold approximately 37.5 million shares of SIG Combibloc Group AG ("SIG") at a price of CHF 14.20 per share. SIG is a systems and solutions provider for aseptic carton packaging. Onex' combined share of the net proceeds from the Onex Partners IV Group was CHF 187 (\$202). In August 2020, the Onex Partners IV Group sold approximately 32.0 million shares of SIG at a price of CHF 15.50 per share. Onex' combined share of the net proceeds from the Onex Partners IV Group was CHF 147 (\$162), net of payments under the management incentive programs. At September 30, 2020, Onex' economic and voting interest in SIG was 3% and 10%, respectively.

In April 2020, the Onex Partners IV Group received a dividend from SIG, of which Onex' share was CHF 9 (\$9).

In June 2020, the Onex Partners IV Group sold approximately 20.8 million ordinary shares of Clarivate Analytics Plc ("Clarivate Analytics") at a price of \$22.50 per share. Clarivate Analytics is a global analytics provider. Onex' share of the net proceeds from the Onex Partners IV Group was \$171. At September 30, 2020, Onex' economic and voting interest in Clarivate Analytics was 7% and 18%, respectively.

In June and August 2020, Onex invested \$72 and \$35, respectively, in Onex Partners V as part of the fund's investments in preferred shares of Emerald Holding, Inc. ("Emerald"). Emerald is an operator of large business-to-business trade shows in the United States across several end markets.

In September 2020, Onex invested \$64 in Onex Partners V as part of the fund's investment in Independent Clinical Services Group Ltd. ("ICS"), a specialized staffing, workforce management solutions, and health and social services business operating primarily in Europe and present across four continents globally.

ii) ONCAP Funds

At September 30, 2020, the ONCAP Funds had investments in 16 operating businesses headquartered in North America. Onex' investments in the ONCAP Funds include co-investments, where applicable.

During the nine months ended September 30, 2020, there were no significant transactions related to Onex' investments in the ONCAP Funds.

iii) Other private equity investments

Other private equity investments primarily consist of Onex' investments in Celestica and Ryan Specialty Group ("RSG"). In August

2020, Onex invested an additional \$108 in preferred shares of RSG, in connection with an add-on acquisition completed by RSG. RSG is an international specialty insurance organization, which includes a wholesale brokerage firm and an underwriting management organization.

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.

b) Onex Credit strategies

The Company's investment in Onex Credit strategies comprised the following:

	December 31, 2019	Capital Deployed	Realizations and Distributions	Change in Fair Value	September 30, 2020	Change in Fair Value During the Three Months Ended September 30, 2020
Onex Credit Strategies						
U.S. CLOs	\$ 340	\$ 70	\$ (49)	\$ (57)	\$ 304	\$ 13
EURO CLOs	92	35	(9)	(26)	92	(2)
CLO warehouses	52	102	(149)	5	10	-
Direct lending	73	11	(3)	(4)	77	11
Senior loan strategies	187	-	-	(3)	184	9
Opportunistic and special situation strategies	2	79	(43)	4	42	2
Structured credit and high yield strategies	-	9	-	1	10	1
Total investment in Onex Credit Strategies	\$ 746	\$ 306	\$ (253)	\$ (80)	\$ 719	\$ 34

During the second quarter of 2020, Onex closed its eighteenth U.S. collateralized loan obligation ("CLO-18"), investing a net \$41 for 100% of the most subordinated capital of CLO-18. On closing, Onex received \$68 plus interest for the investment that supported the warehouse facility for CLO-18.

In June 2020, Onex closed its nineteenth U.S. collateralized loan obligation ("CLO-19"), investing \$21 for approximately 65% of the most subordinated capital of CLO-19. On closing, Onex received \$10 plus interest for the investment that supported the warehouse facility for CLO-19.

In June 2020, Onex closed its fourth European collateralized loan obligation ("EURO CLO-4"), investing €31 (\$35) for 100% of the most subordinated capital of EURO CLO-4. On closing, Onex received €59 (\$66) plus interest for the investment that supported the warehouse facility for EURO CLO-4.

In July 2020, Onex invested \$10 to support the warehouse facility for its twentieth CLO denominated in U.S. dollars ("CLO-20").

During the nine months ended September 30, 2020, Onex made investments in direct lending totalling \$11.

During the first nine months of 2020, Onex Credit completed fundraising for the Onex Senior Loan Opportunity Fund, as described in note 15(a), which invests primarily in North American and European first-lien, senior-secured loans, second-lien loans and other debt investments having similar characteristics. During the nine months ended September 30, 2020, Onex invested a total of \$10 in the Onex Senior Loan Opportunity Fund. In addition, Onex invested a net \$28 in a separately managed account which follows a similar strategy as the Onex Senior Loan Opportunity Fund.

During the third quarter of 2020, Onex Credit completed the first close for the Onex Structured Credit Opportunities Fund, as described in note 15(b), which invests primarily in U.S. and European collateralized loan obligations. During the nine months ended September 30, 2020, Onex invested \$9 in a separately managed account which follows a similar strategy as the Onex Structured Credit Opportunities Fund.

During the nine months ended September 30, 2020, Onex received distributions of \$50 from CLO investments and a \$3 distribution from direct lending investments.

c) Real estate

Onex' investment in real estate is comprised of an investment in Flushing Town Center, a commercial and residential complex located in Flushing, New York. During the nine months ended September 30, 2020, Onex received distributions of \$15 from Flushing Town Center, which were funded by the sale of residential condominium units and the receipt of investment-related tax credits.

d) Other net assets

Other net assets consist of assets and liabilities of the Investment Holding Companies, excluding investments in private equity, Onex 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, 2020	December 31, 2019
Cash and cash equivalents	\$ 111	\$ 306
Treasury investments	303	89
Restricted cash	22	22
Other net liabilities	(5)	(7)
Total other net assets	\$ 431	\$ 410

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

	September 30, 2020	December 31, 2019
Federal and provincial debt instruments	\$ 159	\$ 35
Commercial paper and corporate obligations	121	43
Other	23	11
Total treasury investments	\$ 303	\$ 89

e) Intercompany loans receivable from Onex and the Asset Managers

The Investment Holding Companies have advanced intercompany loans to Onex and the Asset Managers. At September 30, 2020, the intercompany loans receivable from Onex and the Asset Managers of \$4,084 (December 31, 2019 – \$4,217) 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 at September 30, 2020 totalled \$4,084 (December 31, 2019 – \$4,217) and are described in note 5. There is no impact on net assets or net earnings (loss) 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, 2020, Onex and the Asset Managers had advanced intercompany loans to the Investment Holding Companies totalling \$430 (December 31, 2019 – \$714). The corresponding intercompany loans payable to Onex and the Asset Managers, which at September 30, 2020 totalled \$430 (December 31, 2019 – \$714), 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 are non-interest bearing. At September 30, 2020, intercompany loans payable to the Investment Holding Companies totalled \$4,084 (December 31, 2019 – \$4,217) and the corresponding receivable of \$4,084 (December 31, 2019 – \$4,217) 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 (loss) from these intercompany loans.

6. STOCK-BASED COMPENSATION PAYABLE

Stock-based compensation payable comprised the following:

	September 30, 2020	December 31, 2019
Stock Option Plan	\$ 98	\$ 212
Director DSU Plan	29	44
Management DSU Plan	34	45
Total stock-based compensation payable	\$ 161	\$ 301

Included in other assets is \$61 (December 31, 2019 – \$82) related to forward agreements to economically hedge the Company's exposure to changes in the trading price of Onex shares associated with the Management and Director DSU plans.

The decline in stock-based compensation payable at September 30, 2020 was primarily driven by a 28% decrease in the market value of Onex' SVS to C\$59.40 at September 30, 2020 from C\$82.17 at December 31, 2019. The decrease in the market value of Onex' SVS similarly contributed to the stock-based compensation recovery recognized during the nine months ended September 30, 2020 of \$108 (2019 – expense of \$53). During the three months ended September 30, 2020, stock-based compensation recovery was \$3 (2019 – expense of \$18), driven primarily by a 3% decrease in the market value of Onex' SVS to C\$59.40 at September 30, 2020 from C\$61.33 at June 30, 2020.

7. SHARE CAPITAL

a) At September 30, 2020, the issued and outstanding share capital consisted of 100,000 Multiple Voting Shares (December 31, 2019 – 100,000) and 90,429,500 SVS (December 31, 2019 – 100,063,143). 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, 2020 or December 31, 2019.

b) During the nine months ended September 30, 2020, no SVS were issued upon the exercise of stock options. During the first nine months of 2019, 6,840 SVS were issued upon the exercise of 11,000 stock options at an exercise price of C\$29.29.

Onex renewed its Normal Course Issuer Bid in April 2020 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 8.1 million shares.

During the nine months ended September 30, 2020, the Company repurchased and cancelled 9,733,643 of its SVS under the Normal Course Issuer Bid for a total cost of \$441 (C\$593) or an average cost per share of \$45.36 (C\$60.88). The excess of the purchase cost of these shares over the average paid-in amount was \$412 (C\$553), which was charged to retained earnings.

During the first nine months of 2019, the Company repurchased and cancelled 629,027 of its SVS under the Normal Course Issuer Bid for a total cost of \$34 (C\$46) or an average cost per share of \$54.80 (C\$73.59). The excess of the purchase cost of these shares over the average paid-in amount was \$33 (C\$44), which was charged to retained earnings.

c) During the nine months ended September 30, 2020, the total cash consideration paid on 196,750 options (2019 – 1,490,917) surrendered was \$7 (C\$10) (2019 – \$38 (C\$50)). This amount 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 16(e) to the 2019 audited annual consolidated financial statements.

In addition, 489,250 options (2019 – 270,200) expired during the nine months ended September 30, 2020. At September 30, 2020, the Company had 13,431,800 options (December 31, 2019 – 14,073,050) outstanding to acquire SVS, of which 721,100 options were vested and exercisable. The exercisable options at September 30, 2020 had a weighted-average exercise price of C\$37.87.

d) The directors have chosen to receive their directors' fees in DSUs in lieu of cash. During the nine months ended September 30, 2020, grants totalling 42,486 DSUs were issued to the directors. During the first nine months of 2020, 102,407 Director DSUs were redeemed upon the retirement of a director. At September 30, 2020, 658,063 Director DSUs were outstanding (December 31, 2019 – 702,857).

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. In early 2020, 58,770 DSUs (2019 – 14,472) were issued to certain members of the Onex management team in lieu of a portion of cash compensation for the prior fiscal year. At September 30, 2020, 769,205 Management DSUs were outstanding (December 31, 2019 – 707,048).

The Company has entered into forward agreements with a counterparty financial institution to hedge the Company's exposure to changes in the market value of Onex' SVS associated with 90% of the outstanding Director DSUs and all of the outstanding Management DSUs, as described in note 1 to the 2019 audited annual consolidated financial statements. The forward agreements, which have a fair value of \$61 at September 30, 2020, are included within other assets.

8. REVENUES

The Company generates revenues from the provision of asset management and advisory services, which were recognized over time from the following sources:

Management and Advisory Fees				
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Source of revenues				
Onex Partners Funds ⁽ⁱ⁾	\$ 28	\$ 31	\$ 84	\$ 98
Public Debt and Equity Strategies ⁽ⁱⁱ⁾	16	18	47	25
Onex Credit Strategies	13	14	39	39
ONCAP Funds ⁽ⁱⁱⁱ⁾	4	4	12	12
Total	\$ 61	\$ 67	\$ 182	\$ 174

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

(ii) Includes management fees earned from the Gluskin Sheff strategies since June 2019, when Onex acquired the company.

(iii) Includes advisory fees from ONCAP operating businesses.

Reimbursement of Expenses				
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Source of revenues				
Onex Partners Funds ⁽ⁱ⁾	\$ -	\$ 3	\$ 6	\$ 14
Onex Credit Strategies	-	1	1	1
ONCAP Funds ⁽ⁱⁱⁱ⁾	1	-	1	1
Total	\$ 1	\$ 4	\$ 8	\$ 16

(i) Includes the reimbursement of expenses from Onex Partners operating businesses.

(ii) Includes the reimbursement of expenses from ONCAP operating businesses.

Management and advisory fees, and the reimbursement of expenses from investment funds and operating businesses, are recognized over time.

In addition, segment income (note 16) includes allocations of \$14 and \$42 relating to management fees on Onex' capital for the three and nine months ended September 30, 2020, respectively (2019 – \$15 and \$46, respectively). These management fees reduce Onex' investing segment income in the period and are included in Onex' asset and wealth management segment income.

9. INTEREST AND NET TREASURY INVESTMENT INCOME

Interest and net treasury investment income recognized by the Company relates to income earned from certain investments recognized at fair value through net earnings (loss).

10. IMPAIRMENT OF GOODWILL

As at September 30, 2020, management concluded that there were no conditions present which would indicate that goodwill and intangible assets associated with the acquisitions of Gluskin Sheff and Onex Credit were impaired.

Management concluded that as at March 31, 2020, conditions existed which may indicate that goodwill and intangible assets associated with the acquisitions of Gluskin Sheff and Onex Credit were impaired as a result of the market volatility and economic disruption which occurred during March 2020 in connection with the COVID-19 pandemic, as described in note 1. As a result,

management tested the goodwill and intangible assets of Gluskin Sheff and Onex Credit for impairment as at March 31, 2020 and recorded a non-cash goodwill impairment charge of C\$114 (\$85) associated with the goodwill of Gluskin Sheff, measured in accordance with IAS 36, *Impairment of Assets* ("IAS 36"). The impairment was primarily due to the decrease in assets under management as a result of the COVID-19 pandemic, as described in note 1. The impairment for Gluskin Sheff was calculated on a fair value less costs of disposal basis, which resulted in a recoverable amount of C\$310 (\$219) as at March 31, 2020. The recoverable amount was a Level 3 measurement in the fair value hierarchy due to significant unobservable inputs used in determining the recoverable amount, which was based on a five-year discounted cash flow projection. Significant assumptions included in the discounted cash flow projection were i) a 16.5% discount rate; ii) net growth in assets under management; and iii) a terminal value growth rate of 2.5%. The impact to the goodwill impairment expense during the three months ended March 31, 2020 from changes in the discount rate and terminal value growth rate include the following:

Significant Unobservable Inputs	Decrease of 1.0 Percentage Point	Increase of 1.0 Percentage Point
Discount rate	\$28 decrease in impairment expense	\$23 increase in impairment expense
Terminal value growth rate	\$14 increase in impairment expense	\$17 decrease in impairment expense

As a result of the impairment charge, goodwill associated with the acquisition of Gluskin Sheff was reduced to a value of C\$146 (\$109) as at September 30, 2020.

Management determined that the goodwill and intangible assets associated with the acquisition of Onex Credit were not impaired as at March 31, 2020, based on their value in use.

11. NET EARNINGS PER SUBORDINATE VOTING SHARE

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Weighted average number of shares outstanding <i>(in millions)</i> :				
Basic	94	100	97	100
Diluted	95	100	97	100

12. 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	Total
Recognized	Designated		
September 30, 2020			
Assets as per balance sheet			
Cash and cash equivalents	\$ 371	\$ -	\$ 371
Treasury investments	631	-	631
Management and advisory fees, recoverable fund expenses and other receivables	-	294	294
Corporate investments	8,845	-	9,275
Other assets	73	-	73
Total	\$ 9,920	\$ 294 ⁽ⁱ⁾	\$ 10,644

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

	Fair Value through Net Earnings (Loss)		Amortized Cost	Total
	Recognized	Designated		
December 31, 2019				
Assets as per balance sheet				
Cash and cash equivalents	\$ 988	\$ -	\$ -	\$ 988
Treasury investments	306	-	-	306
Management and advisory fees, recoverable fund expenses and other receivables	-	-	332	332
Corporate investments	8,736	714	-	9,450
Other assets	116	-	-	116
Total	\$ 10,146	\$ 714	\$ 332⁽ⁱ⁾	\$ 11,192

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

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

	Fair Value through Net Earnings (Loss) – Designated	Amortized Cost	Total
September 30, 2020			
Liabilities as per balance sheet			
Intercompany loans payable to Investment Holding Companies	\$ 4,084	\$ –	\$ 4,084
Accounts payable and accrued liabilities	–	27	27
Lease liabilities	–	67	67
Other liabilities	–	5	5
Total	\$ 4,084	\$ 99	\$ 4,183

	Fair Value through Net Earnings (Loss) – Designated	Amortized Cost	Total
December 31, 2019			
Liabilities as per balance sheet			
Intercompany loans payable to Investment Holding Companies	\$ 4,217	\$ –	\$ 4,217
Accounts payable and accrued liabilities	–	39	39
Lease liabilities	–	72	72
Other liabilities	–	27	27
Total	\$ 4,217	\$ 138	\$ 4,355

At September 30, 2020, intercompany loans payable to Investment Holding Companies that are recorded at fair value through net earnings (loss) had contractual amounts due on maturity of \$4,084 (December 31, 2019 – \$4,217).

13. FAIR VALUE MEASUREMENTS

Fair values of financial instruments

The estimated fair values of financial instruments as at September 30, 2020 and December 31, 2019 are 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 approximate 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, 2020. 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, at September 30, 2020 was as follows:

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through net earnings (loss)				
Investments in equities	\$ -	\$ -	\$ 8,845	\$ 8,845
Investments in debt	-	631	-	631
Intercompany loans receivable from Investment Holding Companies	-	430	-	430
Restricted cash and other	9	64	-	73
Total financial assets at fair value through net earnings (loss)	\$ 9	\$ 1,125	\$ 8,845	\$ 9,979

The allocation of financial assets in the fair value hierarchy, excluding cash and cash equivalents, at December 31, 2019 was as follows:

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through net earnings (loss)				
Investments in equities	\$ -	\$ -	\$ 8,736	\$ 8,736
Investments in debt	-	306	-	306
Intercompany loans receivable from Investment Holding Companies	-	714	-	714
Restricted cash and other	30	86	-	116
Total financial assets at fair value through net earnings (loss)	\$ 30	\$ 1,106	\$ 8,736	\$ 9,872

Financial liabilities measured at fair value at September 30, 2020 and December 31, 2019 consisted solely of intercompany loans payable to Investment Holding Companies totalling \$4,084 (December 31, 2019 – \$4,217), which are Level 2 measurements 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)	Long-Term Debt of Credit Strategies at Fair Value through Net Earnings (Loss)	Other Financial Liabilities at Fair Value through Net Earnings (Loss)
Balance – December 31, 2018	\$ 226	\$ 7,506	\$ 230
Derecognition of previously consolidated corporate investments	(226)	(7,506)	(230)
Recognition of corporate investments	8,742	-	-
Change in fair value recognized in net earnings	799	-	-
Net cash flows related to intercompany loans and distributions	(805)	-	-
Balance – December 31, 2019	\$ 8,736	\$ -	\$ -
Change in fair value recognized in net earnings (loss)	146	-	-
Net cash flows related to intercompany loans and distributions	(37)	-	-
Balance – September 30, 2020	\$ 8,845	\$ -	\$ -
Unrealized change in fair value of assets and liabilities held at the end of the reporting period	\$ 146	\$ -	\$ -

During the three and nine months ended September 30, 2020 and 2019, financial assets measured at fair value with significant unobservable inputs (Level 3) were recognized in the unaudited interim consolidated statements of earnings in the following line items: (i) net gain (loss) on corporate investments; (ii) gain on derecognition of previously consolidated corporate investments; and (iii) reclassification from accumulated other comprehensive loss on derecognition of previously consolidated corporate investments.

The valuation of financial assets and liabilities measured at fair value with significant unobservable inputs (Level 3) is determined quarterly utilizing company-specific considerations and available market data of comparable public companies. The valuation of investments in the Onex Partners and ONCAP Funds is reviewed and approved by the General Partner of the respective Fund each quarter.

The fair value measurements for corporate investments were primarily driven by the underlying net asset values of Onex' investments in the Onex Partners Funds, ONCAP Funds and Onex Credit strategies. The valuation of underlying non-public investments requires significant judgement due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such investments. A change to reasonably possible alternative estimates and assumptions used in the valuation of non-public investments in the Onex Partners Funds and ONCAP Funds, and investments held in Onex Credit strategies, may have a significant impact on the fair values calculated for these financial assets.

The valuation of public investments held directly by Onex or through the Onex Partners Funds and ONCAP Funds is based on their publicly traded closing prices at September 30, 2020 and December 31, 2019. For certain public investments, a discount was applied to the closing price in relation to restrictions that were in place at September 30, 2020 and December 31, 2019 relating to the securities held by Onex, the Onex Partners Funds or the ONCAP Funds. At September 30, 2020, these discounts resulted in a reduction of \$71 in the fair value of corporate investments (December 31, 2019 – \$84).

The valuation of investments in debt securities is measured at fair value with significant other observable inputs (Level 2) generally determined 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.

The Company utilized 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, investments in Onex 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, 2020 and December 31, 2019. 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, 2020 would decrease or increase by \$88, respectively.

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, 2020 ⁽ⁱ⁾	Inputs at December 31, 2019
Onex Partners Funds	Comparable company valuation multiple	Adjusted EBITDA multiple	9.3x – 13.0x	8.4x – 13.0x
Onex Partners Funds	Discounted cash flow	Weighted average cost of capital	10.8% – 15.5%	13.4% – 15.8%
		Exit multiple	4.2x – 16.0x	5.3x – 16.0x
ONCAP Funds	Comparable company valuation multiple	Adjusted EBITDA multiple	7.3x – 9.5x	6.9x – 9.5x
ONCAP Funds	Discounted cash flow	Weighted average cost of capital	12.0% – 23.9%	12.5% – 22.9%
		Exit multiple	7.0x – 10.0x	7.0x – 10.5x

(i) Excludes the EBITDA multiple for one Onex Partners operating business as this input is not meaningful due to the impact of COVID-19 on the financial results of the operating business.

In addition, at September 30, 2020, the Onex Partners Funds had one investment that was valued using market comparable transactions, one investment that was valued based on a multiple of book value, one investment that was valued using a market approach and one investment that was valued at cost as this approximated its fair value. At December 31, 2019, the Onex Partners Funds had one investment that was valued using market comparable transactions, one

investment that was valued based on a multiple of book value and one investment that was valued using the adjusted cost approach. The adjusted cost approach incorporated adjustments to the original cost based on the financial performance of the investment since the date the Onex Partners Fund agreed to purchase the investment to December 31, 2019.

The impact on the fair value of corporate investments as at September 30, 2020 from changes in the significant unobservable inputs used to value the private equity funds' underlying private securities include 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 multiple	\$ 40	\$ (41)
ONCAP Funds	Comparable company valuation multiple	Adjusted EBITDA multiple	\$ 32	\$ (33)

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Multiple Increase by 0.5	Multiple Decrease by 0.5
Onex Partners Funds	Discounted cash flow	Exit multiple	\$ 92	\$ (93)
ONCAP Funds	Discounted cash flow	Exit multiple	\$ 22	\$ (22)

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 cost of capital	\$ 24	\$ (23)
ONCAP Funds	Discounted cash flow	Weighted average cost of capital	\$ 8	\$ (8)

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.

At September 30, 2020, investments in the Onex Credit CLOs 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 are 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. The 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 Onex Credit CLOs.

Investment Platform	Significant Unobservable Inputs	Inputs at September 30, 2020
U.S. CLOs	Default rate	2.0%
	Discount rate	15.0% – 20.0%
	Recovery rate	55.0%
EURO CLOs	Default rate	2.0%
	Discount rate	12.0% – 17.0%
	Recovery rate	55.0%

The impact on the fair value of corporate investments as at September 30, 2020 from changes in the significant unobservable inputs used to value Onex' investments in the CLOs include the following:

Investment Platform	Significant Unobservable Inputs	Decrease of 1.5 Percentage Points	Increase of 1.5 Percentage Points
U.S. CLOs	Default rate	\$ 39	\$ [39]
EURO CLOs	Default rate	\$ 19	\$ [21]

Investment Platform	Significant Unobservable Inputs	Decrease of 3.0 Percentage Points	Increase of 3.0 Percentage Points
U.S. CLOs	Discount rate	\$ 22	\$ [18]
EURO CLOs	Discount rate	\$ 8	\$ [7]

Investment Platform	Significant Unobservable Inputs	Decrease of 15.0 Percentage Points	Increase of 15.0 Percentage Points
U.S. CLOs	Recovery rate	\$ [27]	\$ 28
EURO CLOs	Recovery rate	\$ [8]	\$ 8

At December 31, 2019, Onex' investments in the Onex Credit CLOs were valued using third-party pricing models, without adjustment by the Company, based on a projection of the future cash flows expected to be realized from the underlying collateral of the CLOs, which are a Level 3 measurement in the fair value hierarchy. The significant unobservable inputs included in these pricing models have not been provided as this information is not reasonably available.

14. RELATED-PARTY TRANSACTIONS

Onex receives management fees on limited partners' and clients' capital within the Onex Partners Funds, ONCAP Funds, Onex Credit strategies and advisory fees directly from certain operating businesses. Onex also receives performance fees from the Onex Credit strategies and recovers certain deal investigation, research and other expenses from the Onex Partners Funds, ONCAP Funds, Onex Credit strategies and the operating businesses of Onex Partners and ONCAP. Onex indirectly controls the Onex Partners Funds, ONCAP Funds and Onex Credit strategies, and therefore the management and performance fees 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 Partners and ONCAP Funds, and as such, advisory fees from these operating businesses represent related-party transactions.

Gluskin Sheff has agreements to manage its pooled fund vehicles, where it generally acts as the trustee, manager, transfer agent and principal distributor. In the case of those pooled fund vehicles that are limited partnerships, Gluskin Sheff or an affiliate of Gluskin Sheff is the General Partner. As such, the Gluskin Sheff pooled fund vehicles are related parties of the Company.

Related-party revenues recognized during the three and nine months ended September 30, 2020 comprised the following:

	Three Months Ended September 30, 2020		Nine Months Ended September 30, 2020	
	Management and Advisory Fees	Reimbursement of Expenses	Management and Advisory Fees	Reimbursement of Expenses
Source of related-party revenues				
Onex Partners Funds	\$ 28	\$ -	\$ 84	\$ 6
Gluskin Sheff pooled fund vehicles ⁽ⁱ⁾	15	-	44	-
Onex Credit Strategies	13	-	39	1
ONCAP Funds	4	1	12	1
Total related-party revenues	\$ 60	\$ 1	\$ 179	\$ 8
Gluskin Sheff third-party revenues	1	-	3	-
Total revenues	\$ 61	\$ 1	\$ 182	\$ 8

(i) Revenues associated with the reimbursement of expenses from the Gluskin Sheff pooled fund vehicles are included within other income.

At September 30, 2020, related-party receivables comprised the following:

	As at September 30, 2020			
	Management and Advisory Fees Receivable	Recoverable Fund and Operating Expenses Receivable	Other Receivables	Total
Onex Partners Funds	\$ 178	\$ 71	\$ -	\$ 249
ONCAP Funds	16	6	-	22
Onex Credit Strategies	11	1	1	13
Gluskin Sheff pooled fund vehicles	5	-	-	5
Total related-party receivables	\$ 210	\$ 78	\$ 1	\$ 289
Third-party receivables	-	-	14	14
Total	\$ 210	\$ 78	\$ 15	\$ 303

During the three and nine months ended September 30, 2020 and 2019, Onex received services from certain operating companies, the value of which was not significant.

15. COMMITMENTS

a) Onex Senior Loan Opportunity Fund

During the first nine months of 2020, Onex completed fundraising for the Onex Senior Loan Opportunity Fund, reaching aggregate commitments of \$85, including \$20 from Onex and \$25 from the Onex management team, as described in note 4. In addition to Onex' \$20 commitment to the fund, Onex committed \$80 to be invested through a separately managed account which follows a similar strategy as the Onex Senior Loan Opportunity Fund. As at September 30, 2020, Onex had invested \$38 of its aggregate \$100 commitment.

b) Onex Structured Credit Opportunities Fund

During the third quarter of 2020, Onex completed the first close for the Onex Structured Credit Opportunities Fund, reaching aggregate commitments of \$64, including \$25 from Onex and \$37 from the Onex management team, as described in note 4. In addition to Onex' \$25 commitment to the fund, Onex committed \$25 to be invested through a separately managed account which follows a similar strategy as the Onex Structured Credit Opportunities Fund. As at September 30, 2020, Onex had invested \$9 of its aggregate \$50 commitment through the separately managed account.

c) Incline Aviation Fund II

In September 2020, Onex committed \$125 to Incline Aviation Fund II, an aircraft investment fund managed by BBAM and focused on investments in contractually leased commercial jet aircraft. Onex had made no investments in Incline Aviation Fund II as at September 30, 2020.

16. INFORMATION BY REPORTABLE SEGMENT

The Company has two reportable segments:

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

Onex' segmented results include allocations of management fees and carried interest that would have been recognized on Onex' capital in the Onex Partners and ONCAP Funds, as this presentation is used by Onex management, in part, to assess Onex' performance. During the three and nine months ended September 30, 2020 and 2019, these allocations, on a net basis, reduced Onex' investing segment income and increased Onex' asset and wealth management segment income, with no net impact to total segment net earnings (loss).

Onex' segmented results exclude revenues and expenses associated with recoverable expenses from the Onex Partners, ONCAP and Onex Credit Funds, 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, 2020			Three Months Ended September 30, 2019			
(Unaudited)	Investing	Asset and Wealth Management	Total	Investing	Asset and Wealth Management	Total
Net gain (loss) on corporate investments (including an increase (decrease) in carried interest)	\$ 490 ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ 17 ⁽ⁱ⁾	\$ 507 ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ 127 ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ (17) ⁽ⁱ⁾	\$ 110 ⁽ⁱ⁾⁽ⁱⁱⁱ⁾
Management and advisory fees	–	75 ⁽ⁱⁱ⁾	75 ⁽ⁱⁱ⁾	–	82 ⁽ⁱⁱ⁾	82 ⁽ⁱⁱ⁾
Interest and net treasury investment income	2	–	2	3	–	3
Other income	–	1	1	–	2	2
Total segment income	492	93	585	130	67	197
Compensation	–	(52)	(52)	–	(46)	(46)
Amortization of right-of-use assets	–	(3)	(3)	–	(3)	(3)
Other expense	–	(15)	(15)	–	(17)	(17)
Segment net earnings	\$ 492	\$ 23	\$ 515	\$ 130	\$ 1	\$ 131
Stock-based compensation recovery (expense)			3			(18)
Amortization of property and equipment, and other intangible assets, excluding right-of-use assets			(12)			(12)
Integration expense			(5)			(1)
Net earnings			\$ 501			\$ 100

(i) The asset and wealth management segment includes an allocation of \$5 (2019 – net reversal of \$5) from the investing segment, representing 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.

(ii) The asset and wealth management segment includes an allocation of \$14 (2019 – \$15) 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.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Nine Months Ended September 30, 2020				Nine Months Ended September 30, 2019		
(Unaudited)	Investing	Asset and Wealth Management	Total	Investing	Asset and Wealth Management	Total
Net gain (loss) on corporate investments (including a decrease in carried interest)	\$ 148 ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ (44) ⁽ⁱ⁾	\$ 104 ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	\$ 587 ⁽ⁱ⁾⁽ⁱⁱ⁾	\$ (15) ⁽ⁱ⁾	\$ 572 ⁽ⁱ⁾⁽ⁱⁱⁱ⁾
Management and advisory fees	–	224 ⁽ⁱⁱⁱ⁾	224 ⁽ⁱⁱⁱ⁾	–	220 ⁽ⁱⁱⁱ⁾	220 ⁽ⁱⁱⁱ⁾
Interest and net treasury investment income	16	–	16	10	–	10
Other income	–	2	2	–	3	3
Total segment income	164	182	346	597	208	805
Compensation	–	(146)	(146)	–	(130)	(130)
Amortization of right-of-use assets	–	(8)	(8)	–	(7)	(7)
Other expense	–	(40)	(40)	(1)	(42)	(43)
Segment net earnings (loss)	\$ 164	\$ (12)	\$ 152	\$ 596	\$ 29	\$ 625
Stock-based compensation recovery (expense)			108	(53)		
Amortization of property and equipment, and other intangible assets, excluding right-of-use assets			(35)	(23)		
Acquisition and integration expenses			(7)	(45)		
Impairment of goodwill			(85)	–		
Gain on derecognition of previously consolidated corporate investments			–	3,719		
Reclassification from accumulated other comprehensive loss on derecognition of previously consolidated corporate investments			–	(170)		
Earnings before income taxes			\$ 133	\$ 4,053		
Recovery of income taxes			–	37		
Net earnings			\$ 133	\$ 4,090		

- (i) The asset and wealth management segment includes an allocation of \$11 (2019 – \$5) to the investing segment, representing a net reversal of carried interest that would have been recognized 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.
- (ii) The asset and wealth management segment includes an allocation of \$42 (2019 – \$46) 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.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Segmented assets include the following:

As at September 30, 2020				As at December 31, 2019		
(Unaudited)	Investing	Asset and Wealth Management	Total	Investing	Asset and Wealth Management	Total
Cash and cash equivalents	\$ 246	\$ 125 ⁽ⁱⁱ⁾	\$ 371	\$ 832	\$ 156 ⁽ⁱⁱ⁾	\$ 988
Treasury investments	631	–	631	306	–	306
Management and advisory fees, recoverable fund expenses and other receivables	192 ⁽ⁱⁱⁱ⁾	111	303	190 ⁽ⁱⁱⁱ⁾	142	332
Corporate investments	5,191	–	5,191	5,233	–	5,233
Other assets	–	79	79	–	126	126
Property and equipment	–	163	163	–	181	181
Intangible assets	–	131	131	–	158	158
Goodwill	–	171	171	–	261	261
Total segment assets	\$ 6,260	\$ 780	\$ 7,040	\$ 6,561	\$ 1,024	\$ 7,585
Net intercompany loans receivable, comprising part of the fair value of Investment Holding Companies				4,217		
Total assets			\$ 11,124	\$ 11,802		

(i) Cash and cash equivalents allocated to the asset and wealth management segment relate to accrued employee incentive compensation and the liability relating to the retirement of the Onex Credit chief executive officer, as described in note 20 to the 2019 audited annual consolidated financial statements.

(iii) Represents management fees receivable that Onex has elected to defer cash receipt from the Onex Partners and ONCAP Funds.

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, 2020 to shareholders of record as of October 9, 2020. Registered shareholders can elect to receive dividend payments in U.S. dollars by submitting a completed currency election form to AST Trust Company (Canada) 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

A presentation of Onex' corporate governance policies is included in the Management Information Circular that is mailed to all shareholders and is available on Onex' website.

Registrar and Transfer Agent

AST Trust Company (Canada)
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.astfinancial.com/ca
or inquiries@astfinancial.com

All questions about 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 AST Trust Company (Canada) website, www.astfinancial.com/ca, or contacting them at 1-800-387-0825.

Investor Relations Contact

Requests for copies of this report, other quarterly reports, annual reports and other corporate communications should be directed to:
Investor 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 Communication

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 Investor Relations at Onex.

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