

# ONEX

Q4 2020 Supplemental Information Package

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# Safe Harbour

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

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

All dollar amounts in U.S. as at December 31, 2020, unless otherwise stated.

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# Key Highlights

## Earnings per Share

- Q4 segment net earnings per share \$7.72, 43% increase from Q3
  - Q4 net earnings per share \$6.61
- YTD segment net earnings per share \$8.95, 11% increase year-over-year
  - YTD net earnings per share \$7.63

## Investing Capital

- 10% QTD and 18% YTD growth in Investing Capital per share
- Cash balance of \$1.4 billion, or 20% of Investing Capital
- Unrealized carried interest of \$87 million as of December 31, 2020, an increase of \$54 million QTD on a mark-to-market basis

## Assets Under Management

- Total AUM: \$44 billion, up 14% year-over-year
- Fee-Generating AUM: \$31 billion, up 11% year-over-year
- Run-rate management fees: \$330 million, including \$55 million on PE Onex capital

## Key 2020 Activities

- Private Equity: Total deployments of \$2.5 billion (Onex' share: \$668 million) and total realizations and distributions of \$2.7 billion (Onex' share: \$872 million)
- Onex Credit acquired Falcon Investment Advisors in December 2020

# Net Earnings Per Share

(\$ in millions, except per share amounts)

	Three Months Ended December 31, 2020			Year Ended December 31, 2020		
	Investing	Asset and Wealth Management	Total	Investing	Asset and Wealth Management	Total
Segment income	\$ 609	\$ 172	\$ 781	\$ 773	\$ 354	\$ 1,127
Segment expenses	-	(73)	(73)	-	(267)	(267)
<b>Segment net earnings</b>	<b>\$ 609</b>	<b>\$ 99</b>	<b>\$ 708</b>	<b>\$ 773</b>	<b>\$ 87</b>	<b>\$ 860</b>
<i>Segment net earnings per share – fully diluted</i>	<i>\$ 6.65</i>	<i>\$ 1.07</i>	<i>\$ 7.72</i>	<i>\$ 8.05</i>	<i>\$ 0.90</i>	<i>\$ 8.95</i>
Stock-based compensation recovery (expense)			(87)			21
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(12)			(47)
Acquisition and integration expenses			(12)			(19)
Impairment of goodwill			-			(85)
<b>Net earnings</b>			<b>\$ 597</b>			<b>\$ 730</b>
<i>Net earnings per share – fully diluted</i>			<i>\$ 6.61</i>			<i>\$ 7.63</i>

# Investing Capital

(\$ in millions, except per share data)

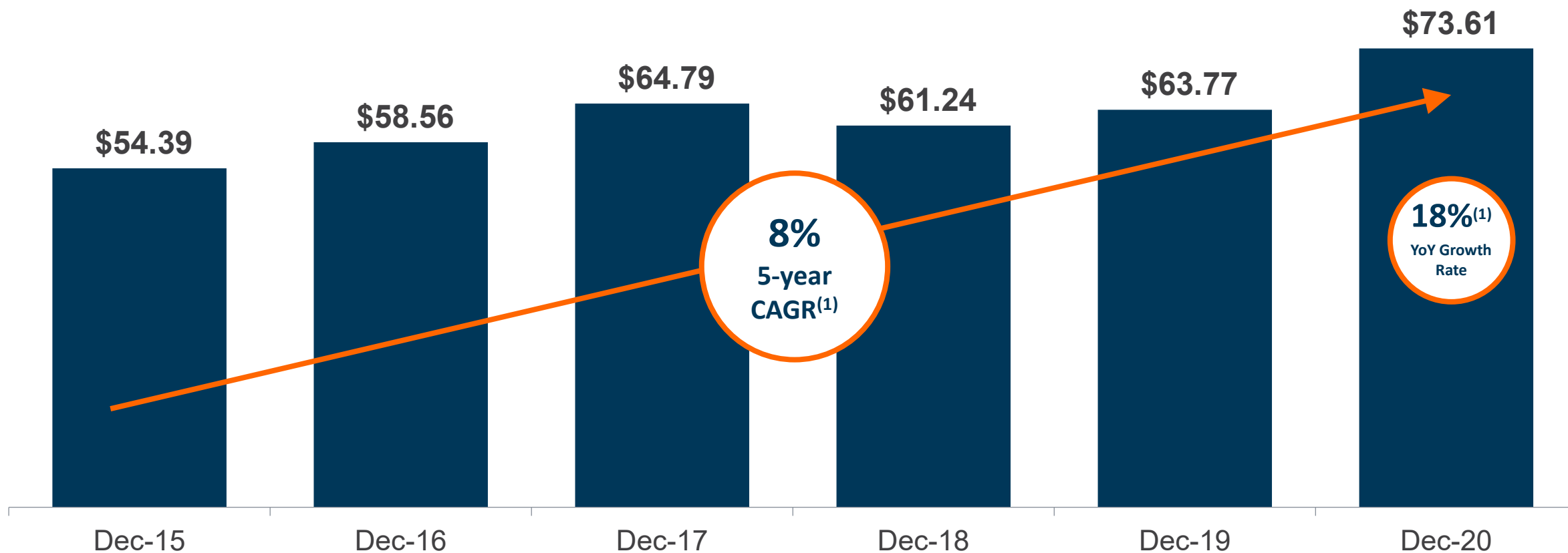
As at	December 31, 2020	September 30, 2020 <sup>(1)</sup>	December 31, 2019 <sup>(1)</sup>
<b>Private Equity</b>			
Onex Partners			
Private Companies <sup>(2)</sup>	\$ 2,295	\$ 1,750	\$ 1,752
Public Companies <sup>(3)(4)</sup>	874	1,033	1,247
ONCAP			
Private Companies <sup>(5)</sup>	576	515	468
Public Companies <sup>(3)(6)</sup>	30	18	33
Other Private Equity <sup>(3)(7)</sup>	743	627	421
Unrealized Carried Interest <sup>(8)</sup>	87	33	66
<b>Total Private Equity</b>	<b>4,605</b>	<b>3,976</b>	<b>3,987</b>
Credit <sup>(9)(10)</sup>	751	623	649
Real Estate	62	65	90
Other Net Assets (Liabilities) <sup>(11)</sup>	(8)	(5)	(7)
Cash and Near-Cash <sup>(12)(13)</sup>	1,377	1,601	1,842
Debt <sup>(14)</sup>	-	-	-
<b>Onex Investing Capital</b>	<b>\$ 6,787</b>	<b>\$ 6,260</b>	<b>\$ 6,561</b>
<b>Onex Investing Capital per Share (U.S. dollars)<sup>(15)(16)</sup></b>	<b>\$ 73.61</b>	<b>\$ 68.74</b>	<b>\$ 63.77</b>
<b>Onex Investing Capital per Share (Canadian dollars)<sup>(15)(16)</sup></b>	<b>C\$ 93.73</b>	<b>C\$ 91.70</b>	<b>C\$ 82.83</b>

## KEY HIGHLIGHTS

- Investing Capital per share grew 10%<sup>(18)</sup> in Q4 (FY 2020 – 18%<sup>(16)</sup>), reflects third consecutive double-digit quarter-over-quarter growth (strongest annual growth since 2013)
- 14%<sup>(19)</sup> increase in gross value of private equity portfolio in Q4 (FY 2020 – 24%<sup>(19)</sup>)
- Quarter-over-quarter increase in unrealized carried interest driven by two additional funds meeting carry accrual hurdle in Q4
- Cash and near-cash is now 20% of Investing Capital, includes decrease from acquisition of Falcon (\$134mm)

Combined endnotes for Investing Capital tables on page 38.

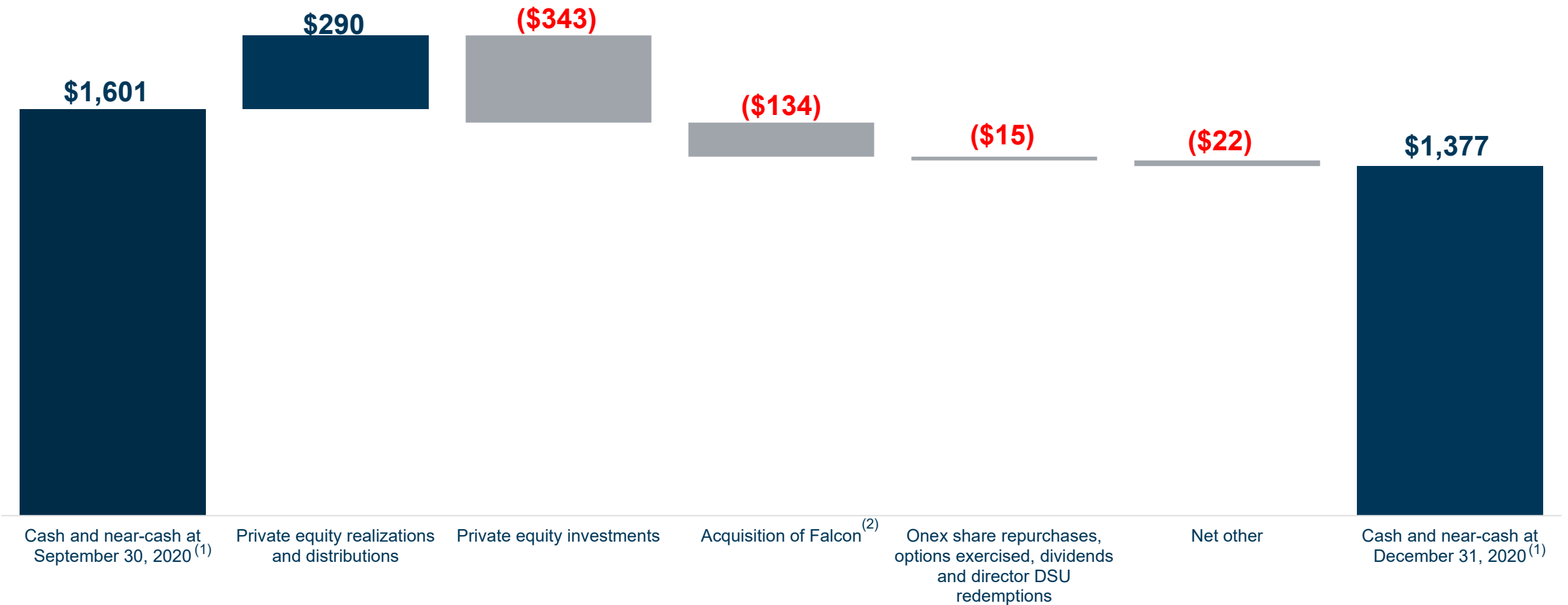
# Investing Capital Per Share



(1) The cumulative annual growth rate and 2020 annual growth rate are calculated based on adjusted investing capital per share adjusted to exclude capital utilized to acquire Gluskin Sheff and Falcon, and the expected acquisition of the remaining interest in the Onex Credit asset manager, as applicable.

# Cash and Near-Cash: Q4 Changes

(\$ in millions)



(1) Includes \$541 million (September 30, 2020 – \$934 million) of treasury investments and associated working capital managed by a third-party investment manager, \$98 million (September 30, 2020 – \$96 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$122 million (September 30, 2020 – \$192 million) of management fees.

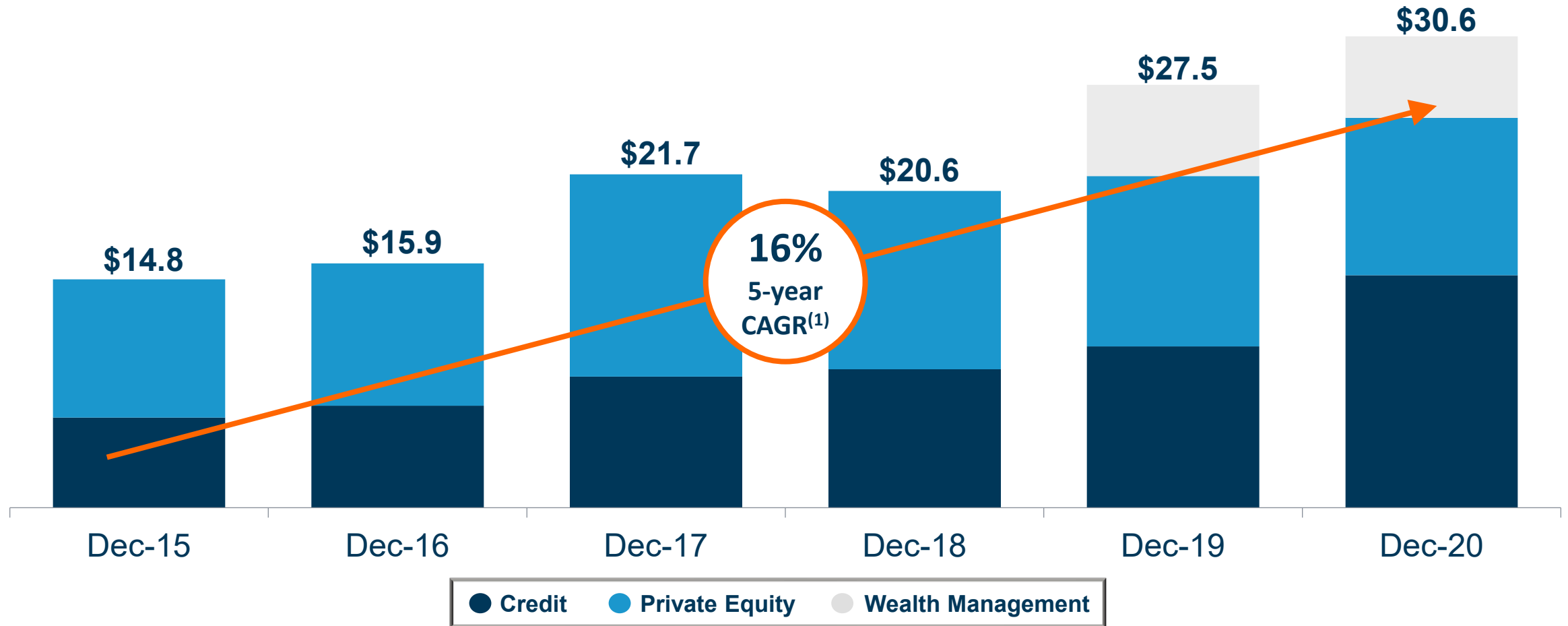
(2) The acquisition of Falcon includes the estimated fair value of contingent consideration of \$33 million and transaction costs of \$4 million.

Tables of the Q4 and YTD changes in cash and near cash are included in the appendix.



# Fee-Generating Assets Under Management

(\$ in billions)



(1) Growth in fee-generating assets under management includes the impact of the acquisitions of Falcon in December 2020 and Gluskin Sheff in June 2019.

# Segment Earnings

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# Segment Earnings: Fourth Quarter

(\$ in millions, except per share data)

Three Months Ended December 31, 2020	Investing	Asset and Wealth Management <sup>(1)</sup>	Total
Net gain on corporate investments (including an increase in carried interest) <sup>(2)(3)</sup>	\$ 609	\$ 79	\$ 688
Management and advisory fees <sup>(3)</sup>	-	76	76
Performance fees	-	16	16
Other income	-	1	1
<b>Total segment income</b>	<b>609</b>	<b>172</b>	<b>781</b>
Compensation	-	(61)	(61)
Amortization of right-of-use-assets	-	(2)	(2)
Other expense	-	(10)	(10)
<b>Segment net earnings</b>	<b>\$ 609</b>	<b>\$ 99</b>	<b>\$ 708</b>
<b>Segment net earnings per share<sup>(4)(5)</sup></b>	<b>\$ 6.65</b>	<b>\$ 1.07</b>	<b>\$ 7.72</b>

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

(2) The asset and wealth management segment includes an allocation of \$25 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.

(3) The asset and wealth management segment includes an allocation of \$14 million from the investing segment, representing management fees that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds.

(4) Calculated on a fully diluted basis.

(5) Total diluted net earnings per share is \$6.61 for the three months ended December 31, 2020.

This table can be found on page 32 of Onex' 2020 Annual Report.

# Segment Earnings: Full Year

(\$ in millions, except per share data)

Year Ended December 31, 2020

	Investing	Asset and Wealth Management <sup>(1)</sup>	Total
Net gain on corporate investments (including an increase in carried interest) <sup>(2)(3)</sup>	\$ 757	\$ 35	\$ 792
Management and advisory fees <sup>(3)</sup>	-	300	300
Performance fees	-	16	16
Interest and net treasury investment income	16	-	16
Other income	-	3	3
<b>Total segment income</b>	<b>773</b>	<b>354</b>	<b>1,127</b>
Compensation	-	(207)	(207)
Amortization of right-of-use-assets	-	(10)	(10)
Other expense	-	(50)	(50)
<b>Segment net earnings</b>	<b>\$ 773</b>	<b>\$ 87</b>	<b>\$ 860</b>
<b>Segment net earnings per share<sup>(4)(5)</sup></b>	<b>\$ 8.05</b>	<b>\$ 0.90</b>	<b>\$ 8.95</b>

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

(2) The asset and wealth management segment includes an allocation of \$14 million to 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.

(3) The asset and wealth management segment includes an allocation of \$56 million from the investing segment, representing management fees that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds.

(4) Calculated on a fully diluted basis.

(5) Total diluted net earnings per share is \$7.63 for the year ended December 31, 2020.

This table can be found on page 33 of Onex' 2020 Annual Report.

# Investing Segment

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# Investing Segment Earnings

(\$ in millions)

	Quarter		Full Year	
	Q4'20	Q4'19	2020	2019
<b>Private Equity</b>				
Onex Partners Funds <sup>(1)</sup>	\$ 334	\$ 84	\$ 487	\$ 682
ONCAP Funds <sup>(1)</sup>	72	38	101	14
Other private equity investments	116	39	213	44
Management fees on Onex' capital <sup>(2)</sup>	(14)	(15)	(56)	(61)
Carried interest on Onex' capital <sup>(3)</sup>	(25)	(1)	(14)	4
<b>Private equity investing income</b>	<b>483</b>	<b>145</b>	<b>731</b>	<b>683</b>
<b>Credit</b>				
CLOs	113	9	35	41
Middle-market lending	7	2	3	7
Other credit strategies	14	1	16	16
<b>Credit strategies investing income</b>	<b>134</b>	<b>12</b>	<b>54</b>	<b>64</b>
<b>Other</b>				
Other investing segment income (loss)	(8)	3	(12)	9
<b>Investing segment net earnings</b>	<b>\$ 609</b>	<b>\$ 160</b>	<b>\$ 773</b>	<b>\$ 756</b>
<b>Segment earnings per share – fully diluted</b>	<b>\$ 6.65</b>	<b>\$ 1.55</b>	<b>\$ 8.05</b>	<b>\$ 7.33</b>

### KEY HIGHLIGHTS

- Private Equity
  - Q4 Net PE investing segment earnings of \$483mm (Q4'19 – \$145mm) primarily driven by increases in fair value in OPIV and OPV
  - 14%<sup>(4)</sup> increase in gross value of private equity portfolio in Q4 (FY 2020 – 24%<sup>(4)</sup>)
- Credit
  - 21%<sup>(4)</sup> increase in fair value of credit investments in Q4 (FY 2020 – 7%<sup>(4)</sup>)
  - Issued four CLOs in 2020, one in Q4 2020

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

(2) 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.

(3) 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.

(4) Adjusted for capital deployed, realizations and distributions. Private equity gross value changes are gross of management incentive programs and an allocation of management fees and carried interest on Onex' capital.

This table can be found on pages 35 and 36 of Onex' 2020 Annual Report.

# Investing Capital: Fourth Quarter Changes

(\$ in millions)	Q3 2020 <sup>(1)</sup>	Capital Realizations & Deployed	Distributions	Total Segment Earnings	Other Items <sup>(17)</sup>	Q4 2020
<b>Onex Partners</b>						
Private Companies <sup>(2)</sup>	\$ 1,750	\$ 337	\$ (67)	\$ 275	\$	2,295
Public Companies <sup>(3)(4)</sup>	1,033	-	(218)	59		874
<b>ONCAP</b>						
Private Companies <sup>(5)</sup>	515	1	-	60		576
Public Companies <sup>(3)(6)</sup>	18	-	-	12		30
Other Private Equity <sup>(3)(7)</sup>	627	5	(5)	116		743
Unrealized Carried Interest <sup>(8)</sup>	33	n/a	-	54		87
<b>Total Private Equity</b>	<b>3,976</b>	<b>343</b>	<b>(290)</b>	<b>576</b>	<b>-</b>	<b>4,605</b>
<b>Credit<sup>(9)(10)</sup></b>	<b>623</b>	<b>77</b>	<b>(81)</b>	<b>132</b>		<b>751</b>
<b>Real Estate</b>	<b>65</b>	<b>-</b>	<b>(5)</b>	<b>2</b>		<b>62</b>
<b>Other Net Assets (Liabilities)<sup>(11)</sup></b>	<b>(5)</b>	<b>-</b>	<b>-</b>	<b>(3)</b>		<b>(8)</b>
<b>Cash and Near-Cash<sup>(12)(13)</sup></b>	<b>1,601</b>	<b>(420)</b>	<b>376</b>	<b>1</b>	<b>(181)</b>	<b>1,377</b>
<b>Debt<sup>(14)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Onex Investing Capital</b>	<b>\$ 6,260</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 708</b>	<b>\$ (181)</b>	<b>\$ 6,787</b>

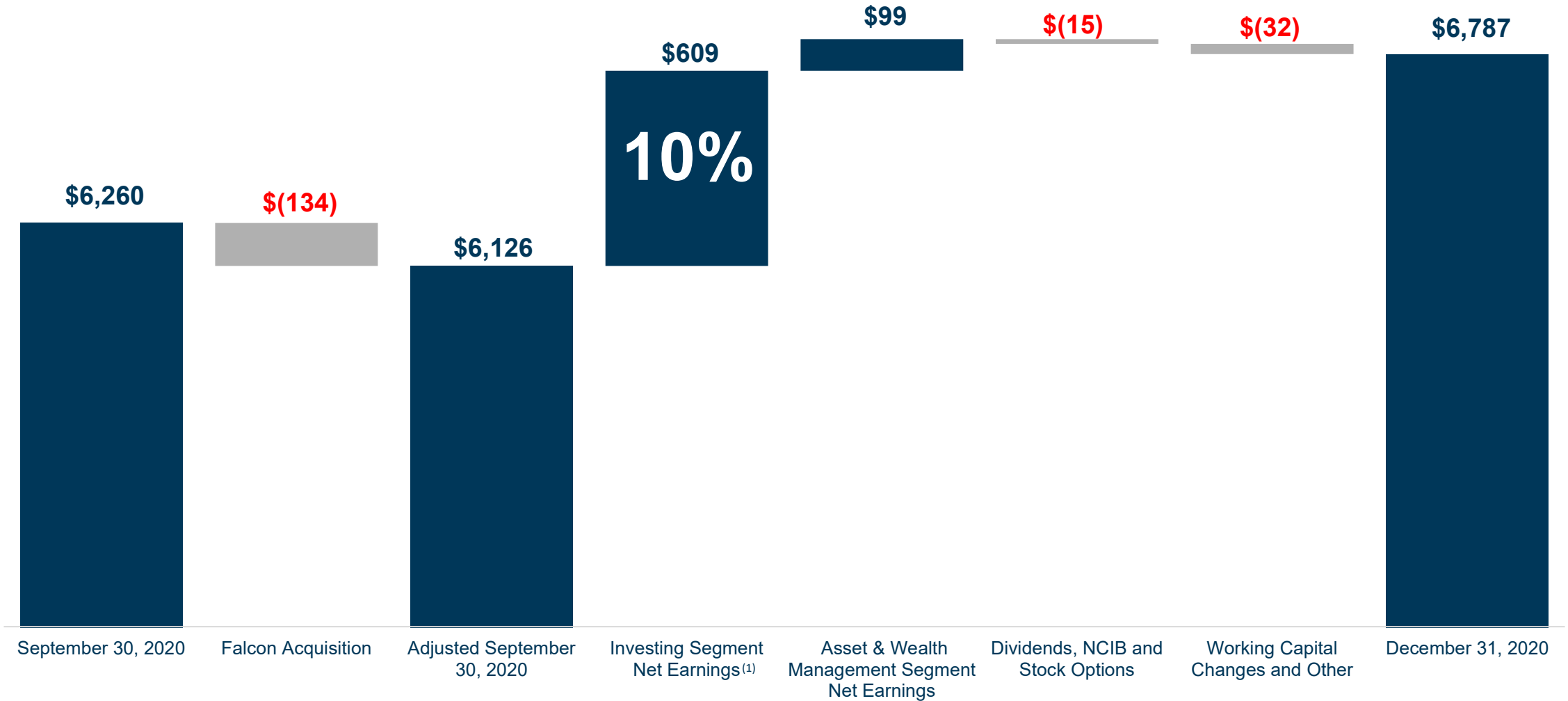
## Q4 ACTIVITY

- Private Equity
  - Capital deployment in OPV for OneDigital (\$200mm) and Convex (\$136mm)
  - Final secondary sale of SIG (\$218mm)
  - Gross private equity portfolio gain of 14%<sup>(19)</sup>
- Credit
  - CLO-20 equity investment (\$11mm)
  - Net investments in Opportunistic strategies (\$27mm)
  - Regular quarterly distributions from CLOs (\$26mm)
  - CLOs fair value increases of \$113mm in Q4

Combined endnotes for Investing Capital tables on page 38.

# Investing Capital: Fourth Quarter Bridge

(\$ in millions)

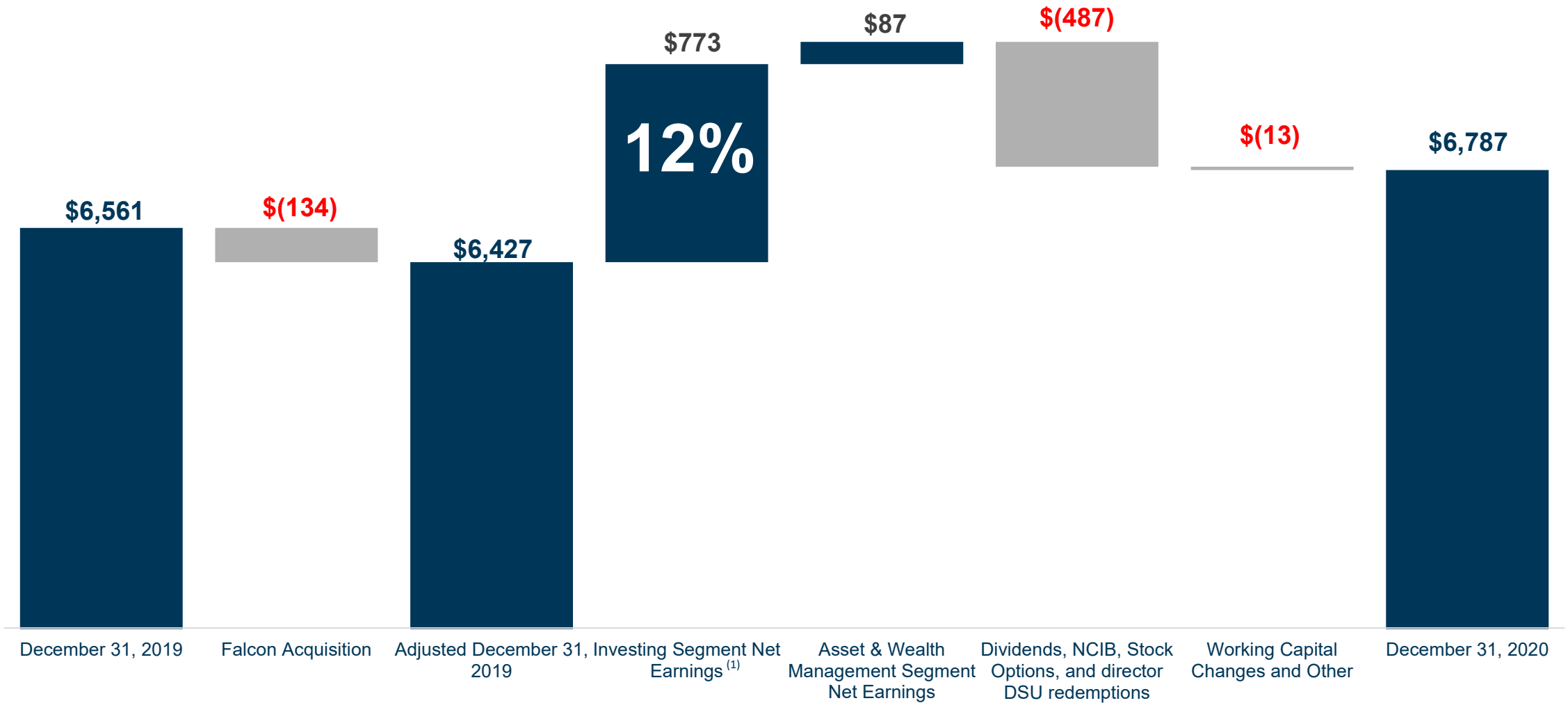


(1) Investing segment net earnings include \$4 million of net treasury investment income.



# Investing Capital: 2020 Full Year Bridge

(\$ in millions)



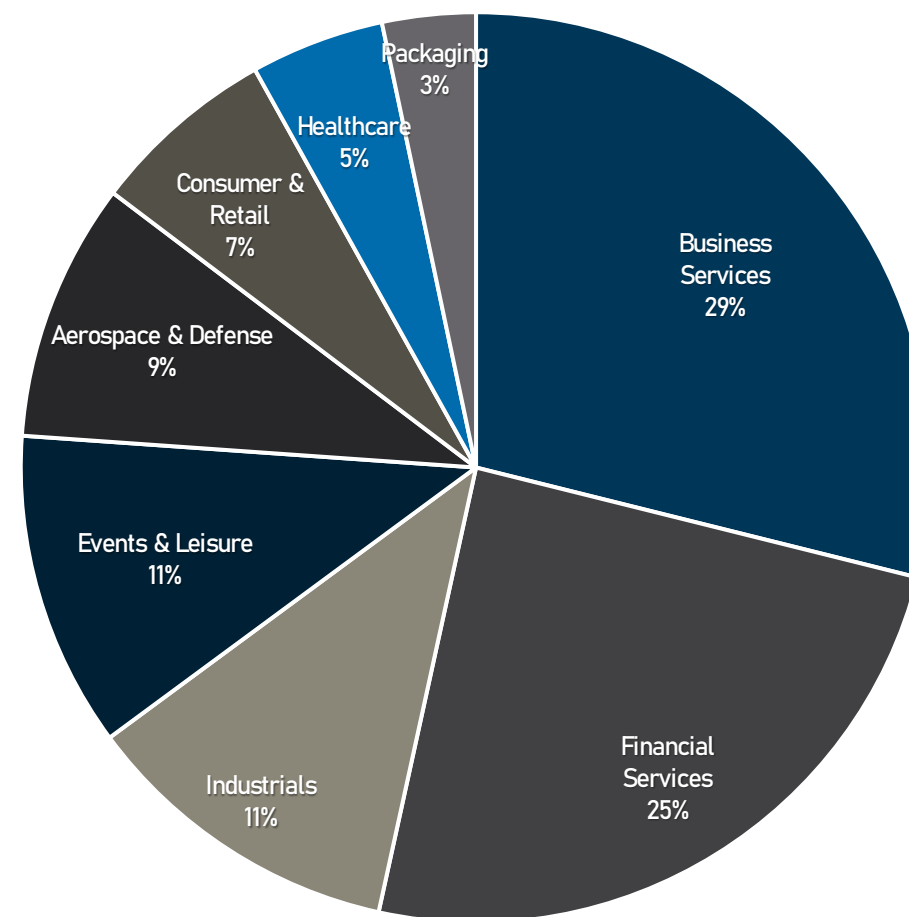
(1) Investing segment net earnings include \$27 million of net treasury investment income.

# Investing Segment: Private Equity

# Diversified Private Equity Portfolio

(\$ in millions)

INDUSTRY <sup>(1)</sup> (no. of businesses as of December 31, 2020)	December 2020 Gross PE Capital (\$)	December 2020 Gross PE Capital (%)
Business services (6)	\$ 1,392	29%
Financial services (4)	1,183	25%
Industrials (6)	552	11%
Events & Leisure (4)	541	11%
Aerospace & Defense (4)	443	9%
Customer & Retail (7)	319	7%
Healthcare (3)	229	5%
Packaging (4)	160	3%
<b>Total</b>	<b>\$ 4,819</b>	<b>100%</b>



*% of Private Equity Investing Capital*

(1) Onex management typically evaluates deals and opportunities in broad industry verticals. This page, which further breaks down those verticals into sub-categories, is provided to allow users to evaluate Onex' exposure in the current macro-economic environment.

# COVID-19 Exposure in Private Equity Portfolio

(\$ in millions)

COVID-19 EXPOSURE <sup>(1)</sup> (no. of businesses as of December 31, 2020)	December 2020 Gross PE Capital (\$)	December 2020 Gross PE Capital (%)	Fourth Quarter		Full Year	
			Change in Value <sup>(2)</sup> (\$)	Change in Value <sup>(2)</sup> (%)	Change in Value <sup>(2)</sup> (\$)	Change in Value <sup>(2)</sup> (%)
<b>Low to positive exposure (12)</b>	\$ 2,730	57%	\$ 187	7%	\$ 950	52%
<b>Demand/supply headwinds (19)</b>	1,263	26%	154	14%	19	2%
<b>Direct exposure (7)</b>	826	17%	246	40%	(26)	(3%)
<b>Total</b>	<b>\$ 4,819</b>	<b>100%</b>	<b>\$ 587</b>	<b>14%</b>	<b>\$ 943</b>	<b>24%</b>

(1) Onex and its portfolio company management teams have tried to assess the impact of the COVID-19 pandemic based on the best information available in real time, however, we cannot predict epidemiology, the development of therapeutics, governmental and regulatory policy and programs, or even the behavior of capital markets, investors or consumers. We have, however, attempted to provide our best assessment of the portfolio companies' exposure in the above table based on information available at the time of publishing.

(2) 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.

# Private Equity Operating Companies: Public Company Disclosure

As at December 31, 2020	Fund Association	Shares Held by Onex <sup>(1)</sup>	Closing Share Price <sup>(2)(3)</sup>
<b>Onex Partners</b>			
Emerald <sup>(4)</sup>	OPIII	11.4	\$ 5.42
JELD-WEN	OPIII	8.1	25.36
Clarivate	OPIV	27.0	29.71
<b>ONCAP</b>			
Pinnacle Renewable Energy <sup>(3)</sup>	ONCAPII	5.0	C\$ 8.94
<b>Direct Investments</b>			
Celestica <sup>(5)</sup>	Direct	18.0	8.07

(1) Presented in millions of shares. Onex' investments include co-investments, where applicable.

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

(3) Share price for Pinnacle Renewable Energy reflects the average closing price for the five trading days ending December 31, 2020. On February 8, 2021, Pinnacle announced that it had entered into an agreement to be acquired for C\$11.30 per share subject to customary closing conditions and regulatory approvals.

(4) Emerald reflects Onex' share of the Onex Partners III investment in the publicly traded shares of the company and excludes the preferred shares held by Onex Partners V, which are not publicly traded.

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

# Private Equity Funds: Onex' Gross Investment Performance

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	Year Ended December 31, 2020
Increase in value of Onex' private equity investments in U.S. dollars <sup>(1)</sup> :	
Onex Partners	20%
ONCAP	23%
Direct investments	50%
<b>Total private equity investments</b>	<b>24%</b>

(1) Adjusted for capital deployed, realizations and distributions. Performance results are gross of management incentive programs and an allocation of management fees and carried interest on Onex' capital.

*This table can be found on page 16 of Onex' 2020 Annual Report.*

# Private Equity Funds: Performance Returns

	Vintage	Gross IRR	Net IRR <sup>(1)</sup>	Gross MOC	Net MOC <sup>(1)</sup>
<b>Onex Partners Funds – Invested</b>					
Onex Partners I <sup>(2)</sup>	2003	55%	38%	4.0x	3.1x
Onex Partners II	2006	17%	13%	2.2x	1.8x
Onex Partners III	2009	17%	11%	2.1X	1.7x
Onex Partners IV	2014	11%	8%	1.5x	1.3x
<b>Total Onex Partners Funds – Invested<sup>(3)</sup></b>		<b>26%</b>	<b>n/a</b>	<b>2.1x</b>	<b>n/a</b>
<b>ONCAP Funds – Invested</b>					
ONCAP I <sup>(2)(4)</sup>	1999	43%	33%	4.1x	3.1x
ONCAP II <sup>(4)</sup>	2006	29%	21%	4.0x	2.8x
ONCAP III <sup>(4)</sup>	2011	25%	18%	3.4x	2.5x
<b>Total ONCAP Funds – Invested<sup>(3)(4)</sup></b>		<b>39%</b>	<b>n/a</b>	<b>3.7x</b>	<b>n/a</b>
<b>Onex Partners and ONCAP Funds – Investing</b>					
Onex Partners V <sup>(5)</sup>	2018	31%	26%	1.3x	1.2x
ONCAP IV	2016	19%	9%	1.4x	1.2x

Endnotes on page 39.

This table can be found on page 10 of Onex' 2020 Annual Report.

# Investing Segment: Credit



# Onex Credit: CLO Contribution

*(\$ in millions, unless otherwise noted)*

Last twelve months ended	December 31, 2020	December 31, 2019	December 31, 2018
Regular distributions	\$76	\$86	\$59
Proceeds from realizations	-	-	23
Less: capital associated with realizations	-	-	(34)
<b>Distributions and Net Realizations</b>	<b>\$76</b>	<b>\$86</b>	<b>\$48</b>
<i>CLO Equity Yield<sup>(1)</sup></i>	<i>9%</i>	<i>12%</i>	<i>8%</i>
CLO management fees	45	43	40
<b>Gross CLO Platform Return</b>	<b>\$121</b>	<b>\$129</b>	<b>\$122</b>
<i>Gross CLO Platform Yield<sup>(2)</sup></i>	<i>15%</i>	<i>18%</i>	<i>15%</i>

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

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

# Asset and Wealth Management Segment

# Schedule of Net Earnings

## KEY HIGHLIGHTS

- Private Equity
  - Net contribution increased YoY by more than \$60mm in quarter driven by \$79mm increase in carried interest
- Credit
  - Net contribution decreased YoY due to investments to grow the team

(\$ in millions, except per share data)

	Quarter		Full Year	
	Q4'20	Q4'19	2020	2019
<b>Private Equity</b>				
Management and advisory fees <sup>(1)(2)(3)</sup>	\$ 47	\$ 51	\$ 185	\$ 207
Carried interest <sup>(4)(5)</sup>	79	10	35	(5)
<b>Income items</b>	<b>126</b>	<b>61</b>	<b>220</b>	<b>202</b>
Base compensation	7	7	28	26
Variable compensation	19	13	73	70
Other expenses, net <sup>(6)</sup>	5	8	26	37
<b>Expense items</b>	<b>31</b>	<b>28</b>	<b>127</b>	<b>133</b>
<b>Net contribution</b>	<b>95</b>	<b>33</b>	<b>93</b>	<b>69</b>
<b>Credit</b>				
Management and advisory fees <sup>(7)</sup>	15	13	54	52
Performance fees <sup>(4)</sup>	-	-	-	-
<b>Income items</b>	<b>15</b>	<b>13</b>	<b>54</b>	<b>52</b>
Base compensation	5	2	14	10
Variable compensation	4	3	25	15
Other expenses	3	3	8	7
<b>Expense items</b>	<b>12</b>	<b>8</b>	<b>47</b>	<b>32</b>
<b>Net contribution</b>	<b>3</b>	<b>5</b>	<b>7</b>	<b>20</b>
<b>Wealth Management</b>				
Management and advisory fees <sup>(8)</sup>	14	18	61	43
Performance fees <sup>(4)</sup>	16	23	16	24
Other income	1	1	3	3
<b>Income items</b>	<b>31</b>	<b>42</b>	<b>80</b>	<b>70</b>
Base compensation	6	5	17	11
Variable compensation	9	12	17	15
Other expenses	3	4	17	10
<b>Expense items</b>	<b>18</b>	<b>21</b>	<b>51</b>	<b>36</b>
<b>Net contribution</b>	<b>13</b>	<b>21</b>	<b>29</b>	<b>34</b>
<b>Shared Services and Parent Company</b>				
Base compensation	5	3	18	18
Variable compensation	6	3	15	13
Other expenses, net <sup>(6)</sup>	1	2	9	12
<b>Expense items</b>	<b>12</b>	<b>8</b>	<b>42</b>	<b>43</b>
<b>Net contribution</b>	<b>(12)</b>	<b>(8)</b>	<b>(42)</b>	<b>(43)</b>
<b>Asset &amp; wealth management segment net earnings</b>	<b>\$ 99</b>	<b>\$ 51</b>	<b>\$ 87</b>	<b>\$ 80</b>
<b>Asset &amp; wealth management segment net earnings per share<sup>(9)</sup></b>	<b>\$ 1.07</b>	<b>\$ 0.49</b>	<b>\$ 0.90</b>	<b>\$ 0.76</b>

Endnotes on page 39.

## Schedule of Adjusted Net Earnings: Cash Basis Carried Interest

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

(\$ in millions, except per share data)

	Quarter		Full Year	
	Q4'20	Q4'19	2020	2019
<b>Asset &amp; wealth management segment net earnings</b>	\$ 99	\$ 51	\$ 87	\$ 80
Accrued carried interest <sup>(1)</sup>	(79)	(10)	(35)	5
Cash received carried interest <sup>(2)(3)</sup>	-	3	-	56
<b>Adjusted asset &amp; wealth management segment net earnings</b>	\$ 20	\$ 44	\$ 52	\$ 141
<b>Adjusted asset &amp; wealth management segment net earnings per share<sup>(4)</sup></b>	\$ 0.20	\$ 0.42	\$ 0.53	\$ 1.35

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

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

(3) For the three months and year ended December 31, 2020, cash received carried interest includes less than \$1 million (December 31, 2019 – \$1 million and \$13 million, respectively) for 40% of the additional carried interest that would have been received on Onex capital had that capital been subject to carried interest under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds.

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

## Schedule of Adjusted Net Earnings: Third-Party Private Equity Income

The following schedule adjusts the private equity net contribution to the asset and wealth management segment net earnings to exclude management and advisory fees and carried interest allocated on Onex capital.

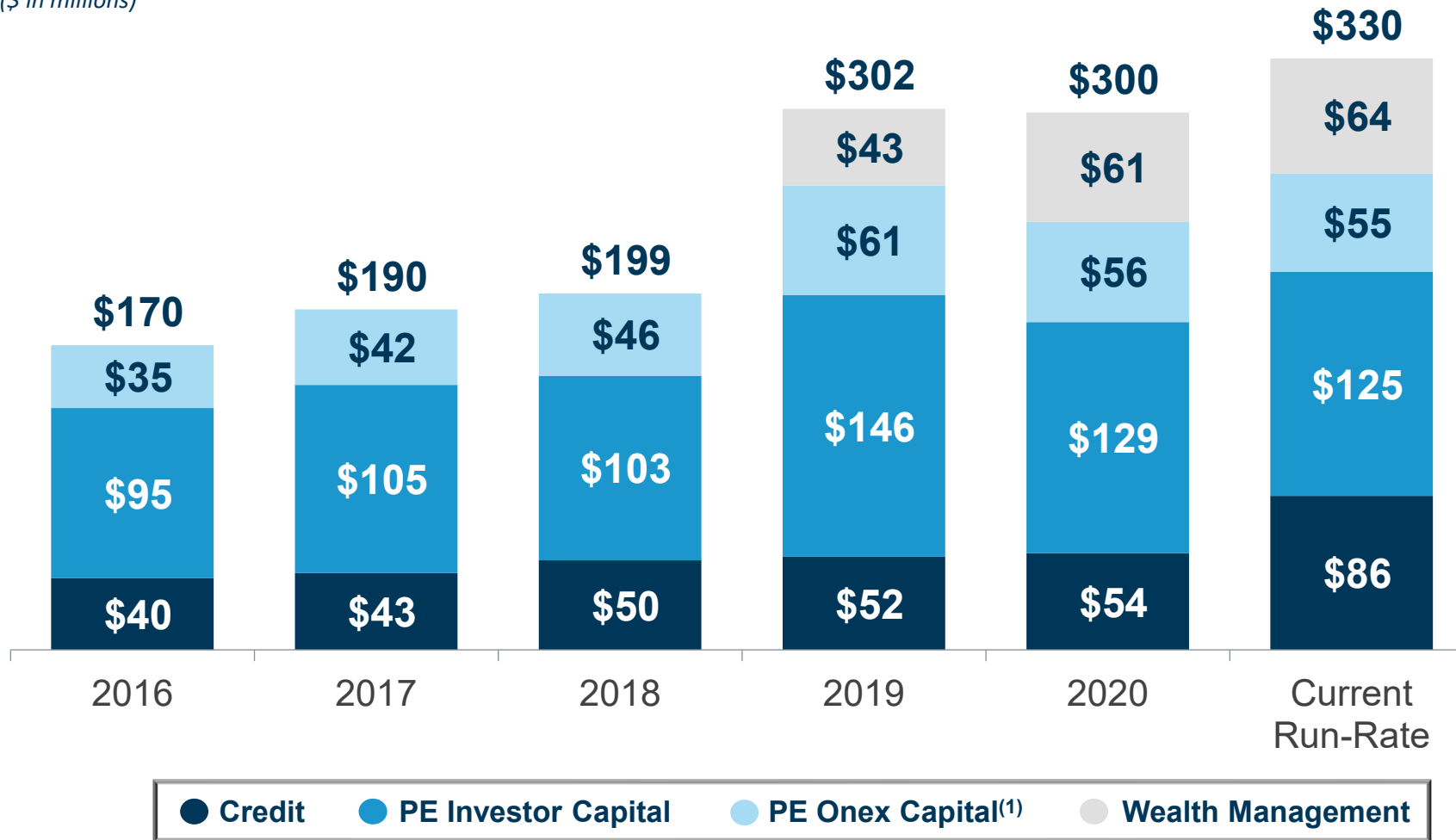
*(\$ in millions, except per share data)*

	Quarter		Full Year	
	Q4'20	Q4'19	2020	2019
<b>Private equity net contribution</b>	\$ 95	\$ 33	\$ 93	\$ 69
Allocation of management and advisory fees on Onex capital	(14)	(15)	(56)	(61)
Allocation of carried interest on Onex capital	(25)	(1)	(14)	4
<b>Adjusted private equity net contribution</b>	<b>56</b>	<b>17</b>	<b>23</b>	<b>12</b>
Net income (loss) from other business lines and shared services and parent company	4	18	(6)	11
<b>Adjusted asset &amp; wealth management segment net earnings (loss)</b>	<b>\$ 60</b>	<b>\$ 35</b>	<b>\$ 17</b>	<b>\$ 23</b>
<b>Adjusted asset &amp; wealth management segment net earnings per share (loss)<sup>(1)</sup></b>	<b>\$ 0.64</b>	<b>\$ 0.33</b>	<b>\$ 0.17</b>	<b>\$ 0.21</b>

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

# Growth in Management Fees

(\$ in millions)



**KEY HIGHLIGHTS**

- Run-Rate increase primarily driven by Onex Credit's acquisition of Falcon, which added \$29mm of management fees
- Decreases in private equity run-rate management fees primarily reflect realizations in Onex Partners funds

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

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

<i>(\$ in millions)</i>	Fee Basis	Limited Partner Capital	Percentage Applied	Run-Rate Fees at Dec-31
Onex Partners III	Invested	\$ 1,125	0.5%	\$ 6
Onex Partners IV	Invested	1,940	1.0%	19
Onex Partners V	Committed	4,957	1.7%	82
ONCAP III <sup>(1)</sup>	Invested	C\$ 227	1.5%	3
ONCAP IV	Committed	597	2.0%	12
Management fees on Onex capital <sup>(2)</sup>				55
Advisory fees to Onex				3
<b>Total private equity run-rate management and advisory fees</b>				<b>\$ 180</b>

(1) ONCAP III run-rate fees are presented in U.S. dollars based on the December 31, 2020 exchange rate of 1.2732.

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

# Gluskin Sheff Client Capital

	Total		Fee-Generating	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
<i>(\$ in millions)</i>				
Public Debt Strategies	<b>\$2,877</b>	\$3,225	<b>\$2,649</b>	\$3,149
Public Equity Strategies	<b>2,718</b>	2,977	<b>2,647</b>	2,775
Onex Credit Strategies	<b>720</b>	383	<b>710</b>	382
Onex Private Equity	<b>78</b>	53	<b>76</b>	52
<b>Total Gluskin Sheff Client Capital</b>	<b>\$6,393</b>	<b>\$6,638</b>	<b>\$6,082</b>	<b>\$6,358</b>

## FEE-GENERATING CAPITAL ACTIVITY

- Gluskin Sheff clients invested ~\$190mm in private strategies in Q4 including amounts re-allocated from public strategies
- Net redemptions of \$127mm in Q4
- The Gluskin Sheff client capital, most of which is denominated in Canadian dollars, generated a net investment gain of C\$334mm (\$249mm) YTD. Additionally, Gluskin Sheff's client capital in U.S. dollars includes an increase of ~\$115mm as a result of the appreciation of the Canadian dollar during 2020.

This table can be found on page 19 of Onex' 2020 Annual Report.



# Appendix

Q4 2020 Supplemental Information Package

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# Shareholder Capital Summary

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

As at December 31, 2020	Investing	Asset & Wealth Management	Total
Total segmented assets	\$ 6,787	\$ 1,038	\$ 7,825
Accounts payable and accrued liabilities	-	(29)	(29)
Accrued compensation	-	(125)	(125)
Lease liabilities	-	(75)	(75)
Contingent consideration and other liabilities	-	(90)	(90)
DSU hedge assets	-	(78)	(78)
<b>Total Shareholder Capital<sup>(1)</sup></b>	<b>\$ 6,787</b>	<b>\$ 641</b>	<b>\$ 7,428</b>
<b>Shareholder Capital per Share (U.S. dollars)<sup>(1)</sup></b>	<b>\$ 73.61</b>	<b>\$ 6.96</b>	<b>\$ 80.57</b>
<b>Shareholder Capital per Share (Canadian dollars)<sup>(1)</sup></b>	<b>C\$ 93.73</b>	<b>C\$ 8.85</b>	<b>C\$ 102.58</b>

(1) Calculated on a fully diluted basis.

*This table can be found on page 42 of Onex' 2020 Annual Report.*

# Share Repurchases and Dividends

Years	Shares Repurchased (# of Shares)	Average Share Price (C\$)	Cost of Share Repurchases (US\$ in millions)	Dividends Paid (US\$ in millions)	Total Returned to Shareholders (US\$ in millions)
1997 – 2015	85,620,551	C\$20.23	\$1,472	\$252	\$1,724
2016	3,114,397	C\$80.14	\$184	\$21	\$205
2017	1,273,209	C\$95.00	\$93	\$23	\$116
2018	1,169,733	C\$86.78	\$79	\$25	\$104
2019	629,027	C\$73.59	\$34	\$28	\$62
2020	9,780,411	C\$60.86	\$444	\$28	\$472
<i>Q1 2020</i>	<i>1,146,300</i>	<i>C\$57.77</i>	<i>\$48</i>	<i>\$8</i>	<i>\$56</i>
<i>Q2 2020</i>	<i>2,241,116</i>	<i>C\$57.11</i>	<i>\$93</i>	<i>\$7</i>	<i>\$100</i>
<i>Q3 2020</i>	<i>6,346,227</i>	<i>C\$62.77</i>	<i>\$301</i>	<i>\$7</i>	<i>\$308</i>
<i>Q4 2020</i>	<i>46,768</i>	<i>C\$57.39</i>	<i>\$2</i>	<i>\$6</i>	<i>\$8</i>
2021 <sup>(1)</sup>	110,400	C\$69.02	\$6	\$7	\$13
<b>TOTAL<sup>(1)</sup></b>	<b>101,697,728</b>	<b>C\$28.05</b>	<b>\$2,312</b>	<b>\$384</b>	<b>\$2,696</b>
<b>SVS Outstanding<sup>(1)</sup></b>	<b>90,200,531</b>				

(1) As at January 31, 2021.

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

# Cash and Near-Cash: Fourth Quarter Changes

<i>(\$ in millions)</i>		<b>Amount</b>
<b>Cash and near-cash at September 30, 2020<sup>(1)</sup></b>	<b>\$</b>	<b>1,601</b>
Private equity realizations and distributions:		
<i>Onex Partners</i>		
SIG secondary offering	218	
<i>Other</i>	72	290
Private equity investments:		
<i>Onex Partners</i>		
OneDigital investment	(200)	
Convex investment	(136)	
<i>Other</i>	(7)	(343)
Flushing Town Center distribution		5
Net Onex Credit strategies investment activity, including warehouse facilities		4
Acquisition of Falcon <sup>(3)</sup>		(134)
Onex share repurchases, options exercised and dividends		(15)
Net other, including capital expenditures, management fees, operating costs and treasury income		(31)
<b>Cash and near-cash at December 31, 2020<sup>(1)</sup></b>	<b>\$</b>	<b>1,377</b>
<b>QTD return on treasury investments<sup>(2)</sup>:</b>	<b>\$</b>	<b>4</b>

(1) Includes \$541 million (September 30, 2020 – \$934 million) of treasury investments and associated working capital managed by a third-party investment manager, \$98 million (September 30, 2020 – \$96 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$122 million (September 30, 2020 – \$192 million) of management fees.

(2) Includes mark-to-market gains and losses on near-cash items described in note 1, above.

(3) The acquisition of Falcon includes the estimated fair value of contingent consideration of \$33 million and transaction costs of \$4 million.

# Cash and Near-Cash: 2020 Full Year Changes

<i>(\$ in millions)</i>		<b>Amount</b>
<b>Cash and near-cash at December 31, 2019<sup>(1)</sup></b>	<b>\$</b>	<b>1,842</b>
Private equity realizations and distributions:		
<i>Onex Partners</i>		
SIG secondary offerings and dividend	590	
Clarivate Analytics secondary offering	171	
<i>Direct investments</i>		
Incline Aviation Fund	26	
RSG distributions	10	
<i>Other</i>	75	872
Private equity investments:		
<i>Onex Partners</i>		
OneDigital investment	(200)	
Convex investment	(136)	
Emerald preferred stock investment	(107)	
Acacium Group (formerly ICS) investment	(64)	
Parkdean Resorts investment	(10)	
<i>Direct investments</i>		
RSG preferred stock investment	(108)	
Incline Aviation Fund	(36)	
<i>Other</i>	(7)	(668)
Flushing Town Center distributions		20
Net Onex Credit strategies investment activity, including warehouse facilities		(49)
Acquisition of Falcon <sup>(3)</sup>		(134)
Onex share repurchases, options exercised, dividends and director DSU redemption		(487)
Net other, including capital expenditures, management fees, operating costs and treasury income		(19)
<b>Cash and near-cash at December 31, 2020<sup>(1)</sup></b>	<b>\$</b>	<b>1,377</b>
<b>YTD return on treasury investments<sup>(2)</sup>:</b>	<b>\$</b>	<b>27</b>

(1) Includes \$541 million (December 31, 2019 – \$395 million) of treasury investments and associated working capital managed by a third-party investment manager, \$98 million (December 31, 2019 – \$97 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$122 million (December 31, 2019 – \$190 million) of management fees.

(2) Includes mark-to-market gains and losses on near-cash items described in note 1, above.

(3) The acquisition of Falcon includes the estimated fair value of contingent consideration of \$33 million and transaction costs of \$4 million.

This table can be found on page 43 of Onex' 2020 Annual Report.

# Endnotes

# Endnotes

## Investing Capital (page 5) and Investing Capital: Q4 Changes (page 14)

- (1) Investing capital and investing capital per share at September 30, 2020 and December 31, 2019 are not restated to exclude capital utilized to acquire Falcon that occurred in December 2020.
- (2) Based on the fair value of the investments in Onex Partners, net of the estimated Management Investment Plan (“MIP”) liability on these investments of \$72 million (September 30, 2020 – \$42 million, December 31, 2019 - \$41 million) and any debt financing within the Onex Partners Funds.
- (3) For certain public investments, a discount was applied to the closing prices in relation to trading restrictions relating to Onex, the Onex Partners Funds or the ONCAP Funds holdings in these investments. These discounts resulted in a reduction of \$63 million in the fair value of the investments (September 30, 2020 - \$71 million, December 31, 2019 - \$84 million).
- (4) Based on the closing prices on December 31, 2020, September 30, 2020 and December 31, 2019, adjusted for a marketability discount (refer to endnote 3). Net of the estimated MIP liability on these investments of \$143 million (September 30, 2020 – \$175 million, December 31, 2019 - \$149 million).
- (5) Based on the fair value of the investments in ONCAP, net of the estimated management incentive programs liability on these investments of \$60 million (September 30, 2020 – \$44 million, December 31, 2019 - \$34 million).
- (6) Based on the average closing price for the five trading days ending December 31, 2020, September 30, 2020 and December 31, 2019, adjusted for a marketability discount (refer to endnote 3). Net of the estimated management incentive programs liability on this investment of \$3 million (September 30, 2020 – \$3 million, December 31, 2019 – \$3 million).
- (7) Primarily includes Onex' investments in Celestica Inc., Ryan Specialty Group and Incline Aviation Fund and net of the estimated MIP liability on these investments of \$23 million (September 30, 2020 – \$14 million, December 31, 2019 – \$3 million). Celestica is based on the closing prices on December 31, 2020, September 30, 2020 and December 31, 2019, adjusted for a marketability discount (refer to endnote 3).
- (8) Represents Onex' share of the unrealized carried interest for Onex Partners and ONCAP Funds.
- (9) Includes warehouse facilities.
- (10) Onex Credit Funds excludes \$98 million (September 30, 2020 – \$96 million, December 31, 2019 – \$97 million) invested in an Onex Credit unlevered senior secured loan strategy fund, which has been included with cash and near-cash items.
- (11) Represents other investment-related net liabilities of investment holding companies.
- (12) Includes \$554 million (September 30, 2020 – \$982 million, December 31, 2019 – \$646 million) of investments managed by third-party investment managers.
- (13) Includes \$122 million (September 30, 2020 – \$192 million, December 31, 2019 – \$190 million) of management fees receivable from the limited partners of its private equity platforms.
- (14) Represents debt at Onex Corporation, the parent company.
- (15) Calculated on a fully diluted basis. Fully diluted shares were 92.2 million (September 30, 2020 – 91.1 million, December 31, 2019 – 112.4 million).
- (16) The change in Onex' investing capital per share is impacted by the fair value changes of Onex' investments. Shares repurchased and options exercised during the period will decrease or increase Onex' investing capital per share to the extent that the price for share repurchases and option exercises was above or below Onex investing capital per share, respectively.
- (17) Other items include Onex share repurchases; options exercised; and dividends, as applicable.
- (18) The change in Onex' investing capital per share is calculated based on adjusted investing capital per share, which has been adjusted to exclude capital utilized to acquire Falcon.
- (19) 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.

# Endnotes (continued)

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## Private Equity Funds: Performance Returns, page 22

- (1) Net IRR and Net MOC are presented for limited partners in the Onex Partners and ONCAP Funds and exclude the capital contributions and distributions attributable to Onex' commitment as a limited partner in each fund.
- (2) Onex Partners I is substantially realized and ONCAP I has been fully realized.
- (3) Represents the aggregate performance returns for all invested Onex Partners and ONCAP Funds. Invested Funds are those funds that do not have uncalled commitments outstanding that can be used for future Onex-sponsored investments. Net IRR and Net MOC are not calculable across the aggregate Onex Partners and ONCAP Funds.
- (4) Performance returns are calculated in Canadian dollars, the functional currency of these ONCAP Funds.
- (5) Performance returns reflect the short operating period and continued deployment of Onex Partners V, including nearly half of the capital deployed to date being invested during the year ended December 31, 2020. The performance returns of Onex Partners V represent a limited partner that elected to participate in the credit facility of Onex Partners V. Performance returns for a limited partner that did not participate in the credit facility of Onex Partners V are as follows: 13% Net IRR and 1.1x Net MOC.

## Schedule of Net Earnings, page 26

- (1) Management and advisory fees include those earned in the Onex Partners and ONCAP Funds and Onex' retained portion of the management and advisory fees earned from operating companies.
- (2) For the three months and year ended December 31, 2020, management and advisory fees include \$14 million and \$56 million, respectively (2019 - \$15 million and \$61 million, respectively) of additional net fees that would have been earned on Onex capital had that capital been subject to management and advisory fees under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. These management fees reduce Onex' investing segment results in the period.
- (3) Annual run-rate private equity management fees at December 31, 2020 are \$180 million, which includes \$55 million of run-rate management and advisory fees that would be earned on Onex capital.
- (4) Carried interest and performance fees are reported on an accrual basis.
- (5) For the three months and year ended December 31, 2020, carried interest includes a net increase of \$25 million and \$14 million, respectively (2019 – a net increase of \$1 million and a net reversal of \$4 million, respectively) for 40% of the change in carried interest on Onex capital had that capital been subject to carried interest under the same terms as third-party limited partners in the Onex Partners and ONCAP Funds. This carried interest reduces Onex' investing segment results in the period.
- (6) Expenses include those of Onex' corporate functions. This schedule excludes stock-based compensation and amounts paid to Onex and ONCAP management under the Management Investment Plan and carried interest in connection with Onex capital.
- (7) For the three months and year ended December 31, 2020, credit management and advisory fees and performance fees include less than \$1 million and \$2 million, respectively (2019 – less than \$1 million and \$2 million, respectively) paid by Onex in respect of its investment in Onex Credit Funds. Annual run-rate credit management fees at December 31, 2020 are \$86 million.
- (8) Annual run-rate management and advisory fees from asset and wealth management at December 31, 2020 are \$64 million.
- (9) Calculated on a fully diluted basis using the treasury stock method.



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