INTERIM CONSOLIDATED BALANCE SHEETS

(Unaudited) *(in millions of U.S. dollars)*	As at March 31, 2024	As at December 31, 2023
Assets		
Cash and cash equivalents	$ 247	$ 265
Management and advisory fees, recoverable fund expenses and other receivables (note 2)	677	683
Corporate investments (including intercompany loans receivable from Onex and the Asset Managers of $4,193 (December 31, 2023 – $3,874), comprising part of the fair value of Investment Holding Companies) (note 3)	11,738	11,521
Other assets (note 5)	150	128
Property and equipment	106	119
Intangible assets	32	34
Goodwill	149	149
Total assets	$ 13,099	$ 12,899
Intercompany loans payable to Investment Holding Companies (note 4)	(4,193)	(3,874)
Total assets net of intercompany loans payable to Investment Holding Companies	$ 8,906	$ 9,025
Other liabilities		
Accounts payable and accrued liabilities	$ 14	$ 24
Accrued compensation	36	108
Stock-based compensation payable (note 5)	215	218
Contingent consideration	15	15
Lease liabilities	49	61
Other liabilities	34	35
Total other liabilities	$ 363	$ 461
Net assets	$ 8,543	$ 8,564
Equity		
Share capital (note 6)	$ 280	$ 281
Retained earnings and accumulated other comprehensive earnings	8,263	8,283
Total equity	$ 8,543	$ 8,564

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

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited) *(in millions of U.S. dollars except per share data)*	Three months ended March 31 **2024**	2023
Income		
Net gain (loss) on corporate investments (including a decrease in carried interest of $18 (2023 – $59)) (note 3)	**$ 32**	$ (16)
Management and advisory fees (note 7)	**50**	65
Performance fees	**1**	2
Reimbursement of expenses from investment funds and operating businesses (note 7)	**10**	7
Interest income (note 8)	**4**	1
Other income	**–**	1
Total income	**$ 97**	$ 60
Expenses		
Compensation	**$ (52)**	$ (66)
Stock-based compensation recovery (expense)	**(10)**	3
Amortization of property, equipment and intangible assets	**(7)**	(13)
Recoverable expenses from investment funds and operating businesses	**(10)**	(7)
Impairment of goodwill, intangible assets and property and equipment	**–**	(171)
Restructuring recovery (expenses)	**3**	(20)
Other expenses	**(11)**	(16)
Total expenses	**$ (87)**	$ (290)
Earnings (loss) before income taxes	**$ 10**	$ (230)
Provision for income taxes	**–**	(2)
Net earnings (loss)	**$ 10**	$ (232)
Net Earnings (Loss) per Subordinate Voting Share of Onex Corporation (note 9)		
Basic	**$ 0.13**	$ (2.87)
Diluted	**$ 0.13**	$ (2.87)

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

INTERIM CONSOLIDATED STATEMENTS OF EQUITY

(Unaudited) *(in millions of U.S. dollars except per share data)*	Share Capital (note 6)	Retained Earnings and Accumulated Other Comprehensive Earnings[i]	Total Equity
Balance – December 31, 2022	$ 287	$ 7,963	$ 8,250
Dividends declared[ii]	–	(6)	(6)
Options exercised	3	–	3
Net loss	–	(232)	(232)
Balance – March 31, 2023	$ 290	$ 7,725	$ 8,015
Balance – December 31, 2023[i]	$ 281	$ 8,283	$ 8,564
Dividends declared[ii]	**–**	**(5)**	**(5)**
Repurchase and cancellation of shares (note 6)	**(1)**	**(25)**	**(26)**
Net earnings	**–**	**10**	**10**
Balance – March 31, 2024[i]	**$ 280**	**$ 8,263**	**$ 8,543**

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

(ii) Dividends declared per Subordinate Voting Share were C$0.10 for the three months ended March 31, 2024 (2023 – C$0.10). There are no tax effects for Onex on the declaration or payment of dividends.

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

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited) *(in millions of U.S. dollars)*	Three months ended March 31 **2024**	 2023
Operating Activities		
Net earnings (loss)	**$ 10**	$ (232)
Adjustments to net earnings (loss):		
Provision for income taxes	**–**	2
Interest income	**(4)**	(1)
Interest expense	**–**	1
Earnings (loss) before interest and income taxes	**6**	(230)
Net stock-based compensation paid	**(20)**	(10)
Investments made in and loans made to Investment Holding Companies	**(26)**	(19)
Distributions and loan repayments received from Investment Holding Companies and operating companies	**69**	66
Items not affecting cash and cash equivalents:		
Amortization of property, equipment and intangible assets	**7**	13
Net loss (gain) on corporate investments (note 3)	**(32)**	16
Stock-based compensation expense (recovery)	**10**	(3)
Impairment of goodwill, intangible assets and property and equipment	**–**	171
Foreign exchange gain	**–**	(1)
	14	3
Changes in working capital items:		
Management and advisory fees, recoverable fund expenses and other receivables	**6**	(55)
Other assets	**(15)**	(10)
Accounts payable, accrued liabilities and other liabilities	**(10)**	17
Accrued compensation	**(72)**	(84)
Decrease due to changes in working capital items	**(91)**	(132)
Cash used in operating activities	**$ (77)**	$ (129)
Financing Activities		
Issuance of loans from Investment Holding Companies	**$ 99**	$ 141
Repayment of loans to Investment Holding Companies	**(9)**	(77)
Repurchase of share capital of Onex Corporation	**(26)**	–
Cash dividends paid	**(6)**	(6)
Principal elements of lease payments	**(3)**	(3)
Cash provided by financing activities	**$ 55**	$ 55
Investing Activities		
Cash interest received	**$ 4**	$ –
Net sale of treasury investments	**–**	53
Purchase of property and equipment	**–**	(7)
Cash provided by investing activities	**$ 4**	$ 46
Decrease in Cash and Cash Equivalents	**$ (18)**	$ (28)
Increase in cash due to changes in foreign exchange rates	**–**	1
Cash and cash equivalents, beginning of the year	**265**	111
Cash and Cash Equivalents	**$ 247**	$ 84

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

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Onex Corporation is a Canadian corporation domiciled in Canada and listed on the Toronto Stock Exchange under the symbol ONEX. Onex' shares are traded in Canadian dollars. The registered address for Onex is 161 Bay Street, Toronto, Ontario. Mr. Gerald W. Schwartz controls Onex through his ownership of all outstanding Multiple Voting Shares of the corporation. Mr. Schwartz also indirectly held 12% of the outstanding Subordinate Voting Shares of Onex at March 31, 2024.

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

The unaudited interim consolidated financial statements were authorized for issue by the Board of Directors on May 9, 2024.

1. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

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

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

BASIS OF 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, private credit strategies and certain investments held outside the private equity funds and private credit strategies. These investments are held directly or indirectly through wholly-owned subsidiaries of Onex, which are referred to as **Investment Holding Companies**. While there are a number of Investment Holding Companies, these companies primarily consist of direct or indirect subsidiaries of Onex Private Equity Holdings LLC, Onex CLO Holdings LLC or Onex Credit Holdings LLC. These three companies, which are referred to as the **Primary Investment Holding Companies**, are the holding companies for the majority of Onex' investments, excluding intercompany loans receivable from Onex and the Asset Managers, as defined below. The Primary Investment Holding Companies were formed in the United States.

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

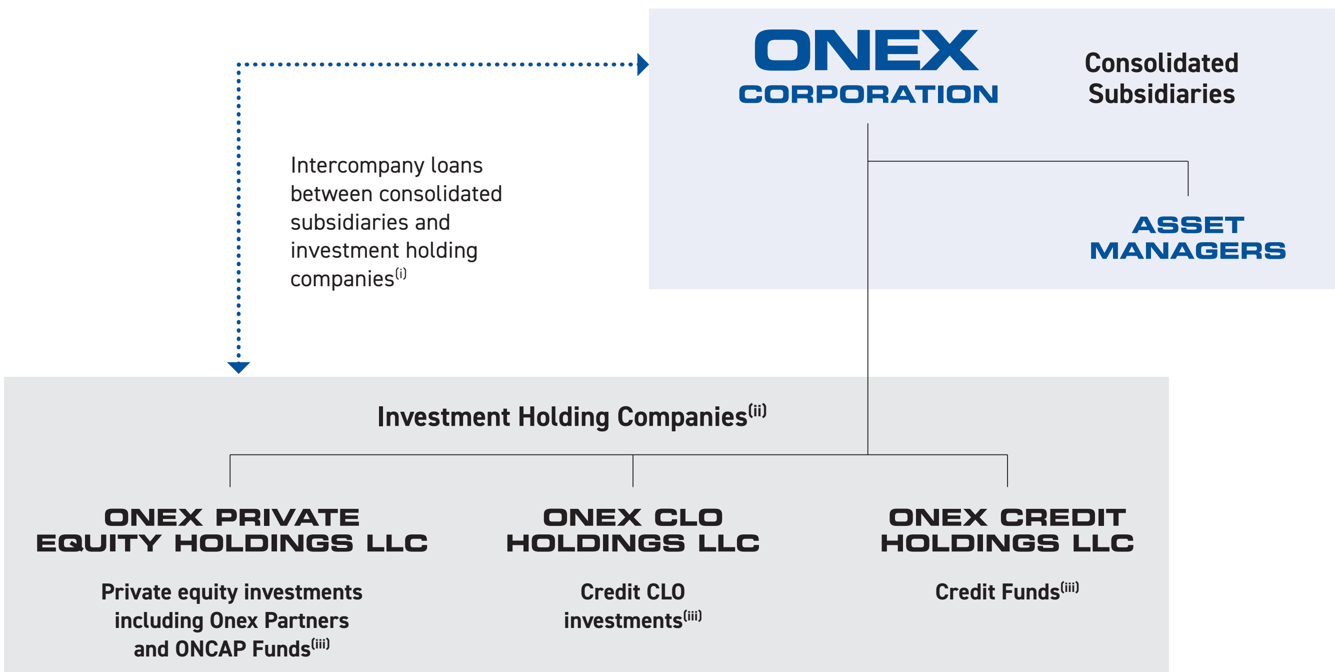
References to an **Onex Partners Group** represent Onex, the limited partners of the relevant Onex Partners Fund, the Onex management team and, where applicable, certain other limited partners as co-investors. References to an **ONCAP Group** represent Onex, the limited partners of the relevant ONCAP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

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

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

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

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



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

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

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

MATERIAL ACCOUNTING POLICIES

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

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

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

The Company's receivables comprised the following:

	March 31, 2024	December 31, 2023
Management and advisory fees	$ 423	$ 422
Recoverable fund and operating businesses' expenses	234	229
Performance fees	1	11
Other	19	21
Total	$ 677	$ 683

Receivables primarily consisted of management fees and recoverable expenses receivable of $589 from the Onex private equity funds (December 31, 2023 – $577) and $30 from the Credit Funds (December 31, 2023 – $38), which Onex elected to defer cash receipt of. The majority of receivables outstanding at March 31, 2024 and December 31, 2023 consisted of management fees and recoverable expenses receivable from the Onex Partners IV and Onex Partners V Funds.

3. CORPORATE INVESTMENTS

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

	December 31, 2023	Capital Deployed	Realizations and Distributions	Change in Fair Value	March 31, 2024
Onex Partners Funds	$ 4,445	$ 46	$ (3)	$ (2)	$ 4,486
ONCAP Funds	929	93	(114)	(37)	871
Other private equity	407	2	(5)	69	473
Carried interest	252	n/a	–	(18)	234
Total private equity investments[a]	6,033	141	(122)	12	6,064
Private Credit Strategies[b]	907	176	(240)	13	856
Real estate[c]	18	–	–	(3)	15
Other net assets[d]	689	(390)	301	10	610
Total corporate investments, excluding intercompany loans	7,647	(73)	(61)	32	7,545
Intercompany loans receivable from Onex and the Asset Managers[e]	3,874	328	(9)	–	4,193
Intercompany loans payable to Onex and the Asset Managers[f]	(374)	(7)	–	–	(381)
Intercompany loans receivable from Investment Holding Companies[f]	374	7	–	–	381
Total corporate investments	$ 11,521	$ 255	$ (70)	$ 32	$ 11,738

a) Private equity investments

The Company's private equity investments comprised the following:

	December 31, 2023	Capital Deployed	Realizations and Distributions	Change in Fair Value	March 31, 2024
Onex Partners Funds					
Onex Partners I	$ 1	$ –	$ –	$ –	$ 1
Onex Partners II	4	–	–	–	4
Onex Partners III	342	–	(1)	14	355
Onex Partners IV	1,409	–	–	(80)	1,329
Onex Partners V	2,894	46	(2)	61	2,999
Management incentive programs	(205)	n/a	–	3	(202)
Total investment in Onex Partners Funds[i]	4,445	46	(3)	(2)	4,486
ONCAP Funds					
ONCAP II	102	–	–	15	117
ONCAP III	42	–	–	–	42
ONCAP IV	686	–	(93)	(60)	533
ONCAP V	184	–	(21)	(1)	162
ONCAP SPV	–	93	–	2	95
Management incentive programs	(85)	n/a	–	7	(78)
Total investment in ONCAP Funds[ii]	929	93	(114)	(37)	871
Other private equity investments[iii]	407	2	(5)	69	473
Carried interest[iv]	252	n/a	–	(18)	234
Total private equity investments	$ 6,033	$ 141	$ (122)	$ 12	$ 6,064

i) Onex Partners Funds

At March 31, 2024, the Onex Partners Funds had investments in 22 operating businesses (December 31, 2023 – 21) in various industry sectors and countries, of which three were publicly traded companies (December 31, 2023 – three). The fair value of Onex' investments in the Onex Partners publicly traded companies at March 31, 2024 was $907 (December 31, 2023 – $969). Onex' investments in the Onex Partners Funds include co-investments, where applicable.

In February 2024, Onex invested $46 as part of the Onex Partners V Group's investment in Morson Group, a leading engineering and technical staffing and workforce solutions business based in the United Kingdom.

ii) ONCAP Funds

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

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

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

iii) Other private equity investments

Other private equity investments primarily consist of Onex' investments in Incline Aviation Funds I and II, Ryan Specialty and Unanet. During the three months ended March 31, 2024, there were no significant transactions related to Onex' other private equity investments.

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. The decrease in unrealized carried interest during the three months ended March 31, 2024 was primarily due to net decreases in the fair value of the underlying investments in Onex Partners IV.

b) Private Credit Strategies

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

	December 31, 2023	Capital Deployed	Realizations and Distributions	Change in Fair Value	March 31, 2024
Structured Credit Strategies					
U.S. CLOs	$ 234	$ 47	$ (53)	$ 14	$ 242
EURO CLOs	136	–	(30)	2	108
CLO warehouses	35	84	(95)	–	24
Other structured strategies	55	5	(7)	3	56
Opportunistic Credit Strategies	181	–	(6)	(1)	174
Liquid Strategies[i]	155	18	(31)	(3)	139
Direct Lending	108	22	(18)	(4)	108
Junior Capital	3	–	–	2	5
Total investment in Private Credit Strategies	$ 907	$ 176	$ (240)	$ 13	$ 856

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

During the three months ended March 31, 2024, Onex' net investments in the CLOs decreased by $36 primarily as a result of regular quarterly distributions totalling $32 and the partial sale of equity interests in certain U.S. CLOs and a European CLO for $51, partially offset by $44 invested in two new U.S. CLOs raised by Onex Credit.

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 three months ended March 31, 2024, there were no significant transactions related to Onex' investment in real estate.

d) Other net assets

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

	March 31, 2024	December 31, 2023
Cash and cash equivalents	$ 443	$ 411
Treasury investments	146	197
Restricted cash	23	22
Other net assets (liabilities)[i]	(2)	59
Total other net assets	$ 610	$ 689

(i) Other net assets (liabilities) at March 31, 2024 included $44 (December 31, 2023 – $77) of subscription financing receivable, including interest receivable, attributable to third-party investors in certain Credit Funds and ONCAP V, partially offset by $33 (December 31, 2023 – $35) of uncalled expenses payable to the consolidated Asset Managers. The December 31, 2023 balance also includes $37 related to a short-term loan receivable from an Onex Partners operating company, which was repaid during the three months ended March 31, 2024.

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

	March 31, 2024	December 31, 2023
Federal debt instruments	$ 77	$ 111
Commercial paper and corporate obligations	60	78
Asset-backed securities	2	3
Other	7	5
Total treasury investments	$ 146	$ 197

e) Intercompany loans receivable from Onex and the Asset Managers

The Investment Holding Companies have intercompany loans receivable from Onex and the Asset Managers. At March 31, 2024, the intercompany loans receivable from Onex and the Asset Managers of $4,193 (December 31, 2023 – $3,874) formed part of Onex' net investment in the Investment Holding Companies, which is recorded at fair value through net earnings (loss). These intercompany loans receivable are the same loans presented as intercompany loans payable to the Investment Holding Companies in the unaudited interim consolidated balance sheets, which totalled $4,193 at March 31, 2024 (December 31, 2023 – $3,874) and are described in note 4. 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 March 31, 2024, Onex and the Asset Managers had intercompany loans receivable from the Investment Holding Companies totalling $381 (December 31, 2023 – $374). The corresponding intercompany loans payable to Onex and the Asset Managers, which totalled $381 at March 31, 2024 (December 31, 2023 – $374), formed part of Onex' net investment in the Investment Holding Companies, which is recorded at fair value through net earnings (loss). There is no impact on net assets or net earnings (loss) from these intercompany loans.

4. INTERCOMPANY LOANS PAYABLE TO INVESTMENT HOLDING COMPANIES

Onex and the Asset Managers have intercompany loans payable to the Investment Holding Companies. The loans are primarily due on demand and non-interest bearing. At March 31, 2024, intercompany loans payable to the Investment Holding Companies totalled $4,193 (December 31, 2023 – $3,874) and the corresponding receivable of $4,193 (December 31, 2023 – $3,874) was included in the fair value of the Investment Holding Companies within corporate investments (note 3). There is no impact on net assets or net earnings (loss) from these intercompany loans.

5. STOCK-BASED COMPENSATION PAYABLE

Stock-based compensation payable comprised the following:

	March 31, 2024	December 31, 2023
Stock Option Plan	$ 99	$ 112
Management DSU Plan	63	59
Director DSU Plan	44	41
PSU and RSU Plans	9	6
Total stock-based compensation payable	$ 215	$ 218

Included in other assets at March 31, 2024 was $132 (December 31, 2023 – $110) related to forward agreements to economically hedge the Company's exposure to changes in the trading price of Onex shares associated with the Deferred Share Unit ("DSU"), Performance Share Unit ("PSU") and Restricted Share Unit ("RSU") Plans.

6. SHARE CAPITAL

a) At March 31, 2024, the issued and outstanding share capital consisted of 100,000 Multiple Voting Shares (December 31, 2023 – 100,000) and 77,048,035 SVS (December 31, 2023 – 77,399,292). The Multiple Voting Shares have a nominal paid-in value in these unaudited interim consolidated financial statements.

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

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

During the three months ended March 31, 2024, the Company repurchased and cancelled 356,418 of its SVS for a total cost of $26 (C$36) or a weighted average cost per share of $74.18 (C$100.20). The excess of the purchase cost of these shares over the average paid-in amount was $25 (C$34), which was charged to retained earnings. During the three months ended March 31, 2024, 5,161 SVS were issued upon exercise of stock options at an average price of C$101.81.

c) During the three months ended March 31, 2024, 595,618 options were issued primarily in connection with services provided by employees during the year ended December 31, 2023 at a weighted average exercise price of C$99.21, 992,464 options were surrendered for total cash consideration of $19 (C$25), 13,500 options were exercised for SVS at an exercise price of C$63.53 and 165,086 options were forfeited or expired. The cash consideration for options surrendered represents the difference between the market value of the SVS at the time of surrender and the exercise price, both as determined under Onex' Stock Option plan, as described in note 17(e) to the 2023 audited annual consolidated financial statements.

d) During the three months ended March 31, 2024, 246,424 units were issued under the PSU and RSU plans, primarily in connection with services provided by employees during the year ended December 31, 2023. At March 31, 2024, Onex had 385,924 total units outstanding under the PSU and RSU plans (December 31, 2023 – 152,579).

The directors have chosen to receive their directors' fees in DSUs in lieu of cash. At March 31, 2024, 582,369 Director DSUs were outstanding (December 31, 2023 – 578,994).

Certain members of the Onex management team have chosen in prior years to apply a portion of their annual compensation earned to acquire DSUs based on the market value of Onex shares at the time. During the three months ended March 31, 2024, 18,116 Management DSUs were redeemed at an average price of $77.11 (C$103.30). At March 31, 2024, 833,619 Management DSUs were outstanding (December 31, 2023 – 848,214).

The Company has entered into forward agreements with counterparty financial institutions to hedge the Company's exposure to changes in the market value of Onex' SVS associated with substantially all of the outstanding DSUs, PSUs and RSUs, as described in note 1 to the 2023 audited annual consolidated financial statements. These forward agreements are included within other assets, as described in note 5.

7. REVENUES

The Company generates revenues from the following sources:

	Management and Advisory Fees		Reimbursement of Expenses	
	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	**Three Months Ended March 31, 2024**	Three Months Ended March 31, 2023
Source of revenues				
Credit	**$ 28**	$ 38	**$ 4**	$ 4
Private Equity[i]	**22**	27	**6**	3
Total	**$ 50**	$ 65	**$ 10**	$ 7

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

8. INTEREST INCOME

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

9. NET EARNINGS (LOSS) PER SUBORDINATE VOTING SHARE

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

Three Months Ended March 31	**2024**	2023
Weighted average number of shares outstanding *(in millions)*:		
Basic	**77**	81
Diluted	**77**	81

10. FINANCIAL INSTRUMENTS

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

	Fair Value through Net Earnings (Loss)			
	Recognized	**Designated**	**Amortized Cost[i]**	**Total**
March 31, 2024				
Financial assets				
Cash and cash equivalents	**$ 247**	**$ –**	**$ –**	**$ 247**
Management and advisory fees, recoverable fund expenses and other receivables	**–**	**–**	**675**	**675**
Corporate investments	**11,357**	**381**	**–**	**11,738**
Forward agreements and other assets	**143**	**–**	**–**	**143**
Total	**$ 11,747**	**$ 381**	**$ 675**	**$ 12,803**

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

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

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

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

	Fair Value through Net Earnings (Loss)			
	Recognized	Designated	Amortized Cost	Total
March 31, 2024				
Financial liabilities				
Intercompany loans payable to Investment Holding Companies	$ –	$ 4,193	$ –	$ 4,193
Accounts payable and accrued liabilities	–	–	14	14
Contingent consideration	15	–	–	15
Lease liabilities	–	–	49	49
Other liabilities	–	–	8	8
Total	$ 15	$ 4,193	$ 71	$ 4,279

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

At March 31, 2024, intercompany loans payable to Investment Holding Companies that are recorded at fair value through net earnings (loss) had contractual amounts due on maturity of $4,193 (December 31, 2023 – $3,874).

11. FAIR VALUE MEASUREMENTS

Fair values of financial instruments

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

Financial instruments measured at fair value are allocated within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. Transfers between the three levels of the fair value hierarchy are recognized on the date of the event or change in circumstances that caused the transfer. There were no significant transfers between the three levels of the fair value hierarchy during the three months ended March 31, 2024. The three levels of the fair value hierarchy are as follows:

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

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

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets at fair value through net earnings (loss)				
Investments in equities[i]	**$ –**	**$ –**	**$ 11,357**	**$ 11,357**
Intercompany loans receivable from the Investment Holding Companies	**–**	**381**	**–**	**381**
Forward agreements and other assets	**10**	**132**	**–**	**142**
Total financial assets at fair value through net earnings (loss)	**$ 10**	**$ 513**	**$ 11,357**	**$ 11,880**

(i) Onex’ investments in the Investment Holding Companies are further described in note 3.

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

(i) Onex’ investments in the Investment Holding Companies are further described in note 3.

Financial liabilities measured at fair value at March 31, 2024 consisted of intercompany loans payable to Investment Holding Companies totalling $4,193 (December 31, 2023 – $3,874), which are a Level 2 measurement in the fair value hierarchy, and contingent consideration payable of $15 (December 31, 2023 – $15), which is a Level 3 measurement in the fair value hierarchy.

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

	Financial Assets at Fair Value through Net Earnings (Loss)	Financial Liabilities at Fair Value through Net Earnings (Loss)
Balance – December 31, 2022	$ 10,477	$ 57
Change in fair value recognized in net earnings (loss)	800	(42)
Net distributions and loan repayments received from the Investment Holding Companies	(130)	–
Balance – December 31, 2023	$ 11,147	$ 15
Change in fair value recognized in net earnings (loss)	**32**	**–**
Net investments made in and loans made to the Investment Holding Companies	**178**	**–**
Balance – March 31, 2024	**$ 11,357**	**$ 15**
Unrealized change in fair value of assets and liabilities recognized in net earnings (loss) during the reporting period	**$ 32**	**$ –**

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

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

The Company used the adjusted net asset method to derive the fair values of its investments in its Investment Holding Companies by reference to the underlying fair value of the Investment Holding Companies' assets and liabilities, along with assessing any required discount or premium to be applied to the net asset values. The discount or premium applied to the net asset values of the Investment Holding Companies was a significant unobservable input. The Company determined that the adjusted net asset method was the appropriate valuation technique to be used, considering the value of the Investment Holding Companies is primarily derived from the assets they hold, which primarily consist of investments in private equity and private credit strategies, treasury investments and intercompany loans receivable from Onex and the Asset Managers. The Company has determined that no discount or premium was required for the net asset values of its Investment Holding Companies at March 31, 2024 and December 31, 2023. If a discount of 1% or a premium of 1% were applied to all of the net asset values of the Investment Holding Companies, with all other variables remaining constant, the total fair value of the Company's corporate investments at March 31, 2024 would decrease or increase by $114 (December 31, 2023 – $111).

Private equity investments

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

The valuation of public investments held directly by Onex or through the Onex Partners Funds is based on their publicly traded closing prices at March 31, 2024 and December 31, 2023. For certain public investments, a discount is applied to the closing price in relation to restrictions that were in place relating to the securities held by Onex or the Onex Partners Funds. At March 31, 2024, these discounts resulted in a reduction of $34 in the fair value of corporate investments (December 31, 2023 – $47).

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 March 31, 2024	Inputs at December 31, 2023
Onex Partners Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	8.5x – 20.4x	8.5x – 20.4x
Onex Partners Funds	Discounted cash flow	Weighted average costs of capital Exit multiples	15.0% – 20.9% 4.0x – 19.5x	15.0% – 21.3% 4.0x – 19.5x
ONCAP Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	8.3x – 11.0x	8.3x – 20.0x
ONCAP Funds	Discounted cash flow	Weighted average costs of capital Exit multiples	12.6% – 21.5% 5.0x – 20.0x	12.2% – 21.0% 5.0x – 13.0x

In addition, at March 31, 2024 and December 31, 2023, the Onex Partners Funds had one investment that was valued using the adjusted net assets approach, one investment that was valued using a convertible bond model, one investment that was valued based on a multiple of book value and one investment that was valued based on estimated sales proceeds.

The impact on the fair value of corporate investments as at March 31, 2024 from changes in the significant unobservable inputs used to value the private equity funds' underlying private securities included the following:

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Multiple Increase by 0.5	Multiple Decrease by 0.5
Onex Partners Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	$ 140	$ (142)
ONCAP Funds	Comparable company valuation multiple	Adjusted EBITDA multiples	$ 16	$ (16)

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Multiple Increase by 0.5	Multiple Decrease by 0.5
Onex Partners Funds	Discounted cash flow	Exit multiples	$ 74	$ (74)
ONCAP Funds	Discounted cash flow	Exit multiples	$ 44	$ (44)

Investment Platform	Valuation Technique	Significant Unobservable Inputs	Decrease of 0.5 Percentage Point	Increase of 0.5 Percentage Point
Onex Partners Funds	Discounted cash flow	Weighted average costs of capital	$ 31	$ (30)
ONCAP Funds	Discounted cash flow	Weighted average costs of capital	$ 18	$ (17)

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

During the three months ended March 31, 2024, Onex' investments in publicly traded companies generated a net gain of $3, and the underlying securities held in private companies generated a net gain of $24. Onex' net gain on private equity investments during the three months ended March 31, 2024 included a foreign exchange mark-to-market loss of $19 in respect of private equity investments denominated in a currency other than the U.S. dollar. At March 31, 2024, Onex' private equity investments denominated in Canadian dollars and pounds sterling totalled approximately $635 (C$860) and $465 (£370), respectively.

Private credit investments

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

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

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

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

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

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

In addition, at March 31, 2024, Credit had two U.S. CLO investments that were valued at cost as this approximated fair value (December 31, 2023 – one U.S. CLO investment and one EURO CLO investment).

The impact on the fair value of corporate investments as at March 31, 2024 from changes in the significant unobservable inputs used to value Onex' investments in the CLOs included the following:

Investment Platform	Significant Unobservable Inputs	Decrease of 1.5 Percentage Points	Increase of 1.5 Percentage Points
U.S. CLOs	Default rate	$ 23	$ (24)
EURO CLOs	Default rate	$ 16	$ (16)

Investment Platform	Significant Unobservable Inputs	Decrease of 3.0 Percentage Points	Increase of 3.0 Percentage Points
U.S. CLOs	Discount rate	$ 8	$ (7)
EURO CLOs	Discount rate	$ 6	$ (6)

Investment Platform	Significant Unobservable Inputs	Increase of 15.0 Percentage Points	Decrease of 15.0 Percentage Points
U.S. CLOs	Recovery rate	$ 9	$ (9)
EURO CLOs	Recovery rate	$ 6	$ (6)

12. RELATED-PARTY TRANSACTIONS

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

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

During the three months ended March 31, 2024, the Company recognized $50 of management and advisory fees from related parties and $10 of revenue from the reimbursement of expenses, as outlined in note 7.

At March 31, 2024, consolidated receivables from related parties totalled $671. Refer to note 2 for further details concerning Onex' consolidated receivables, which include $6 of other receivables from third parties.

During the three months ended March 31, 2024, Onex received services from certain operating companies, the value of which was not significant.

13. COMMITMENTS

In February 2024, Onex completed the first close for the Onex Partners Opportunities Fund, reaching aggregate commitments of approximately $735, including Onex' commitment of $400 and Onex management's minimum 2% commitment. The Onex Partners Opportunities Fund is a shorter duration fund which will focus on investing in companies in the upper middle market and are headquartered in, organized in, have principal executive offices in or primarily operate in North America or Europe.

14. INFORMATION BY REPORTABLE SEGMENT

The Company has two reportable segments:

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

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

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

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

(Unaudited)	Three Months Ended March 31, 2024 Investing	Asset Management	Total	Three Months Ended March 31, 2023 Investing	Asset Management	Total
Net gain (loss) on corporate investments (including a decrease in carried interest)	$ 50	$ (14)[i]	$ 36	$ 43	$ (53)[i]	$ (10)
Management and advisory fees	–	50	50	–	65	65
Performance fees	–	4	4	–	5	5
Interest income	4	–	4	1	–	1
Other income	–	–	–	–	1	1
Total segment income	54	40	94	44	18	62
Compensation	–	(52)	(52)	–	(66)	(66)
Amortization of right-of-use assets	–	(2)	(2)	–	(3)	(3)
Other expense	–	(12)	(12)	–	(18)	(18)
Segment net earnings (loss)	$ 54	$ (26)	$ 28	$ 44	$ (69)	$ (25)
Stock-based compensation recovery (expense)			(10)			3
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(5)			(10)
Impairment of goodwill, intangible assets and property and equipment			–			(171)
Restructuring recovery (expenses)			3			(20)
Unrealized carried interest included in segment net earnings (loss) – Credit			(4)			(6)
Unrealized performance fees included in segment net earnings (loss)			(3)			(3)
Other net income			1			2
Earnings (loss) before income taxes			$ 10			$ (230)
Provision for income taxes			–			(2)
Net earnings (loss)			$ 10			$ (232)

(i) The asset management segment includes an increase in unrealized carried interest of $4 (2023 – $6) from third-party limited partners in the Credit Funds.

Segmented assets included the following:

	As at March 31, 2024			As at December 31, 2023		
	Investing	Asset Management	Total	Investing	Asset Management	Total
Cash and cash equivalents	$ 196	$ 51(i)	$ 247	$ 142	$ 123(i)	$ 265
Management and advisory fees, recoverable fund expenses and other receivables	619(ii)	58	677	615(ii)	68	683
Corporate investments	7,545	–	7,545	7,647	–	7,647
Unrealized carried interest – Credit	30	–	30	29	–	29
Other assets	–	150	150	–	128	128
Property and equipment	–	106	106	–	119	119
Intangible assets	–	32	32	–	34	34
Goodwill	–	149	149	–	149	149
Total segment assets	$ 8,390	$ 546	$ 8,936	$ 8,433	$ 621	$ 9,054
Net intercompany loans receivable, comprising part of the fair value of Investment Holding Companies			4,193			3,874
Unrealized carried interest included in segment assets – Credit			(30)			(29)
Total assets			$ 13,099			$ 12,899

(i) Cash and cash equivalents allocated to the asset management segment relate to accrued employee incentive compensation and contingent consideration related to the 2020 acquisition of Onex Falcon.

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