

Onex Credit hosted its year-end call for OCP Credit Strategy Fund on Thursday, December 14, 2017 at 11am EST.

To listen to a replay of the call:

Replay Number: (800) 408-3053 / Code: 9197708#

This year marked the 16th anniversary of the Debt Opportunity Strategy. It also marked the eighth anniversary of the OCP Credit Strategy Fund (TSX: OCS.UN) (the "Fund"), which pursues that strategy.

The Fund provides unitholders with attractive distributions and, since inception, has paid 31 consecutive quarterly cash distributions at a rate of \$0.70 per annum for a total of \$5.5036.

Over the last 12 months, we sold or exited approximately 30% of the names held by the Fund at this time last year (21 names) and replaced them with 22 new names. Looking at this year's top ten holdings, seven of the major contributors to performance were new to the list. This active management style is consistent with how we have managed the portfolio over the years and requires a continuous focus and deep level of expertise across all of our positions. The Fund's ten most positive contributors, based on gross performance, were also a large percentage of net asset value and accounted for more than half of overall performance. Often, a small number of investments drive returns more meaningfully than others, which is expected.

We have owned and followed all of our best performers for years, and, as a result, our team is familiar with the businesses and industries in which they operate. Top performers were Intelsat Jackson (Telecom), K Hovnanian (Housing / Building Products), Momentive Performance Materials (Chemicals), Prisa (Media) and Lehman Brothers claims. As the best-performing position during the period, Intelsat Jackson contributed more than 1% to overall gross performance. The company was the subject of merger discussions earlier in the year, which drove valuations higher for a period of time. As we anticipated, the contemplated merger ultimately did not occur, but the company proactively took actions to address upcoming debt maturities through a large refinancing transaction and is performing well and in-line with our expectations.

The Fund's worst performer during the period was Harvey Gulf International Marine ("HGIM"), and the position reduced gross performance by about 1%. HGIM is a marine transportation business and specializes in providing service vessels to deepwater oil and gas operations. Energy services businesses like HGIM faced demand and pricing pressure following period of declining oil prices in 2015. While the company's near-term operations have been negatively impacted, we continue to have strong conviction in the company's operating model and believe there is significant upside, which is not reflected in the current market valuation. As a result, we have added to the Fund's position at lower prices.

2017 was a benign environment, though we managed to generate strong absolute and risk-adjusted performance. Our team remains cautious about the current investing environment, given recent trading levels and macroeconomic and geopolitical risks. We expect opportunities will develop as the markets adjust and account for these risks, and perhaps the most interesting part of our story is the opportunity that lies ahead. As you know, our strategy of investing in stressed and distressed situations works optimally in periods of volatility. We believe cycles are inevitable and we see a number of factors that may drive volatility in the near-to medium-term. Stressed and distressed situations are best measured on a longer-term basis, as opposed to a monthly or even quarterly timeframe, and this is how we manage our business. We are well-positioned with ample dry powder, and, given the depth and breadth of our familiarity with the credit markets, we have the ability to evaluate and act when opportunities arise. The Fund remains focused on individual credit selection and specific events or catalysts. As always, we invest through a fundamental, bottoms-up approach.

#### **Firm Update**

Onex Credit now has approximately \$9.6 billion in assets under management. In line with the growth of our platform, we continue to augment our investment team with new talent and have grown to 23 people with an average of nearly 20 years of experience. As always, we are personally invested alongside you with \$175 million of Onex' and the team's capital invested in the Debt Opportunity Strategy. We thank you for another year together and we look forward to all that lies ahead in 2018 and beyond.

Thank you for your continued support,

Onex Credit

| Fund                               | YTD Performance* | LTM Performance* | 3-Year Performance* | 5-Year Performance* | Performance since Inception* |
|------------------------------------|------------------|------------------|---------------------|---------------------|------------------------------|
| OCP Credit Strategy Fund           | 6.27%            | 9.02%            | 2.68%               | 4.21%               | 4.69%                        |
| Credit Suisse Leveraged Loan Index | 3.85%            | 5.03%            | 3.98%               | 4.40%               | 5.60%                        |
| Credit Suisse High-Yield Index     | 6.68%            | 8.87%            | 5.72%               | 5.97%               | 8.28%                        |

\* OCP Credit Strategy Fund performance includes distributions. Inception date of strategy is November 20, 2009. LTM Performance is for the one-year period ending November 30, 2017. YTD Performance is for the 11 months ended November 30, 2017. 3-Year Performance is performance since November 30, 2014. 5-Year Performance is performance since November 30, 2012.

### About the Fund

The Fund looks for opportunities to generate attractive risk-adjusted returns by investing in situations where our team can identify a company and associated event that can unlock value. The Fund takes advantage of both larger debt issues of global businesses as well as “off-the-run” situations, allowing us to be flexible and opportunistic on the timing of investment entry and exit. As well, we generally invest at the top of the capital structure predominantly in first-lien, senior secured bank loans and high-yield bonds, where the Fund can benefit from structural seniority.

The Fund seeks to invest in:

- (i) companies with high levels of asset and/or cash flow coverage;
- (ii) businesses with attractive total return potential through a combination of current income and/or capital appreciation; and
- (iii) companies with an anticipated company-specific event that Onex Credit believes will trigger an increase in the price of an investment.

### Notes

(1) Performance calculations include distributions paid in the relevant periods and are net of fees and expenses. Performance figures for the Fund are based on Canadian generally accepted accounting principles and were based on audited financial statements through December 31, 2016 and unaudited monthly estimates thereafter.

(2) You will usually pay brokerage fees to your dealer if you purchase or sell units of the investment fund on the Toronto Stock Exchange (“TSX”). If the units are purchased or sold on the TSX, investors may pay more than the current net asset value when buying units of the investment fund and may receive less than the current net asset value when selling them. There are ongoing fees and expenses associated with owning units of an investment fund. An investment fund must prepare disclosure documents that contain key information about the fund. You can find more detailed information about the fund in these documents. **The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account certain fees (such as redemption fees or optional charges) or income taxes payable by any unitholder that would have reduced returns.** Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

(3) Information about the Credit Suisse Leveraged Loan and High Yield indexes was obtained from Credit Suisse and is included to show the general trend in the leveraged loan and high-yield debt markets in the periods indicated. These numbers are not intended to imply the portfolio was similar to the indexes either in composition or element of risk. The CS-LL Index is an index designed to mirror the investable sub-investment grade universe of the USD-denominated leveraged loan market. The CS-HY Index is designed to mirror the investable universe of the USD-denominated high-yield debt market.

**DISCLAIMER AND ADDITIONAL INFORMATION**

All amounts in Canadian dollars unless otherwise stated. Certain statements constitute forward-looking statements, including, but not limited to, those identified by the expressions "expect", "intend", "will" and similar expressions to the extent they relate to the Fund or the portfolio. The forward-looking statements are not historical facts but reflect Onex Credit Partners, LLC's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Although Onex Credit Partners, LLC believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein. Onex Credit Partners, LLC undertakes no obligation to update publicly or otherwise revise any forward-looking statement or information whether as a result of new information, future events or other such factors which affect this information, except as required by law.