TMX Group Limited
Conference Call Transcript

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Speakers:

John McKenzie
Chief Executive Officer

David Arnold
Chief Financial Officer

Peter Conroy
Chief Executive Officer, Global Insights

Amanda Tang
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The information contained in this transcript is a textual representation of TMX Group's June 12th Analyst Call regarding the announcement "TMX Group Limited Announces Agreement to Acquire RAFI Indices from Research Affiliates". There may be material errors, omissions, or inaccuracies in the reporting of the substance of the webcast. TMX Group Limited does not assume any responsibility for any investment or other decisions made based upon the information provided in this transcript. Users are advised to review the webcast made available at investors.tmx.com, and TMX Group's regulatory filings, including the section entitled "Caution Regarding Forward-Looking Information" in our 2025 Annual MD&A, before making any investment or other decisions.

Operator:
Welcome to the TMX Group Limited Investor Conference Call.

As a reminder, all participants are in listen-only mode, and the conference is being recorded. Following prepared remarks, there will be an opportunity for analysts to ask questions. To join the question queue, you may press star then one on your telephone keypad. Should you need assistance during the conference call, you may signal an Operator by pressing star then zero.

I would now like to turn the conference over to Amanda Tang, Director of Investor Relations. Please go ahead, Ms. Tang.

Amanda Tang:
Thank you, Rocco, and good morning, everyone. Thank you for joining us today.

Last night, we announced an agreement to acquire RAFI Indices. Our press release and the Investor presentation for this call are available on investors.tmx.com. This morning, we have with us John McKenzie, our Chief Executive Officer, Peter Conroy, CEO of Global Insights, and David Arnold, our Chief Financial Officer. Following remarks from Management, we will have a question and answer session.

Before we begin, I would like to remind you that certain statements made during this call may relate to future events and expectations and constitute forward-looking information within the meaning of Canadian securities law. Actual results may differ materially from these expectations. Information concerning factors that could cause actual results to differ from forward-looking information is contained in our press release and the Investor presentation.

Figures referenced in today's call are in Canadian dollars unless otherwise specified.

For today's call, I encourage you to refer to our Investor presentation slides via the webcast link or under Shareholder Events on investors.tmx.com.

With that, I will now turn the call over to John.

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John McKenzie:
Thanks, Amanda, and good morning, everyone. Thank you for joining us, especially on a beautiful Friday morning on a last-minute call, so we really do appreciate your engagement.

It's great to be here this morning with the team and really to share some additional strategic context and financial details around this exciting news that we announced last night, our agreement to acquire RAFI Indices, a global index company from Research Affiliates. This is a tremendous deal for TMX VettaFi, more than tripling our total assets under indexing and enhancing the value of the client offering and significantly advancing the expansion strategy. I hope you had a chance to read last night's press release, and as we've mentioned, we've put together an Investor presentation that we will take you through in a moment.

As Amanda mentioned, we've got Peter Conroy with us on the call today, and I'm really happy to have Peter here. Peter, who heads up Global Insights, our information division, which includes TMX VettaFi, as well as TMX Trayport and TMX Datalinx. Peter's here to provide some really important insights into what this deal means for TMX VettaFi, how it furthers our expansion strategy and supercharges our ability to serve clients across the ETF community in North America and around the world. Following Peter, David will provide an overview of what this deal means for TMX Shareholders, taking you through the financial details, including projected impact on TMX's transformational objectives and capital allocation strategy.

Now, as many of you will recall, we acquired VettaFi in January 2024, and had already been a minority Shareholder in it from the prior year. VettaFi was an ambitious upstart with an innovative spirit and aggressive growth strategy. What we said then has really proven to be true. The addition of VettaFi has bolstered our insights division, adding a depth of expertise and new capabilities in serving the ETF community, while contributing to the acceleration of TMX's enterprise growth strategy.

Since joining TMX, the VettaFi team has continued to flourish, successfully expanding the global presence, applying the proven client service expertise to new asset classes and geographies, and consistently generating double-digit revenue growth. Yesterday's announcement represents the next major milestone in the evolution of TMX VettaFi.

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Moving to Slide 2 of our Investor presentation, I will take you through the transaction summary at a high level. I'm going to try not to steal too much of Peter and David's thunder here, but as noted in the press release and captured in the summary, this acquisition constitutes a significant expansion of VettaFi's business and portfolio coverage, as well as client service capabilities. The addition of RAFI Indices also brings a tremendous group of experts to the VettaFi team with world-class IP and a proven track record of an industry-leading client-focused innovation.

As we announced in the press release, this acquisition totals $490 million U.S. or approximately $683 million in Canadian dollars, subject to regulatory approval and customary closing conditions. David will take you through the other financial measures, but importantly, this acquisition accelerates measures we identified around TM2X, increasing revenue from recurring sources, revenue drive from outside Canada, and revenue from Global Insights. Once again, delivers on our fundamental purpose to make markets better and empower bold ideas.

I hope you can hear from the excitement of my voice how excited we all are about this deal. But I think I'd be remiss if I didn't close today that recognizing, even though this investment is driving more in terms of outside of Canada revenue, today is also a Canada day. FIFA is playing tonight in Toronto. I'm going to close with Go Canada Go.

With that, Peter, take it away.

Peter Conroy:
Thank you, John, and good morning, everyone.

I want to echo John's words and energy in talking about this announcement. This is an exciting day for TMX VettaFi. Not only does the acquisition of RAFI Indices accelerate the pace of our strategy, it represents a breakthrough opportunity affecting a shift from incremental to transformational growth and raising TMX VettaFi's game on the global stage.

My comments this morning are focused on framing the strategic rationale, how this deal supercharges VettaFi's ability to serve clients across the entire ETF community. As John mentioned, our core mission is client success. VettaFi exists to provide innovative and data-driven investment solutions that help

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asset managers build and grow. The addition of RAFI Indices, the pioneer of fundamental indexing, fits seamlessly into our existing platform and aligns perfectly with that mission.

Turning to a brief overview of RAFI Indices, the company was founded by Research Affiliates with a unique research-driven, innovative approach to index construction informed by an academically rigorous understanding of the forces that drive capital markets' return. They created the Fundamental Index, a non-price-weighted index strategy which uses fundamental measures to select and weight companies, such as sales or cash flow, rather than just market capitalization. It has historically outperformed these market cap-weighted benchmarks. They are a global index company with 15 employees, approximately 90 indices tailored to a diverse range of investment needs, tracking $182 billion U.S. in assets under indexing, or AUI.

I want to turn the focus now to illustrate the scope, the scale of the combined TMX VettaFi and RAFI Indices offering to frame how this acquisition elevates TMX VettaFi's game, building on our strengths in a complementary way. It expands and broadens VettaFi's portfolio products, augmenting our traditional strength in energy and thematic indices with wider coverage in fundamental, research-driven strategies designed to mitigate market volatility to deliver growth.

The combination of RAFI’s world-class intellectual property and what we call TMX VettaFi's index factory, which is our technology engine which drives our indices, creates a more powerful set of tools and analytics to serve the needs of our global client base, including the most respected fundamental strategies in the industry.

The acquisition of RAFI Indices significantly increases VettaFi's institutional presence, accelerating our expansion into channels characterized by recurring revenue, consistent growth potential, and durable net flows. With the integration of RAFI’s index suite with TMX VettaFi's distribution and analytics capabilities, we are looking to create mutually beneficial relationships with leading asset managers and their distribution networks. This alignment would broaden our market reach, providing partners with enhanced access to market-leading investible products, driving sustained net flows while ultimately strengthening our competitive position.

Since the Company's inception, TMX VettaFi has executed on an opportunistic build and grow strategy. Over the past two years, we've made several smaller acquisitions, but they've been important,

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including Index Research in 2024 and last year's addition of Credit Suisse bond indices, ETF Stream in Europe, and a set of nuclear energy sector indices. These acquisitions expanded VettaFi's presence into new geographies and new asset classes, building out the reach and scope of the business and bolstering our client service capabilities. The acquisition of RAFI Indices is a bold step forward for VettaFi, but it is rooted in this proven strategy, and we can't wait to get started.

Before I pass the call on to David, I also want to thank the team at Research Affiliates, including Rob Arnott, the company's founder and chair, and a legend in research-driven investment strategies. We look forward to working together and welcoming RAFI Indices to the team, and our first priority post-closing will be to ensure a smooth transition for all of our clients.

Look forward to taking your questions, and we'll now turn the call over to David.

David Arnold:
Thank you, Peter, and good morning, everyone.

The acquisition of RAFI Indices fits squarely with our long-term strategy. This transaction will accelerate all three of our long-term transformational objectives. First, revenue from outside of Canada will increase to 53%, exceeding our goal of generating more than half of our revenue internationally. Second, recurring revenue will increase from 53% to 55%, moving us towards our goal of two thirds of our total revenue to be from recurring sources. Lastly, revenue from our global insight segment will reach 43%, bringing us 2% closer to our objective of deriving over half of the revenue from data and analytics services.

Now let's take a closer look at the financial highlights of this very exciting deal. We are acquiring RAFI Indices from Research Affiliates for $490 million U.S. dollars, or approximately $683 million in Canadian dollars. Related to this transaction, we expect a net tax benefit of approximately $97 million U.S. dollars, or $135 million in Canadian dollars. Net of this estimated tax benefit, the implied total valuation is approximately 10.3 times the pro forma run rate Adjusted EBITDA.

Now looking ahead, we expect RAFI Indices' top-line growth to be in line with TMX VettaFi’s high growth rate, which we define as high single to double digits growth over the long term. The transaction will be accretive to adjusted earnings per share within the first 12 months of closing date before any

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synergies. The acquisition is anticipated to close by the end of Q3, subject obviously to regulatory approval and customary closing conditions.

The transaction will be funded by debt through a loan facility, and we plan to refinance the loan with long-term debt prior to its maturity on May 14, 2027. We expect our leverage ratio will increase to roughly 2.7 times Adjusted EBITDA post-closing, and we have a solid deleveraging plan to quickly bring this back to our targeted leverage range of one and a half to two and a half times.

Now history shows that this would not be the first instance where our leverage has exceeded our target range. Our leverage ratio reached 3.7 times in 2017 after we acquired Trayport. However, we utilized our robust free cash flow to successfully lower that ratio to 2.4 times in only 12 months. We demonstrated similar discipline more recently following the acquisition of TMX VettaFi in 2024, which saw leverage rise to 3.6 times Adjusted EBITDA. Now while we had originally set a two-year timeframe to return to our target range, our effective execution enabled us to reach that milestone well ahead of plan by the middle of 2025.

Now with the upcoming acquisitions of RAFI Indices, CBOE Australia and CBOE Canada, we anticipate our leverage will increase to roughly 2.7 times following these deals. Now this 2.7 is a conservative view. Assuming these upcoming transactions are fully funded by debt and closed simultaneously, the actual leverage ratio will vary depending on actual closing dates, which will likely be staggered allowing for interim deleveraging to occur between transactions.

More importantly, and in addition, our ability to pursue additional capital allocation opportunities remain strong, whether that be through share buybacks, dividends, or further acquisitions to accelerate our strategy. Given our history of rapid deleveraging and strong cash generation, we are confident in our ability to return to our target range within one year of closing. We expect to maintain returns to shareholders.

Now in summary, the acquisition of RAFI Indices, a global suite of fundamental factor indices, marks a transformative step forward for TMX VettaFi. This transaction immediately triples AUI and accelerates TMX VettaFi’s expansion into fundamental indices, a growth area that allows us to compete for the largest pools of capital. The transaction will help accelerate TMX's long-term growth strategy and the pursuit of our three transformational objectives.

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Additionally, by bringing together RAFI Indices distribution networks, which include direct brokerage platforms and institutional asset owners, with TMX VettaFi's index factory and content and analytics engines, we are generating opportunities to drive net flows through new products and expanded reach.

This is an exciting transaction for TMX and marks another step forward in the execution of our TM2X strategy, accelerating our evolution into a truly global player, broadening our competitive footprint while delivering sustainable value to our clients, employees, and Shareholders.

With that, I'd like to turn the call back to Amanda for our Q&A session.

Amanda Tang:
Thank you, David. Rocco, would you please outline the process for the Q&A session?

Operator:
Absolutely. If you would like to ask a question, please press star then one on your telephone keypad. You'll hear a tone acknowledging your request. If you're using a speakerphone, please pick up and set before pressing any keys. To withdraw your question, please press star then two.

Our first question today comes from Ben Budish at Barclays. Please go ahead.

Ben Budish:
Hi, good morning, and thank you for taking the question. Congrats on this deal. Maybe you talked about this deal unlocking new distribution channels. I'm curious if you could unpack that a little bit. Where is RAFI selling through today that VettaFi perhaps isn't and vice versa? How much overlap is there? What are the plans for cross-selling or at least introducing the products day one when this closes?

Peter Conroy:
Sure, it's Peter here. That's a great question. This deal really unlocks the institutional market and the retail market. VettaFi historically has focused a lot on thematic indices, whereas the fundamental research and fundamental equity portfolios that RAFI serves really broadens the base into a larger segment of the market. In fact, the thematics really cover about 20% to 25% of the market, whereas the

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entire equity portfolio, we can increase to like 100% coverage. This is really targeted and complimentary to what we do today, but also expands into new relationships.

Based on the inbounds that we've gotten in last night even, conversations will happen that couldn't have happened before this transaction. We're really, really excited about what this does to VettaFi and the conversations that we can have going forward.

Ben Budish:
Great, just a very small follow-up. I think in David, in your remarks, you talked about the deal being a creative excluding synergies. Are you expecting anything on the cost side? It sounds like more of a revenue opportunity, but just curious if there's any more colour there. Thank you.

David Arnold:
No, absolutely, Ben. I mean, look, this is a carve out, right? Peter touched on it. Obviously for us, we operate a pretty fixed cost base on the TMX VettaFi side with Index Factory. That actually is really attractive for us in the deal because we'll port it over to our technology. But yes, primarily the synergies are revenue and growth acceleration synergies.

Ben Budish:
Okay, great. Thank you very much.

Operator:
Thank you. Our next question today comes from Étienne Ricard with BMO Capital Markets. Please go ahead.

Étienne Ricard:
Thank you and good morning team. If we go back in time with VettaFi in 2023, TMX first acquired the minority stake to get comfortable with the business. Why not replicate this playbook here given there's intellectual capital in the value of the firm and how do you think about retention mechanisms for the team?

John McKenzie:

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Yeah, that's a great question. I'm glad you actually remember that how we actually got into this. I actually want to remember; we actually started this with actually some building partnership strategies that we built on from there. The difference is where we are now is we've got capabilities to build this into. The importance of being able to actually integrate the products onto our platform, integrate the teams together means you really need to do it as a full investment upfront. But we're not doing it as just a full, what I'll call a full investment and walk away. We are actually continuing to have an ongoing relationship with the firm in terms of other product relationships. As appropriate, we're putting things in place to make sure the most important talent is coming across to us. All that was considered as part of the transaction, and we saw this was the best way to take it forward.

Peter Conroy:
Just to further your second part of your question was on retention. Obviously, there's 15 people coming over, 14 in the U.S., one in London. Customary in these transactions, we obviously look at that personnel. These are highly talented, experienced, well-qualified experts in this industry. We're not concerned about that. We've taken the customary measures.

Étienne Ricard:
Peter, we know VettaFi is well-known for the thematic indices. I think these command premium and quite resilient fee rates. Now with RAFI, the average fee rate per asset that looks a bit lower. What gives you the comfort that this business should not experience fee rate compression?

Peter Conroy:
You're absolutely right. Thematics generally yield higher. While we don't disclose the specifics, I will say the market opportunity is so large in the fundamental space that it more than compensates for any adjustments in yield.

Étienne Ricard:
Great. Congrats on the deal.

Operator:
Thank you. Thank you. Our next question today comes from Aravinda Galappatthige with Canaccord Genuity. Please go ahead.

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Aravinda Galappatthige:

Good morning. Thanks for taking my questions and congrats on the acquisition. I wanted to maybe just see if you can give us a little bit of background in terms of the development of RAFI Indices. How long has it been around? What kind of growth rates, what kind of growth trajectory has it experienced over the last three to five years? Then secondly, maybe just, obviously the EBITDA driven valuations is quite evident, but I wanted to break down how you see the core value of the asset. Is it the algorithms and the method or is it more the relationships and the network that's being built and sort of those stat plumbing that you think really drives that valuation that you're paying for?

Peter Conroy:

Thank you. I'll address your second question first. It really is that they're research-based approach to fundamental index investing, which is very, very different from some of the potential competitors in the market. They focus on sales and cashflow, whereas a lot of index providers focus on market capitalization. This is a big, big distinction. It's research-driven, very academically based. The history goes back to 2002. Rob Arnott, as I've referred to, a pioneer in this fundamental approach to equity investing developed this company over the years and in 2016 founded the RAFI Indices and it's grown to a point where it's time to say, hey, who can take this to the next level? Who can take this forward, ongoing in a 10, 20 year vision, which is what we have. That's kind of how the conversation really started.

We're super excited. As John mentioned earlier, we will have a relationship with Research Affiliates ongoing. They will remain a client of ours. We're super excited about this.

David Arnold:

The last point that you touched on, Aravinda, was just kind of what the growth rates have been like. It's roughly been around 10% over the last three odd years. As we've indicated, we squarely see this in our TMX VettaFi high growth rate bucket, which is high singles to double digits. As you've seen from some of the VettaFi results, since we've acquired it, it's tended to on the side of double digits.

Aravinda Galappatthige:

Thank you. Then maybe David is lastly on the tax asset. Can you just help us with how that sort of play out in terms of defective tax rate at the consolidated level? Thank you.

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David Arnold:

Yeah, thank you. Aravinda, yeah. Basically, I mean, because this is effectively a carve out, the way it actually is, it works with the U.S. tax code is it really gets treated as what we refer to as a disregarded entity. That allows us to obviously for U.S. tax purposes, amortize the intangibles over a 15 year period. Then this will obviously form part of our U.S. tax base. Then obviously U.S. tax rates for corporates will apply. Then it will roll within our aggregate numbers. The best is, you can do some math on the side, but I would wait until we close and then see what this does to the enterprise effective tax rate, which I don't anticipate being material in any given quarter.

Aravinda Galappatthige:

Thank you.

Operator:

Thank you. Our next question today comes from Jaeme Gloyn with National Bank Financial. Please go ahead.

Jaeme Gloyn:

Yeah, thanks. Just wanted to follow up on that growth rate, 10% CAGR over the last three years and maybe you can break down what's been driving that. Is that growth in AUI through new partnerships, new relationships? Is it adding more indices? What's driving that 10% growth rate?

Peter Conroy:

It's all of the above.

Jaeme Gloyn:

Can you share any more? Is it like 50-50 or how would you describe it?

Peter Conroy:

We don't break it down, but suffice to say new products, new flows, and appreciation of the market, all of the above. Then let me just add, what RAFI is getting out of this deal is VettaFi's digital distribution and the focus that we spend, and the secret sauce, as we call it, both in North America and Europe and into Asia, really helping grow assets under index for our client base.

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Jaeme Gloyn:

Okay, understood. Then I'm not sure if this came up or I missed it, but just curious on the stability of the margin profile. You provided the run rate as it stands as of the last quarter. Just curious if that's a fairly stable margin, if we've seen some expansion on that, pretty healthy margin as it is, but just curious on the trajectory that we've seen there.

David Arnold:

Yeah, I mean, I would say it's stable and that's the best way to kind of look at it. We've given you our pro-forma EBITDA and our pro-forma revenues. It's a good jumping off point, Jaeme. Then obviously the part that would be overlaid would be the part that I touched on earlier in the question about synergies. That will obviously help with that profile, but remembering that in the aggregate TMX enterprise level, this is not going to materially move the TMX EBITDA margin.

Jaeme Gloyn:

Great, thank you.

Operator:

Great, thank you. Thank you. Our next question today comes from Stephen Boland at Raymond James. Please go ahead.

Stephen Boland:

Hi, can you just talk about the process here? Was it competitive, a one-on-one type of relationship and also why is the parent company selling?

David Arnold:

I'll handle the first part and then I'll hand it over to Peter. Look, we believe it was a competitive process. Obviously, the normal approach, Stephen, when we're looking at strategy accelerants, and in this case, it was an acquisition. Obviously, we look at publicly traded comps, precedent transactions, and obviously the discounted cashflow. Then we determined fair valuation. We entered into the typical non-binding LOI kind of stage, progressed into a second stage, then moved into a period of exclusivity. Then we find ourselves as of last night, signing and announcing. I believe it was a competitive process, but don't have any extra intel to give you on that. Then Pete, a little bit about.

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Peter Conroy:
Yeah, I kind of alluded to it earlier. Really, Research Affiliates founded in 2002 and then the Indices in 2016. I think it's fair to say that they were looking for someone to take this with a 10, 20-year vision going out to the future. They'll maintain their Research Affiliates organization, and we'll take the Indices as a carve out. It's really testament to Rob and his vision going back to 2002, doing the fundamental work that he's done that's so important to the ETF community, and then looking for a partner to take this to the next level.

John McKenzie:
Peter, I'm going to add, because I want to make sure we give a lot of credit to our own team here as well. It's a testament to what Peter, Tom, Sebastian, Brian, the whole team at VettaFi have done in terms of building a very strong, reputable, growing global player. Because of that part of that reputation that we actually have relationships with folks like RAFI even before these things become a process. When it comes to a process, we're already well engaged, we know the players, and also the players know that this is a really good home for the assets they've built.

I think that's a really important piece that when you've built something, you've put your blood, sweat, and tears into it and over decades, it's not just a transaction about dollars, it's a transaction about knowing what the future is of the legacy you've built. TMX VettaFi is the right home for that to ensure that that legacy is actually taken on, built on, and expanded. Peter, I didn't want to let you off the hook there without giving some credit to what the team has built here that made it such a good partner for RAFI as well.

Stephen Boland:
Okay, great. My second question, quick one, what regulatory approvals do you need?

John McKenzie:
Yeah, it's pretty simple. I mean, given that we are in the index space already, it's primarily competition approvals in the U.S., HSR type filings. They are customary of a transaction of this nature.

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Operator:

Thank you. We'll move on to our next question and that comes from Bart Dziarski with RBC Capital Markets. Please go ahead.

Bart Dziarski:

Great, thanks for taking the question and good morning, everyone. RAFI Indices looks like they partner with some of the largest asset owners, consultants, and asset managers globally. Can you just help us understand maybe the mix of those three groups and is there any client concentration that we should think about?

Peter Conroy:

That's a great question. Yeah, they have a huge roster of names. Schwab is by far one of their most important names, but it's not just limited to Schwab. There's Invesco, there's State Street, there's PIMCO, LNG. I mean, the list goes on. This is an A Tier list of clients. As I mentioned earlier, we're targeting now, this gives us the ability to move into that institutional space. There's a whole roster of institutional clients that are coming as well as that retail distribution platform primarily through like a Schwab and Invesco, et cetera.

Bart Dziarski:

Okay, got it, thanks. Then just to follow up on the competitive process comments. You're paying about 10 times, that's below what you paid for the VettaFi business despite similar growth rates, very strong EBITDA margins. Can you help us bridge those two different valuation metrics? Have multiples derated or are there other factors that led to an attractive 10 times multiple?

David Arnold:

Yeah, I think that the key difference in part is that it was the, when we acquired TMX VettaFi, it was, as you know, it was a minority stake and then it was an acquisition of the full business. This is a carve out, right? In a carve out like this, we always have spent a lot of time doing due diligence and then in our bid submissions, really modeling out what it would look like and operate as effectively a very large tuck in on the TMX VettaFi platform. That enabled us to actually do the math to figure out what fair value

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was. Because both the seller and the buyer in this case, us were able to reach agreement at $490 million U.S. dollars. We believe it was fair value.

Bart Dziarski:
Great, thanks for taking my questions and congrats on the acquisition.

Operator:
Thank you. Our next question today comes from Graham Ryding at TD Securities. Please go ahead.

Graham Ryding:
Hi, good morning. Probably a question for Peter or John. Just, you've always talked about proprietary components of your business being defendable against competition from Gen AI. Can you just speak to how you think the indexing business is positioned relative to potential pressure from competitors that are leveraging Gen AI? Then specifically, RAFI Indices, what's proprietary or defendable within their business?

John McKenzie:
Yeah, that's a great question. That is a space we spend a lot of time on when we look at any of these pieces. Right to your point, these products are all proprietary products, proprietary methodologies. The indexes that are used in ETFs are done through long-term agreements in terms of the assets under management that go with them. We do think that they are both highly proprietary and highly defendable. But that actually does not mean that we don't look at how the AI use cases actually work with this. We actually are looking at AI use cases that help us to actually construct these indices better in terms of the operational work around them.

But regardless of the use of Gen AI, you really need to have that talent and the research capabilities on top. The Gen AI pieces can help you process these things more efficiently, but they don't actually create the intelligence in terms of what makes the products important. We spent a tremendous amount of time on that. We do that with the core business as well, and we're highly confident in the proprietary nature of what we're acquiring here.

Peter Conroy:

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Let me just add to that too. VettaFi is a disruptor in this space. It's been using technology for the last several years at an accelerating pace, using all the tools that are available and really, really innovating in this index space. I'll just add that to the tail end of John there.

Graham Ryding:
That's it for me, thank you.

Operator:
Thank you. That does conclude our question-and-answer session. I'd like to turn the conference back over to Ms. Tang for any closing remarks.

Amanda Tang:
If you have further questions, contact information for Investor Relations as well as media is in our press release.

Thank you all for your time and your insightful questions this morning. We look forward to continuing to execute on our growth strategy and sharing our progress with you following the release of our second quarter results in July. Thank you and have a great day.

Operator:
Thank you. This brings to a close today's conference call. You may disconnect your lines. Thank you for participating and have a pleasant day.

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