



NEWS RELEASE

TMX Group Limited Reports Results for Third Quarter of 2021

11/8/2021

- Revenue of \$231.3 million, up 11% from \$207.6 million in Q3/20
- Diluted earnings per share of \$1.36, up 11% from \$1.23 in Q3/20
- Adjusted diluted earnings per share¹ of \$1.57, up 12% over \$1.40 in Q3/20
- Cash flows from operating activities of \$117.7 million, up 16% from \$101.7 million in Q3/20

TORONTO, Nov. 8, 2021 /CNW/ - TMX Group Limited (TSX: X) ("TMX Group") today announced results for the third quarter ended September 30, 2021.

Commenting on the third quarter of 2021, John McKenzie, Chief Executive Officer of TMX Group, said:

"We are extremely pleased with TMX's strong performance in the quarter, as we achieved double-digit top and bottom line growth with contributions from across the enterprise, including capital formation, derivatives and Trayport. Along with sustained, positive momentum in our capital markets ecosystem, TMX also marked significant milestones in our initiatives during the third quarter, designed to bolster our ability to serve new and existing clients and to expand the global reach of Canada's markets into the future. In August, we completed the

acquisition of AST Canada to augment TSX Trust's service offering, and in September, Montreal Exchange launched derivatives trading on Asia Pacific time. Always focused on the future, TMX's people continue to work in close collaboration with our industry stakeholders in pursuit of innovative, adaptive and responsive ways to meet the evolving needs of the marketplace and ultimately, to generate long-term growth."

Commenting on TMX Group's performance in the third quarter of 2021, David Arnold, Chief Financial Officer of TMX Group, said:

"We delivered another strong quarter with 11% revenue growth this quarter compared with Q3/20, including organic revenue growth of 9%. We continued to see strong capital raising activity and growth in our data and analytics business, as well as a resurgence in our derivatives trading volumes in Q3/21. With the acquisition of AST Canada, we continued to execute on our strategy to further diversify our revenue streams and increased our proportion of recurring revenue. Operating expenses, excluding AST Canada, increased by 8% this quarter reflecting increased investment in various growth areas of our business."

¹ See discussion under the heading "Non-IFRS Financial Measures".

RESULTS OF OPERATIONS

Non-IFRS Financial Measures

Adjusted earnings per share, adjusted diluted earnings per share and adjusted net income are non-IFRS measures and do not have standardized meanings prescribed by IFRS and are, therefore, unlikely to be comparable to similar measures presented by other companies. We present adjusted earnings per share, adjusted diluted earnings per share, and adjusted net income to indicate ongoing financial performance from period to period, exclusive of a number of adjustments. These adjustments include amortization of intangibles related to acquisitions, increase in deferred income tax liabilities relating to a change in the future U.K. tax rate, acquisition and related costs, integration costs, reduction in commodity tax provision, and net litigation settlement costs. Management uses these measures, and excludes certain items, because it believes doing so results in a more effective analysis of underlying operating and financial performance, including, in some cases, our ability to generate cash. Excluding these items also enables comparability across periods. The exclusion of certain items does not imply that they are non-recurring or not useful to investors.

Quarter ended September 30, 2021 (Q3/21) Compared with Quarter ended September 30, 2020 (Q3/20)

The information below reflects the financial statements of TMX Group for Q3/21 compared with Q3/20.

(in millions of dollars, except per share amounts)	Q3/21	Q3/20	\$ increase	% increase
Revenue	\$231.3	\$207.6	\$23.7	11%
Operating expenses	121.9	107.2	14.7	14%
Income from operations	109.4	100.4	9.0	9%
Net income	76.9	70.0	6.9	10%
Adjusted net income ²	88.7	80.0	8.7	11%
Earnings per share				
	1.37	1.24	0.13	10%
Basic	1.36	1.23	0.13	11%
Diluted				
Adjusted Earnings per share ³	1.58	1.41	0.17	12%
Basic	1.57	1.40	0.17	12%
Diluted				
Cash flows from operating activities	117.7	101.7	16.0	16%

Net Income and Earnings per Share

Net income in Q3/21 was \$76.9 million, or \$1.37 per common share on a basic and \$1.36 on a diluted basis, compared with a net income of \$70.0 million, or \$1.24 per common share on a basic and \$1.23 on a diluted basis, for Q3/20. The increase in net income and earnings per share from Q3/20 to Q3/21 was largely driven by an increase in revenue partially offset by an increase in operating expenses. In Q3/20, there was a \$1.3 million reduction in commodity tax provision (2 cents per basic and diluted share). In Q3/21, there were integration costs

of \$0.6 million (1 cent per basic and diluted share). There were higher net finance costs and higher income tax expense partially offset by an increase in our share of income from BOX from Q3/20 to Q3/21. The increase in earnings per share was also partially attributable to a decrease in the number of weighted average common shares outstanding from Q3/20 to Q3/21.

2 See discussion under the heading "Non-IFRS Financial Measures".

3 See discussion under the heading "Non-IFRS Financial Measures".

Adjusted Earnings per Share⁴ Reconciliation for Q3/21 and Q3/20

The following is a reconciliation of earnings per share to adjusted earnings per share:

(unaudited)	Q3/21		Q3/20	
	Basic	Diluted	Basic	Diluted
Earnings per share	\$1.37	\$1.36	\$1.24	\$1.23
Adjustments related to:				
Amortization of intangibles related to acquisitions	0.18	0.18	0.17	0.17
Acquisition and related costs ⁵	0.02	0.02	0.02	0.02
Integration costs ⁶	0.01	0.01	—	—
Reduction in commodity tax provision	—	—	(0.02)	(0.02)
Adjusted earnings per share	\$1.58	\$1.57	\$1.41	\$1.40
Weighted average number of common shares outstanding	56,011,348	56,386,556	56,552,578	57,080,780

Adjusted diluted earnings per share increased by 12% from \$1.40 in Q3/20 to \$1.57 in Q3/21 largely driven by

higher revenue partially offset by higher operating expenses. The increase in adjusted earnings per share was also partially attributable to a decrease in the number of weighted average common shares outstanding from Q3/20 to Q3/21.

4 See discussion under the heading "Non-IFRS Financial Measures".

5 Includes costs related to the acquisition of AST Canada (acquired August 12, 2021). See Initiatives and Accomplishments - Capital Formation - AST Canada transaction in the Q3/21 MD&A for more details.

6 Includes costs related to the integration of AST Canada (acquired August 12, 2021). See Initiatives and Accomplishments - Capital Formation - AST Canada transaction in the Q3/21 MD&A for more details.

Adjusted Net Income⁷ Reconciliation for Q3/21 and Q3/20

The following is a reconciliation of net income to adjusted net income:

(in millions of dollars) (unaudited)	Q3/21	Q3/20	\$ increase / (decrease)	% increase / (decrease)
Net income	\$76.9	\$70.0	\$6.9	10%
Adjustments related to:				
Amortization of intangibles related to acquisitions	10.3	9.5	0.8	8%
Acquisition and related costs ⁸	1.0	1.4	(0.4)	(29)%
Integration costs ⁹	0.5	—	0.5	n/a
Reduction in commodity tax provision	—	(0.9)	0.9	(100)%
Adjusted net income	\$88.7	\$80.0	\$8.7	11%

Adjusted net income increased by 11% from \$80.0 million in Q3/20 to \$88.7 million in Q3/21 largely driven by higher revenue partially offset by higher operating expenses.

7 See discussion under the heading "Non-IFRS Financial Measures".

8 Includes costs related to the acquisition of AST Canada (acquired August 12, 2021). See Initiatives and Accomplishments - Capital Formation - AST Canada transaction in the Q3/21 MD&A for more details.

9 Includes costs related to the integration of AST Canada (acquired August 12, 2021). See Initiatives and Accomplishments - Capital Formation - AST Canada transaction in the Q3/21 MD&A for more details.

Revenue

(in millions of dollars)	Q3/21	Q3/20	\$ increase / (decrease)	% increase / (decrease)
Capital Formation	\$60.2	\$50.2	\$10.0	20%
Equities and Fixed Income Trading and Clearing	51.9	52.2	(0.3)	(1)%
Derivatives Trading and Clearing	32.9	24.9	8.0	32%
Global Solutions, Insights and Analytics	85.9	80.3	5.6	7%
Other	0.4	—	0.4	n/a
	\$231.3	\$207.6	\$23.7	11%

Revenue was \$231.3 million in Q3/21, up \$23.7 million or 11% from \$207.6 million in Q3/20 attributable to increases in revenue from Capital Formation, Derivatives Trading and Clearing, Global Solutions, Insights and Analytics, CDS and Other partially offset by a decrease in Equities and Fixed Income Trading revenue. Revenue for Q3/21 included approximately \$5.1 million related to AST Canada (acquired August 12, 2021) and approximately \$0.9 million related to Tradesignal (acquired June 1, 2021). Revenue excluding AST Canada and Tradesignal increased by 9% from Q3/20 to Q3/21.

Operating expenses

(in millions of dollars)	Q3/21	Q3/20	\$ increase	% increase
Compensation and benefits	\$63.4	\$57.0	\$6.4	11%
Information and trading systems	14.7	13.9	0.8	6%
Selling, general and administration	21.4	15.9	5.5	35%
Depreciation and amortization	22.4	20.4	2.0	10%
	\$121.9	\$107.2	\$14.7	14%

Operating expenses in Q3/21 were \$121.9 million, up \$14.7 million or 14%, from \$107.2 million in Q3/20. There were approximately \$7.5 million of expenses included in Q3/21 related to AST Canada (acquired August 12, 2021), including \$0.5 million related to amortization of acquired intangibles (1 cent per basic and diluted share), \$0.7 million related to the transitional services agreement (TSA) with AST, acquisition and related costs of \$1.1 million (2 cents per basic and diluted share), as well as integration costs of \$0.6 million (1 cent per basic and diluted share). The increase in costs was also attributable to higher headcount and payroll costs, increased short term employee incentive plan costs, higher legal costs, as well as increased bad debt expenses and recoverable expenses in Q3/21 compared with Q3/20. There was also a \$1.3 million reduction in commodity tax provision (2 cents per basic and diluted share) in Q3/20. These increases were partially offset by acquisition and related costs related to AST Canada in Q3/20 of \$1.4 million (2 cents per basic and diluted share).

Additional Information

Share of income from equity accounted investees

(in millions of dollars)	Q3/21	Q3/20	\$ increase	% increase
	\$4.1	\$2.9	\$1.2	41%

- The increase in our share of income from equity accounted investees of \$1.2 million primarily reflected an increase in our share of income from BOX reflecting higher revenues driven by a 128% increase in volumes

from Q3/20 to Q3/21, partially offset by an increase in long term employee performance incentive plan costs.

Nine months ended September 30, 2021 Compared with Nine months ended September 30, 2020

The information below reflects the financial statements of TMX Group for the nine months ended September 30, 2021 compared with the nine months ended September 30, 2020.

(in millions of dollars, except per share amounts)	Nine months ended September 30, 2021	Nine months ended September 30, 2020	\$ increase	% increase
Revenue	\$728.3	\$645.6	\$82.7	13%
Operating expenses	353.3	335.8	17.5	5%
Income from operations	375.0	309.8	65.2	21%
Net income	250.6	207.9	42.7	21%
Adjusted net income ¹⁰	302.2	253.6	48.6	19%
Earnings per share				
	4.46	3.69	0.77	21%
Basic	4.43	3.65	0.78	21%
Diluted				
Adjusted Earnings per share ¹¹	5.38	4.50	0.88	20%
Basic	5.35	4.44	0.91	20%
Diluted				
Cash flows from operating activities	338.4	311.6	26.8	9%

Net Income and Earnings per Share

Net income in the nine months ended September 30, 2021 was \$250.6 million, or \$4.46 per common share on a basic and \$4.43 per common share on a diluted basis, compared with a net income of \$207.9 million, or \$3.69 per common share on a basic and \$3.65 on a diluted basis, for the nine months ended September 30, 2020. The

increase in net income reflected an increase in income from operations of \$65.2 million. The increase in income from operations from the nine months ended September 30, 2020 to the nine months ended September 30, 2021 was driven by an increase in revenue of \$82.7 million, slightly offset by an increase in operating expenses of \$17.5 million. The increase in operating expenses included higher acquisition and related costs as well as approximately \$0.6 million (1 cent per basic and diluted share) of integration costs in the nine months ended September 30, 2021 related to AST Canada (acquired August 12, 2021). In the nine months ended September 30, 2021, we also incurred a \$19.8 million (35 cents per basic and diluted share) increase in income tax expenses relating to the previously announced increase in the U.K. corporate income tax rate.

These increases in operating expenses was somewhat offset by \$12.4 million (16 cents per basic and diluted share) of net litigation settlement costs in the nine months ended September 30, 2020. There was also an increase in our share of income from BOX. The increase in earnings per share was also partially attributable to a decrease in the number of weighted average common shares outstanding from the nine months ended September 30, 2020 to the nine months ended September 30, 2021.

10 See discussion under the heading "Non-IFRS Financial Measures".

11 See discussion under the heading "Non-IFRS Financial Measures".

Adjusted Earnings per Share¹² Reconciliation for Nine months ended September 30, 2021 and Nine months ended September 30, 2020

The following is a reconciliation of earnings per share to adjusted earnings per share:

(unaudited)	Nine months ended September 30, 2021		Nine months ended September 30, 2020	
	Basic	Diluted	Basic	Diluted
Earnings per share	\$4.46	\$4.43	\$3.69	\$3.65
Adjustments related to:				

	0.52	0.52	0.51	0.50
Amortization of intangibles related to acquisitions	0.35	0.35	0.13	0.13
Increase in deferred income tax liabilities relating to a change in the future U.K. tax rate	—	—	0.16	0.16
Net litigation settlement costs	0.04	0.04	0.03	0.02
Acquisition and related costs ¹³	0.01	0.01	—	—
Integration costs ¹⁴	—	—	(0.02)	(0.02)
Reduction in commodity tax provision				
Adjusted earnings per share	\$5.38	\$5.35	\$4.50	\$4.44
Weighted average number of common shares outstanding	56,148,192	56,536,290	56,406,341	56,955,817

Adjusted diluted earnings per share increased by 20% from \$4.44 in the nine months ended September 30, 2020 to \$5.35 in the nine months ended September 30, 2021 largely driven by increased revenue, partially offset by higher operating expenses. There was also an increase in our share of income from BOX partially offset by higher net finance costs. The increase in adjusted earnings per share was also partially attributable to a decrease in the number of weighted average common shares outstanding from the nine months ended September 30, 2020 to the nine months ended September 30, 2021.

12 See discussion under the heading "Non-IFRS Financial Measures".

13 Includes costs related to the acquisitions of AST Canada (acquired August 12, 2021) and Tradesignal (acquired June 1, 2021) in the first nine months of 2021. See Initiatives and Accomplishments - Capital Formation - AST Canada transaction and Initiatives and Accomplishments - Global Solutions, Insights & Analytics - Tradesignal transaction in the Q3/21 MD&A for more details.

14 Includes costs related to the integration of AST Canada (acquired August 12, 2021). See Initiatives and Accomplishments - Capital Formation - AST Canada transaction in the Q3/21 MD&A for more details.

Adjusted Net Income¹⁵ Reconciliation for Nine months ended September 30, 2021 and Nine months ended September 30, 2020

The following is a reconciliation of net income to adjusted net income:

(in millions of dollars) (unaudited)	Nine months ended September 30, 2021	Nine months ended September 30, 2020	\$ increase / (decrease)	% increase / (decrease)
Net income	\$250.6	\$207.9	\$42.7	21%
Adjustments related to:				
	29.3	28.7	0.6	2%
Amortization of intangibles related to acquisitions	19.8	7.4	12.4	168%
Increase in deferred income tax liabilities relating to a change in the future U.K. tax rate	—	9.1	(9.1)	(100%)
Net litigation settlement costs	2.0	1.4	0.6	43%
Acquisition and related costs ¹⁶	0.5	—	0.5	n/a
Integration costs ¹⁷	—	(0.9)	0.9	(100%)
Reduction in commodity tax provision				
Adjusted net income	\$302.2	\$253.6	\$48.6	19%

Adjusted net income increased by 19% from \$253.6 million in the nine months ended September 30, 2020 to \$302.2 million in the nine months ended September 30, 2021 largely driven by increased revenue, partially offset by higher operating expenses. There was also an increase in our share of income from BOX partially offset by higher net finance costs.

¹⁵ See discussion under the heading "Non-IFRS Financial Measures".

¹⁶ Includes costs related to the acquisitions of AST Canada (acquired August 12, 2021) and Tradesignal (acquired June 1, 2021) in the first nine months of 2021. See Initiatives and Accomplishments - Capital Formation - AST Canada transaction and Initiatives and Accomplishments - Global Solutions, Insights & Analytics - Tradesignal transaction in the Q3/21 MD&A for more details.

¹⁷ Includes costs related to the integration of AST Canada (acquired August 12, 2021). See Initiatives and Accomplishments - Capital Formation - AST Canada transaction in the Q3/21 MD&A for more details.

Revenue

(in millions of dollars)	Nine months ended September 30, 2021	Nine months ended September 30, 2020	\$ increase / (decrease)	% increase / (decrease)
	\$190.5	\$138.4	\$52.1	38%
Capital Formation	177.9	169.9	8.0	5%
Equities and Fixed Income Trading and Clearing	104.3	95.4	8.9	9%
Derivatives Trading and Clearing	255.5	241.1	14.4	6%
Global Solutions, Insights and Analytics	0.1	0.8	(0.7)	(88)%
Other	\$728.3	\$645.6	\$82.7	13%

Revenue was \$728.3 million in the nine months ended September 30, 2021 up \$82.7 million or 13% compared with \$645.6 million in the nine months ended September 30, 2020 attributable to increases in revenue from Capital Formation, CDS, Derivatives Trading and Clearing as well as Global Solutions, Insights and Analytics partially offset by a decrease in Other revenue.

Operating expenses

(in millions of dollars)	Nine months ended September 30, 2021	Nine months ended September 30, 2020	\$ increase / (decrease)	% increase / (decrease)
	\$185.5	\$168.4	\$17.1	10%
Compensation and benefits	45.2	39.9	5.3	13%
Information and trading systems	58.5	67.8	(9.3)	(14)%
Selling, general and administration	64.1	59.7	4.4	7%
Depreciation and amortization	\$353.3	\$335.8	\$17.5	5%

Operating expenses in the nine months ended September 30, 2021 were \$353.3 million, up \$17.5 million or 5%,

from \$335.8 million in the nine months ended September 30, 2020. There were approximately \$8.5 million of expenses included in the nine months ended September 30, 2021 related to AST Canada (acquired August 12, 2021), including \$0.5 million related to amortization of acquired intangibles (1 cent per basic and diluted share), \$0.7 million related to the TSA, acquisition and related costs of \$2.1 million (2 cents per basic and diluted share), as well as integration costs of \$0.6 million (1 cent per basic and diluted share). The increase reflected higher headcount and payroll costs, including merit increases, increased costs related to our short term employee performance incentive plan of approximately \$5.6 million and increased severance costs of approximately \$1.3 million. There were also higher expenses related to higher recoverable expenses, increased bad debt expenses, software license and maintenance costs, information security software and legal expenses.

The increases were somewhat offset by net litigation settlement costs of \$12.4 million (16 cents per basic and diluted share) in the nine months ended September 30, 2020. We also incurred \$1.4 million (3 cents per basic and 2 cents per diluted share in acquisition and related costs related to AST Canada in the nine months ended September 30, 2020. There was a \$1.8 million decrease in expenses largely relating to the release of a provision for restoration costs for our data centre in the nine months ended September 30, 2021. There was also a reduction in long term incentive plan costs of approximately \$6.1 million as well as a decrease in travel and entertainment expenses in the nine months ended September 30, 2021 compared with the nine months ended September 30, 2020. In addition, there was a \$1.3 million reduction in commodity tax provision (2 cents per basic and diluted share) in the nine months ended September 30, 2020.

Additional Information

Share of income from equity accounted investees

(in millions of dollars)	Nine months ended September 30, 2021	Nine months ended September 30, 2020	\$ increase	% increase
	\$18.4	\$6.6	\$11.8	179%

- In the nine months ended September 30, 2021, our share of income from equity accounted investees increased by \$11.8 million primarily due to an increase in our share of income from BOX reflecting higher revenues driven by a 137% increase in volumes from the nine months ended September 30, 2020 to the nine months ended September 30, 2021. This increase was partially offset by an increase in long term employee

performance incentive plan costs, and an unfavorable impact from a stronger Canadian dollar relative to to the U.S. dollar in the nine months ended September 30, 2021 compared with the nine months ended September 30, 2020.

Income tax expense and effective tax rate

Income Tax Expense (in millions of dollars)		Effective Tax Rate (%)	
Nine months ended September 30, 2021	Nine months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
\$115.7	\$83.7	32%	29%

Excluding adjustments, primarily related to the items noted below, the effective tax rate would have been approximately 26% for the nine months ended September 30, 2021 and the nine months ended September 30, 2020.

- In the nine months ended September 30, 2021, there was an increase in net deferred income tax liabilities, as well as a corresponding increase in income tax expense of \$19.8 million relating to a change in the U.K. corporate tax rate. In Q2/21, the previously announced increase in the U.K. corporate income tax rate from 19% to 25%, effective April 1, 2023, was substantively enacted. The net deferred income tax liabilities were revalued accordingly to reflect the higher tax rate.
- In the nine months ended September 30, 2020, there was an increase in deferred income tax liabilities and a corresponding increase in income tax expense of \$7.4 million relating to the U.K. corporate income tax rate. In Q1/20, it was announced that the U.K. corporate income tax rate would not decline as previously anticipated; therefore, we were required to revalue deferred income tax liabilities.

FINANCIAL STATEMENTS GOVERNANCE PRACTICE

The Finance & Audit Committee of the Board of Directors of TMX Group (Board) reviewed this press release as well as the Q3/21 unaudited condensed consolidated interim financial statements and related Management's Discussion and Analysis (MD&A) and recommended they be approved by the Board of Directors. Following review by the full Board, the Q3/21 unaudited condensed consolidated interim financial statements, MD&A and the contents of this press release were approved.

CONSOLIDATED FINANCIAL STATEMENTS

Our Q3/21 unaudited condensed consolidated interim financial statements are prepared in accordance with IFRS and are reported in Canadian dollars unless otherwise indicated. Financial measures contained in the MD&A and this press release are based on financial statements prepared in accordance with IFRS, unless otherwise specified and are in Canadian dollars unless otherwise indicated.

ACCESS TO MATERIALS

TMX Group has filed its Q3/21 unaudited condensed consolidated interim financial statements and MD&A with Canadian securities regulators. This press release should be read together with our Q3/21 unaudited condensed consolidated interim financial statements and MD&A. These documents may be accessed through www.sedar.com, or on the TMX Group website at www.tmx.com. We are not incorporating information contained on the website in this press release. In addition, copies of these documents will be available upon request, at no cost, by contacting TMX Group Investor Relations by phone at (416) 947-4277 or by e-mail at TMXshareholder@tmx.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This press release of TMX Group contains "forward-looking information" (as defined in applicable Canadian securities legislation) that is based on expectations, assumptions, estimates, projections and other factors that management believes to be relevant as of the date of this press release. Often, but not always, such forward-looking information can be identified by the use of forward-looking words such as "plans," "expects," "is expected," "budget," "scheduled," "targeted," "estimates," "forecasts," "intends," "anticipates," "believes," or variations or the negatives of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will" be taken, occur or be achieved or not be taken, occur or be achieved. Forward-looking information, by its nature, requires us to make assumptions and is subject to significant risks and uncertainties which may give rise to the possibility that our expectations or conclusions will not prove to be accurate and that our assumptions may not be correct.

Examples of forward-looking information in this press release include, but are not limited to, growth objectives; our target dividend payout ratio; the ability of TMX Group to de-leverage and the timing thereof; the modernization of clearing platforms, including the expected cash expenditures related to the modernization of our clearing platforms and the timing of the modernization; other statements related to cost reductions; the impact of the market capitalization of TSX and TSXV issuers overall (from 2019 to 2020) and the impact of increased new listing activity in 2021 on TMX Group's sustaining listing fee revenue; future changes to TMX Group's anticipated statutory income tax rate for 2021; factors relating to stock, and derivatives exchanges and clearing houses and the business,

strategic goals and priorities, market conditions, pricing, proposed technology and other business initiatives and the timing and implementation thereof, the expected transaction and integration costs related to AST Canada, the expected cost of the transitional services agreement related to AST Canada, the anticipated benefits and synergies of the AST Canada, including the expected impact on TMX Group's earnings and adjusted earnings per share and the timing thereof, financial results or financial condition, operations and prospects of TMX Group which are subject to significant risks and uncertainties.

These risks include, but are not limited to: competition from other exchanges or marketplaces, including alternative trading systems and new technologies, on a national and international basis; dependence on the economy of Canada; adverse effects on our results caused by global economic conditions (including COVID-19) or uncertainties including changes in business cycles that impact our sector; failure to retain and attract qualified personnel; geopolitical and other factors which could cause business interruption (including COVID-19); dependence on information technology; vulnerability of our networks and third party service providers to security risks, including cyber-attacks; failure to properly identify or implement our strategies; regulatory constraints; constraints imposed by our level of indebtedness, risks of litigation or other proceedings; dependence on adequate numbers of customers; failure to develop, market or gain acceptance of new products; failure to close and effectively integrate acquisitions to achieve planned economics, including AST Canada, or divest underperforming businesses; currency risk; adverse effect of new business activities; adverse effects from business divestitures; not being able to meet cash requirements because of our holding company structure and restrictions on paying dividends; dependence on third-party suppliers and service providers; dependence of trading operations on a small number of clients; risks associated with our clearing operations; challenges related to international expansion; restrictions on ownership of TMX Group common shares; inability to protect our intellectual property; adverse effect of a systemic market event on certain of our businesses; risks associated with the credit of customers; cost structures being largely fixed; the failure to realize cost reductions in the amount or the time frame anticipated; dependence on market activity that cannot be controlled; the regulatory constraints that apply to the business of TMX Group and its regulated subsidiaries, costs of on exchange clearing and depository services, trading volumes (which could be higher or lower than estimated) and revenues; future levels of revenues being lower than expected or costs being higher than expected.

Forward-looking information is based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions in connection with the ability of TMX Group to successfully compete against global and regional marketplaces; business and economic conditions generally; exchange rates (including estimates of exchange rates from Canadian dollars to the U.S. dollar or GBP), commodities prices, the level of trading and activity on markets, and particularly the level of trading in TMX Group's key products; business development and marketing and sales activity; the continued availability of financing on appropriate terms for future projects, changes to interest rates and the timing thereof, among other things, could positively or negatively impact AST

Canada's accretion to adjusted earnings per share; the amount and timing of incurrence of AST Canada integration costs; the amount and timing of: revenue and cost synergies resulting from the AST Canada acquisition; productivity at TMX Group, as well as that of TMX Group's competitors; market competition; research and development activities; the successful introduction and client acceptance of new products; successful introduction of various technology assets and capabilities; the impact on TMX Group and its customers of various regulations; TMX Group's ongoing relations with its employees; and the extent of any labour, equipment or other disruptions at any of its operations of any significance other than any planned maintenance or similar shutdowns.

In addition to the assumptions outlined above, forward looking information related to long term revenue cumulative average annual growth rate (CAGR) objectives, and long term adjusted earnings per share CAGR objectives are based on assumptions that include, but not limited to:

- TMX Group's success in achieving growth initiatives and business objectives;
- continued investment in growth businesses and in transformation initiatives including next generation post-trade systems;
- no significant changes to our effective tax rate, recurring revenue, and number of shares outstanding;
- moderate levels of market volatility;
- level of listings, trading, and clearing consistent with historical activity;
- economic growth consistent with historical activity;
- no significant changes in regulations;
- continued disciplined expense management across our business;
- continued re-prioritization of investment towards enterprise solutions and new capabilities;
- free cash flow generation consistent with historical run rate; and
- a limited impact from the COVID-19 pandemic on our plans to grow our business over the long term including on the ability of our listed issuers to raise capital.

While we anticipate that subsequent events and developments may cause our views to change, we have no

intention to update this forward-looking information, except as required by applicable securities law. This forward-looking information should not be relied upon as representing our views as of any date subsequent to the date of this press release. We have attempted to identify important factors that could cause actual actions, events or results to differ materially from those current expectations described in forward-looking information. However, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and that could cause actual actions, events or results to differ materially from current expectations. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are not intended to represent a complete list of the factors that could affect us. A description of the above-mentioned items is contained in the section "**Enterprise Risk Management**" of our 2020 Annual MD&A which is incorporated by reference into our Q3/21 MD&A.

About TMX Group (TSX:X)

TMX Group operates global markets, and builds digital communities and analytic solutions that facilitate the funding, growth and success of businesses, traders and investors. TMX Group's key operations include **Toronto Stock Exchange**, **TSX Venture Exchange**, **TSX Alpha Exchange**, **The Canadian Depository for Securities**, **Montréal Exchange**, **Canadian Derivatives Clearing Corporation**, and **Trayport** which provide listing markets, trading markets, clearing facilities, depository services, technology solutions, data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across North America (Montréal, Calgary, Vancouver and New York), as well as in key international markets including London and Singapore. For more information about TMX Group, visit our website at www.tmx.com. Follow TMX Group on Twitter: **@TMXGroup**.

Teleconference / Audio Webcast

TMX Group will host a teleconference / audio webcast to discuss the financial results for Q3/21.

Time: 8:00 a.m. - 9:00 a.m. ET on November 9, 2021.

To teleconference participants: Please call the following number at least 15 minutes prior to the start of the event.

The audio webcast of the conference call will also be available on TMX Group's website at www.tmx.com, under Investor Relations.

Teleconference Number: 416-764-8659 or 1-888-664-6392

Audio Replay: 416-764-8677 or 1-888-390-0541

The pass code for the replay is 984942.

SOURCE TMX Group Limited