



NEWS RELEASE

TMX Group Limited Reports Results for Third Quarter of 2024

2024-10-30

- Revenue of \$353.8 million, up 23% from \$287.3 million in Q3/23
- Diluted earnings per share of \$0.30, down 3% from \$0.31 in Q3/23
- Adjusted diluted earnings per share¹ of \$0.41, up 17% from \$0.35 in Q3/23

Toronto, Ontario--(Newsfile Corp. - October 30, 2024) - TMX Group Limited (TSX: X) ("TMX Group") announced results for the quarter ended September 30, 2024.

Commenting on the company's performance during the first nine months of 2024, John McKenzie, Chief Executive Officer of TMX Group, said:

"TMX continued to build on an impressive track record of growth through the first nine months of the year, delivering three consecutive quarters of year-over-year increased organic revenue and adjusted earnings per share, while advancing the evolution of our enterprise to better serve the needs of stakeholders around the world. Overall revenue increased 20% compared with the same period in 2023, including TMX VettaFi, reflecting sustained positive momentum in high growth areas of our global business and strong performances in some of our traditional markets, partially offset by the impact of challenging capital raising conditions. Across the enterprise, TMX's

leadership team and all of our people are focused on executing our long-term strategy, and leveraging our key assets to accelerate growth into the future."

Commenting on the company's performance in the third quarter of 2024, David Arnold, Chief Financial Officer of TMX Group, said:

"TMX's results for the quarter reflect positive operating leverage and strong business performances, highlighted by double-digit, year-over-year revenue growth from TMX Trayport, Derivatives, Equities and Fixed Income Trading and Clearing. Overall organic revenue, excluding 2024 acquisitions, increased 12%, adjusted earnings per share increased 17%, and income from operations grew 24% compared with Q3 of last year. Moving forward, we remain focused on capitalizing on opportunities to enhance our core offering and build on our powerful and diverse business model, as demonstrated by the recent acquisitions of Newsfile and iINDEX Research."

Key Highlights for the Third Quarter of 2024

- Organic revenue excluding TMX VettaFi and Newsfile, grew by 12% in the third quarter driven by a 27% increase in TMX Trayport's total licences, a 19% increase in derivatives trading volumes, higher rate per contract and a 5% volume increase in BOX, and an 11% increase in equity trading volumes partially offset by lower capital raising activity.
- Comparable operating expense (operating expenses excluding TMX VettaFi and Newsfile, amortization of expenses related to acquired VettaFi intangibles, acquisition related expenses, integration costs, costs related to the U.S. expansion initiative, and BOX's estimate of expenses for services provided by BOX Exchange LLC due to a true-up in Q3/23) increased 7% and included higher employee performance incentive plan costs largely driven by the increase in our share price. There were also higher headcount and payroll costs reflecting investment in various growth areas of our business, and increased IT operating costs, partially offset by lower project spend in Q3/24.
- On August 7, 2024, TMX Group completed the acquisition of Newsfile Corp. ("Newsfile"), a Canada-based news dissemination and regulatory filing provider. The addition of Newsfile expands TMX's public and private company solutions offerings, and better equips us to serve clients today and in the future. As of August 7, 2024, Newsfile became a wholly-owned subsidiary under our Capital Formation operating segment. Had the acquisition of Newsfile occurred on January 1, 2024, Newsfile would have contributed revenue and income from operations for the nine months ended September 30, 2024 of \$10.1 million and \$4.3 million, respectively².
- On October 15, 2024, TMX VettaFi announced the acquisition of iINDEX Research and Development (iINDEX

Research) an end-to-end index provider that designs, calculates, and manages indexes across global equities and fixed income markets. iINDEX Research was established in 2015 and it features US\$10B in linked assets across equity and fixed income exposures, including more than 200 ETFs/index funds, 20 passive pension and study funds, and quantitative investments models for hedge funds. Had the acquisition of iINDEX Research occurred on January 1, 2024, iINDEX Research would have contributed revenue and income from operations for the nine months ended September 30, 2024 of approximately US\$3.3 million and US\$1.5 million, respectively³.

RESULTS OF OPERATIONS

Non-GAAP Measures

Adjusted net income is a non-GAAP measure⁴, and adjusted earnings per share, adjusted diluted earnings per share, and adjusted earnings per share CAGR are non-GAAP ratios⁵, and do not have standardized meanings prescribed by GAAP and are, therefore, unlikely to be comparable to similar measures presented by other companies.

Management uses these measures, and excludes certain items, because it believes doing so provides investors a more effective analysis of underlying operating and financial performance, including, in some cases, our ability to generate cash. Management also uses these measures to more effectively measure performance over time, and excluding these items increases comparability across periods. The exclusion of certain items does not imply that they are non-recurring or not useful to investors.

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 as outlined under the headings "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for Q3/24 and Q3/23" and "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for FNM/24 and FNM/23".

We have also presented long term adjusted EPS CAGR as a financial objective which is the growth rate in adjusted diluted earnings per share over time, exclusive of adjustments that impact the comparability of adjusted EPS from period to period, including those outlined under the headings "Adjusted Earnings Per Share Reconciliation for Q3/24 and Q3/23" and "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for FNM/24 and FNM/23". The adjusted EPS CAGR is based on the assumptions outlined under the heading "Caution Regarding Forward Looking Information - Assumptions related to long term financial objectives".

Similarly, we present the dividend payout ratio based on dividends paid divided by adjusted earnings per share as a measure of TMX Group's ability to make dividend payments, exclusive of a number of adjustments as outlined under the heading "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for Q3/24 and Q3/23" and "Adjusted Net Income attributable to equity holders of TMX Group and Adjusted Earnings Per Share Reconciliation for FNM/24 and FNM/23".

Debt to adjusted EBITDA ratio is a non-GAAP measure defined as total long term debt and debt maturing within one year divided by adjusted EBITDA. Adjusted EBITDA is calculated as net income excluding interest expense, income tax expense, depreciation and amortization, transaction related costs, integration costs, one-time income (loss), and other significant items that are not reflective of TMX Group's underlying business operations.

Quarter ended September 30, 2024 (Q3/24) Compared with Quarter ended September 30, 2023 (Q3/23)

The information below is derived from the financial statements of TMX Group for Q3/24 compared with Q3/23.

(in millions of dollars, except per share amounts)	Q3/24	Q3/23	\$ increase / (decrease)	% increase / (decrease)
Revenue	\$353.8	\$287.3	\$66.5	23%
Operating expenses	198.3	162.0	36.3	22%
Income from operations	155.5	125.3	30.2	24%
Net income attributable to equity holders of TMX Group	82.7	85.3	(2.6)	(3)%
Adjusted net income attributable to equity holders of TMX Group ⁶	114.1	96.8	17.3	18%
Earnings per share attributable to equity holders of TMX Group				
Basic	0.30	0.31	(0.01)	(3)%
Diluted	0.30	0.31	(0.01)	(3)%
Adjusted Earnings per share attributable to equity holders of TMX Group ⁷				
Basic	0.41	0.35	0.06	17%
Diluted	0.41	0.35	0.06	17%
Cash flows from operating activities	170.5	117.0	53.5	46%

Net Income attributable to equity holders of TMX Group and Earnings per Share

Net income attributable to equity holders of TMX Group in Q3/24 was \$82.7 million, or \$0.30 per common share on a basic and diluted basis, compared with a net income attributable to equity holders of TMX Group of \$85.3 million, or \$0.31 per common share on a basic and diluted basis for Q3/23. The decrease in net income attributable to equity holders of TMX Group reflects higher net finance costs of \$25.9 million, and higher income taxes somewhat offset by an increase in Income from operations of \$30.2 million from Q3/23 to Q3/24 driven by an increase in revenue of \$66.5 million, partially offset by an increase in operating expenses of \$36.3 million. The increase in

revenue from Q3/23 to Q3/24 is largely attributable to increases in revenue from Global Solutions, Insights and Analytics, of which \$31.1 million reflects the inclusion of revenue from TMX VettaFi (fully acquired January 2, 2024). There was also higher revenue from Derivatives Trading and Clearing, Equities and Fixed Income Trading and Clearing, as well as Capital Formation of which \$1.7 million reflected the inclusion of revenue from Newsfile (acquired August 7, 2024).

The higher expenses reflected approximately \$12.8 million of operating expenses related to TMX VettaFi (equity accounted since January 9, 2023, prior to acquisition of control on January 2, 2024) and Newsfile (acquired August 7, 2024), \$11.8 million related to amortization of acquired VettaFi intangibles, \$1.7 million in acquisition and related costs, \$0.9 million in integration costs, approximately \$1.7 million related to our U.S. expansion initiative, and \$0.9 million in contingent payments related to Newsfile. There were also higher expenses reflecting higher headcount and payroll costs, employee performance incentive plan costs driven by the appreciation in our share price, and increased IT operating costs. Somewhat offsetting the higher operating expenses was lower expenses of \$5.2 million related to BOX's estimate of expenses for services provided by BOX Exchange LLC⁸ due to a true-up in Q3/23.

Adjusted Net Income attributable to equity holders of TMX Group⁹ and Adjusted Earnings per Share¹⁰
Reconciliation for Q3/24 and Q3/23

The following tables present reconciliations of net income attributable to equity holders of TMX Group to adjusted net income attributable to equity holders of TMX Group and earnings per share to adjusted earnings per share. The financial results have been adjusted for the following:

The amortization expenses of intangible assets in Q3/23 and Q3/24 related to the 2012 Maple transaction (TSX, TSXV, MX, Alpha, Shorcan), TSX Trust, TMX Trayport (including VisoTech and Tradesignal), AST Canada, BOX, and WSH, and the amortization of intangibles related to TMX VettaFi in Q3/24. These costs are a component of Depreciation and amortization.

Integration costs related to integrating the VettaFi and Newsfile acquisitions in Q3/24. These costs are included in Compensation and benefits, Information and trading systems, Depreciation and Amortization, Net Finance Costs (VettaFi), and Selling, general and administration (VettaFi and Newsfile).

Acquisition and related costs in Q3/24 related to VettaFi (equity-accounted on January 9, 2023 prior to the acquisition of control on January 2, 2024), Newsfile (acquired August 7, 2024), and iINDEX Research (acquired October 15, 2024). Q3/23 also includes acquisition related costs for SigmaLogic (equity-accounted prior to the acquisition of control on February 16, 2023 and divested on April 21, 2023). These costs are included in Selling, general and administration (VettaFi, Newsfile and iINDEX Research), and Net Finance Costs (VettaFi).

Change in fair value related to contingent considerations, reflecting a reduction in the earn-out liability in Q3/23 assumed as part of the WSH acquisition, and an increase to a prior earn-out liability assumed as part of the VettaFi acquisition in Q1/24, and an increase in the accrual of the contingent payments agreed upon as part of the Newsfile acquisition. These changes are included in Compensation and Benefits (Newsfile) and Net Finance Costs (WSH and VettaFi).

Net gain on foreign exchange (FX) forwards and translation of monetary assets and liabilities denominated in foreign currencies. These changes are included in Net Finance Costs in Q3/24.

(in millions of dollars) (unaudited)	Pre-tax		Tax		After-tax			
	Q3/24	Q3/23	Q3/24	Q3/23	Q3/24	Q3/23	\$ increase / (decrease)	% increase / (decrease)
Net income attributable to equity holders of TMX Group					\$82.7	\$85.3	(\$2.6)	(3)%
Adjustments related to:								
Amortization of intangibles related to acquisitions ¹¹	27.0	15.0	7.7	3.4	19.3	11.6	7.7	66%
Integration costs	1.5	-	0.4	-	1.1	-	1.1	n/a
Acquisition and related costs ¹²	1.9	-	0.1	-	1.8	-	1.8	n/a
Contingent payments accrual and fair value adjustment ¹³	0.8	(0.1)	-	-	0.8	(0.1)	0.9	(900)%
Net loss from FX forwards and translation of monetary assets and liabilities denominated in foreign currencies	9.8	-	1.3	-	8.5	-	8.5	n/a
Adjusted net income attributable to equity holders of TMX Group ¹⁴					\$114.1	\$96.8	\$17.3	18%

Adjusted net income attributable to equity holders of TMX Group increased by 18% from \$96.8 million in Q3/23 to \$114.1 million in Q3/24 driven by an increase in income from operations, partially offset by higher net finance costs.

(unaudited)	Q3/24		Q3/23	
	Basic	Diluted	Basic	Diluted
Earnings per share attributable to equity holders of TMX Group	\$0.30	\$0.30	\$0.31	\$0.31
Adjustments related to:				
Amortization of intangibles related to acquisitions ¹⁵	0.07	0.07	0.04	0.04
Acquisition and related costs ¹⁶	0.01	0.01	-	-
Net loss from FX forwards and translation of monetary assets and liabilities denominated in foreign currencies	0.03	0.03	-	-
Adjusted earnings per share attributable to equity holders of TMX Group ^{17,18}	\$0.41	\$0.41	\$0.35	\$0.35
Weighted average number of common shares outstanding	277,669,612	279,003,533	278,423,567	279,321,968

Adjusted diluted earnings per share increased by 6 cents from \$0.35 in Q3/23 to \$0.41 in Q3/24 reflecting an increase in income from operations and a decrease in the number of weighted average common shares outstanding from Q3/23 to Q3/24, partially offset by higher net finance costs.

Revenue

(in millions of dollars)	Q3/24	Q3/23	\$ increase / (decrease)	% increase / (decrease)
Capital Formation	\$61.9	\$60.4	\$1.5	2%
Equities and Fixed Income Trading and Clearing	61.8	54.9	6.9	13%
Derivatives Trading and Clearing	83.2	67.6	15.6	23%
Global Solutions, Insights and Analytics	146.9	104.3	42.6	41%
Other	0.0	0.1	(0.1)	(100)%
	\$353.8	\$287.3	\$66.5	23%

Revenue was \$353.8 million in Q3/24, up \$66.5 million or 23% from \$287.3 million in Q3/23 largely attributable to increases in revenue from Global Solutions, Insights and Analytics, of which \$31.1 million reflects the inclusion of revenue from TMX VettaFi (fully acquired January 2, 2024), Derivatives Trading and Clearing, and Equities and Fixed Income Trading and Clearing. There was also an increase in revenue from Capital Formation, of which \$1.7 million reflects the inclusion of revenue from Newsfile (acquired August 7, 2024). Excluding revenue from TMX VettaFi and Newsfile, revenue was up 12% in Q3/24 compared to Q3/23.

Operating expenses

(in millions of dollars)	Q3/24	Q3/23	\$ increase / (decrease)	% increase / (decrease)
Compensation and benefits	\$96.8	\$77.0	\$19.8	26%
Information and trading systems	26.5	23.7	2.8	12%
Selling, general and administration	33.0	33.1	(0.1)	0%
Depreciation and amortization	42.0	28.2	13.8	49%
	\$198.3	\$162.0	\$36.3	22%

Operating expenses in Q3/24 were \$198.3 million, up \$36.3 million or 22%, from \$162.0 million in Q3/23. The increase reflected \$12.8 million of operating expenses related to TMX VettaFi (equity accounted since January 9,

2023, prior to acquisition of control on January 2, 2024), and Newsfile (acquired August 7, 2024), \$11.8 million higher amortization of expenses related to acquired VettaFi intangibles, as well as a \$1.7 million increase related to acquisition and related expenses. There were also increases of \$1.7 million related to our U.S. expansion initiative, \$0.9 million in integration costs, and \$0.9 million in contingent payments related to Newsfile. Somewhat offsetting these increases were lower expenses of \$5.2 million related to BOX's estimate of expenses for services provided by BOX Exchange LLC due to a true-up in Q3/23.

Excluding the above mentioned expenses for TMX VettaFi, Newsfile, acquisition expenses, integration costs, the U.S. expansion initiative and BOX, comparable operating expenses increased by approximately 7% in Q3/24 compared with Q3/23.

The comparable operating expense increase of 7% reflects higher expenses due to higher headcount and payroll costs, higher employee performance incentive plan costs driven by the increase in our share price, and increased IT operating costs. Partially offsetting these increases was lower project spend in Q3/24.

Additional Information

Share of loss from equity-accounted investments

(in millions of dollars)	Q3/24	Q3/23	\$ increase	% increase
	\$(0.4)	\$(0.1)	\$(0.3)	(300)%

- In Q3/24, our share of loss from equity-accounted investments increased by \$0.3 million. For Q3/24, our share of (loss) income from equity-accounted investments includes Ventriks and other equity accounted investments, compared with Q3/23, which included VettaFi, Ventriks and other equity accounted investments.

Net finance costs

(in millions of dollars)	Q3/24	Q3/23	\$ increase	% increase
	\$29.1	\$3.2	\$25.9	809%

\$11.5

\$6.1

\$5.4

- The increase in net income attributable to non-controlling interests (NCI) for Q3/24 compared to Q3/23 is primarily due to higher net income in BOX driven by higher revenue and lower operating expenses.

Nine months ended September 30, 2024 (FNM/24) Compared with the nine months ended September 30, 2023 (FNM/23)²⁰

The information below reflects the financial statements of TMX Group for FNM/24 compared with FNM/23.

(in millions of dollars, except per share amounts)	FNM/24	FNM/23	\$ increase	% increase
Revenue	\$1,066.8	\$892.6	\$174.2	20%
Operating expenses	605.7	480.8	124.9	26%
Income from operations	461.1	411.8	49.3	12%
Net income attributable to equity holders of TMX Group	322.2	271.6	50.6	19%
Adjusted net income attributable to equity holders of TMX Group ^{21,22}	338.4	309.3	29.1	9%
Earnings per share attributable to equity holders of TMX Group				
Basic	1.16	0.98	0.18	18%
Diluted	1.15	0.97	0.18	19%
Adjusted Earnings per share attributable to equity holders of TMX Group ²³				
Basic	1.22	1.10	0.12	11%
Diluted	1.21	1.10	0.11	10%
Cash flows from operating activities	444.7	384.8	59.9	16%

Net Income attributable to equity holders of TMX Group and Earnings per Share

Net income attributable to equity holders of TMX Group in FNM/24 was \$322.2 million, or \$1.16 per common share on a basic and \$1.15 on a diluted basis, compared with \$271.6 million, or \$0.98 per common share on a basic and \$0.97 on a diluted basis for FNM/23. The increase in net income attributable to equity holders of TMX Group reflected a non-cash gain of \$57.1 million being recognized in FNM/24 resulting from the fair value remeasurement of our previously held minority interest in VettaFi (equity-accounted January 9, 2023 prior to the acquisition of control January 2, 2024), an increase in income from operations of \$49.3 million, and a decrease in income tax expense of \$3.3 million partially offset by higher net finance costs of \$49.0 million. The increase in income from operations from FNM/23 to FNM/24 was driven by an increase in revenue of \$174.2 million, largely attributable to increases in revenue from Global Solutions, Insights and Analytics, of which \$101.0 million reflects the inclusion of revenue from TMX VettaFi, as well as higher revenue from Derivatives Trading and Clearing, and Equities and Fixed

Income Trading and Clearing, somewhat offset by a decrease in Capital Formation revenue, which included \$1.7 million of revenue from Newsfile (acquired August 7, 2024), and an increase in operating expenses of \$124.9 million.

The higher expenses reflected approximately \$45.6 million of operating expenses related to TMX VettaFi (equity accounted since January 9, 2023, prior to acquisition of control on January 2, 2024) and Newsfile (acquired August 7, 2024), \$35.5 million related to amortization of acquired VettaFi intangibles, \$7.1 million in acquisition and related expenses, \$6.5 million in integration costs, approximately \$4.7 million related to our U.S. expansion initiative, and \$0.9 million in contingent payments related to Newsfile. There were also higher expenses reflecting higher headcount and payroll costs, employee performance incentive plan costs, and increased IT operating costs.

Partially offsetting these increases in operating expenses was a one-time write off of receivables in FNM/23. The increase in earnings per share was also partially attributable to a decrease in the number of weighted average common shares outstanding from FNM/23 to FNM/24.

Adjusted Net Income²⁴ attributable to equity holders of TMX Group and Adjusted Earnings per Share²⁵
Reconciliation for FNM/24 and FNM/23

The following tables present reconciliations of net income attributable to equity holders of TMX Group to adjusted net income attributable to equity holders of TMX Group and earnings per share to adjusted earnings per share. The financial results have been adjusted for the following:

The amortization expenses of intangible assets in FNM/23 and FNM/24 related to the 2012 Maple transaction (TSX, TSXV, MX, Alpha, Shorcan), TSX Trust, TMX Trayport (including VisoTech and Tradesignal), AST Canada, BOX, and Wall Street Horizon (WSH), and the amortization of intangibles related to TMX VettaFi in FNM/24. These costs are a component of Depreciation and amortization.

Acquisition and related costs in FNM/23 and FNM/24 related to VettaFi (equity-accounted on January 9, 2023 prior to the acquisition of control on January 2, 2024). FNM/24 also includes acquisition related costs for Newsfile (acquired August 7, 2024) and iNDEX Research (acquired October 15, 2024). FNM/23 also includes acquisition related costs for SigmaLogic (equity-accounted prior to the acquisition of control on February 16, 2023 and divested on April 21, 2023) and WSH (acquired November 9, 2022). These costs are included in Selling, general and administration (VettaFi, Newsfile and iNDEX Research) and Net Finance Costs (VettaFi).

Integration costs related to integrating the VettaFi and Newsfile acquisitions in FNM/24. These costs are included in Compensation and benefits, Information and trading systems, Depreciation and amortization, Net Finance Costs (VettaFi), and Selling, general and administration (VettaFi and Newsfile).

Gain resulting from the sale of 100% of our interest in SigmaLogic to VettaFi (effective April 21, 2023), net of divestiture costs. This gain is included in Other Income while the costs are included in Selling, general and administration.

Gain on fair value revaluation of VettaFi resulting from the remeasurement of our previously held minority interest in VettaFi (fully acquired January 2, 2024), included in Other income in FNM/24.

Change in fair value related to contingent considerations, reflecting a reduction in the earn-out liability assumed as part of the WSH acquisition, an increase to a prior earn-out liability assumed as part of the VettaFi acquisition, and an increase in the accrual of the contingent payments agreed upon as part of the Newsfile acquisition. These changes are included in Compensation and benefits (Newsfile), and Net Finance Costs (WSH and VettaFi).

Net gain on foreign exchange (FX) forwards and translation of monetary assets and liabilities denominated in foreign currencies, including USD-denominated debt raised to facilitate the VettaFi acquisition in FNM/24. These changes are included in Net Finance Costs.

(in millions of dollars) (unaudited)	Pre-tax		Tax		After-tax			% increase / (decrease)
	FNM/24	FNM/23	FNM/24	FNM/23	FNM/24	FNM/23	\$ increase / (decrease)	
Net income attributable to equity holders of TMX Group					\$322.2	\$271.6	\$50.6	19%
Adjustments related to:								
Amortization of intangibles related to acquisitions ²⁶	80.8	45.3	23.3	12.5	57.5	32.8	24.7	75%
Acquisition and related costs ²⁷	9.1	3.9	1.6	-	7.4	3.9	3.5	90%
Integration costs	6.9	-	1.9	-	5.1	0.0	5.1	n/a
Gain on sale of SigmaLogic, net of divestiture costs ²⁸	-	(1.2)	-	(0.2)	-	(1.0)	1.0	(100%)
Gain on fair value revaluation of VettaFi ²⁹	(57.1)	-	-	-	(57.1)	-	(57.1)	n/a
Contingent payments accrual and fair value adjustment ³⁰	1.6	(1.2)	-	-	1.6	(1.2)	2.8	(233)%
Net loss from FX forwards and translation of monetary assets and liabilities denominated in foreign currencies	1.8	3.2	0.2	-	1.6	3.2	(1.6)	(50)%
Adjusted net income attributable to equity holders of TMX Group ^{31,32,33}					\$338.4	\$309.3	29.1	9%

Adjusted net income attributable to equity holders of TMX Group increased by 9% from \$309.3 million in FNM/23 to \$338.4 million in FNM/24 driven by an increase in income from operations, lower income tax expense, and partially offset by higher net finance costs.

(unaudited)	FNM/24		FNM/23	
	Basic	Diluted	Basic	Diluted
Earnings per share attributable to equity holders of TMX Group	\$1.16	\$1.15	\$0.98	\$0.97
Adjustments related to:				
Amortization of intangibles related to acquisitions ³⁴	0.21	0.21	0.12	0.12
Acquisition and related costs ³⁵	0.03	0.03	0.01	0.01
Integration costs	0.02	0.02	-	-
Gain on fair value revaluation of VettaFi	(0.21)	(0.21)	-	-
Contingent payments accrual and fair value adjustment ³⁶	-	-	(0.01)	(0.01)
Net loss from FX forwards and translation of monetary assets and liabilities denominated in foreign currencies	0.01	0.01	-	-
Adjusted earnings per share attributable to equity holders of TMX Group ^{37,38}	1.22	1.21	\$1.10	\$1.10
Weighted average number of common shares outstanding	277,295,750	278,554,253	278,549,825	279,430,839

Adjusted diluted earnings per share increased by 11 cents from \$1.10 in FNM/23 to \$1.21 in FNM/24 reflecting an increase in income from operations, lower income tax expense, and a decrease in the number of weighted average common shares outstanding from FNM/23 to FNM/24, partially offset by higher net finance costs.

Revenue

(in millions of dollars)	FNM/24	FNM/23	\$ increase / (decrease)	% increase / (decrease)
Capital Formation	\$200.3	\$205.0	\$(4.7)	(2)%
Equities and Fixed Income Trading and Clearing	186.8	173.0	13.8	8%
Derivatives Trading and Clearing	234.6	202.9	31.7	16%
Global Solutions, Insights and Analytics	445.1	311.6	133.5	43%
Other	-	0.1	(0.1)	(100)%
	1,066.8	\$892.6	\$174.2	20%

Revenue was \$1,066.8 million in FNM/24, up \$174.2 million or 20% compared with \$892.6 million in FNM/23 largely attributable to increases in revenue from Global Solutions, Insights and Analytics, of which \$101.0 million reflects the inclusion of revenue from TMX VettaFi (fully acquired January 2, 2024), as well as increases from Derivatives Trading and Clearing, and Equities and Fixed Income Trading and Clearing, partially offset by a decrease in Capital Formation. FNM/24 revenue for Capital Formation included \$1.7 million of revenue from Newsfile (acquired August 7, 2024). Excluding revenue from TMX VettaFi and Newsfile, revenue was up 8% in FNM/24 compared with FNM/23.

Operating expenses

(in millions of dollars)	FNM/24	FNM/23	\$ increase	% increase
Compensation and benefits	287.3	\$234.6	\$52.7	22%
Information and trading systems	80.2	68.3	11.9	17%
Selling, general and administration	114.8	93.8	21.0	22%
Depreciation and amortization	123.6	84.1	39.5	47%
	\$605.7	\$480.8	\$124.9	26%

Operating expenses in FNM/24 were \$605.7 million, up \$124.9 million or 26%, from \$480.8 million in FNM/23. The increase from FNM/23 to FNM/24 reflected approximately \$45.6 million of operating expenses related to TMX VettaFi (equity accounted since January 9, 2023, prior to acquisition of control on January 2, 2024) and Newsfile (acquired August 7, 2024), \$35.5 million related to amortization of acquired VettaFi intangibles, as well as a \$7.1 million increase in acquisition and related expenses. There were also increases of \$6.5 million in integration costs, approximately \$4.7 million related to our U.S. expansion initiative, and \$0.9 million in contingent payments related to Newsfile. Somewhat offsetting these increases was a one-time write off of receivables in FNM/23 of approximately \$2.2 million, as well as \$0.8 million related to SigmaLogic (control acquired February 16, 2023 and divested April 21, 2023) in FNM/23.

Excluding the above mentioned expenses for TMX VettaFi, Newsfile, acquisition expenses, integration costs, the U.S. expansion initiative, SigmaLogic and the one-time receivable write off, comparable operating expenses increased by approximately 6% in FNM/24 compared with FNM/23.

The comparable operating expense increase of 6% reflects higher headcount and payroll costs, employee performance incentive plan costs largely driven by the increase in our share price, and increased IT operating costs, somewhat offset by lower project spend, severance, facility fees, marketing and director fees.

Additional Information

Share of loss from equity-accounted investments

(in millions of dollars)	FNM/24	FNM/23	\$ decrease	% decrease
	\$(0.9)	\$(1.0)	\$0.1	10%

- In FNM/24, our share of loss from equity-accounted investments decreased by \$0.1 million. For FNM/24, our share of loss from equity-accounted investments includes Ventriks and other equity accounted investments compared with FNM/23, which included VettaFi39, SigmaLogic40, Ventriks, and other equity accounted investments.

Other income

(in millions of dollars)	FNM/24	FNM/23	\$ increase	% increase
	\$57.1	1.3	\$55.8	4,292%

- In FNM/24, we recognized a non-cash gain of \$57.1 million from the fair value revaluation resulting from the remeasurement of our previously held minority interest in TMX VettaFi (equity-accounted from January 9, 2023 to the acquisition of control on January 2, 2024).
- In FNM/23, we recognized a non-cash gain of \$1.3 million resulting from the sale of 100% of our interest in SigmaLogic to VettaFi in exchange for additional common units in VettaFi.

Net finance costs

(in millions of dollars)	FNM/24	FNM/23	\$ increase	% increase
	\$68.7	\$19.7	\$49.0	249%

- The increase in net finance costs for FNM/24 compared to FNM/23 primarily reflected higher interest expense of \$48.8 million mainly due to increased debt levels following the VettaFi acquisition and higher net foreign exchange losses of \$10.3 million (FNM/24 net foreign exchange loss of \$12.6 million reflects FX losses for USD-denominated external debt, partially offset by FX gains on USD-denominated intercompany loans). This increase was somewhat offset by a \$10.8 million fair value gain on foreign exchange forwards⁴¹, and higher interest income on funds invested of \$1.5 million as a result of higher interest rates in FNM/24.

Income tax expense and effective tax rate

Income Tax Expense (in millions of dollars)		Effective Tax Rate (%) ⁴²	
FNM/24	FNM/23	FNM/24	FNM/23
\$95.3	\$98.6	23%	27%

The effective tax rate excluding below adjustments would have been approximately 27% for FNM/24, unchanged from FNM/23.

FNM/24

- In FNM/24, there was a fair value revaluation from the remeasurement of our previously held minority interest in VettaFi (Equity-accounted January 9, 2023 prior to the acquisition of control January 2, 2024) that resulted in a non-taxable gain of \$57.1 million which decreased our effective tax rate by approximately 4%.

FNM/23

- In FNM/23, there were non-deductible FX losses resulting from the unrealized translation of monetary assets and liabilities.

Net income attributable to non-controlling interests

(in millions of dollars)	FNM/24	FNM/23	\$ increase
	\$31.1	\$22.2	\$8.9

- The increase in net income attributable to non-controlling interests for FNM/24 compared to FNM/23 is primarily due to higher net income in BOX driven by higher revenue.

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 Q3/24 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 Q3/24 unaudited condensed consolidated interim financial statements, MD&A and the contents of this press release were approved.

CONSOLIDATED FINANCIAL STATEMENTS

Our Q3/24 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 International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee ("IFRIC") interpretations, as issued by the International Accounting Standards Board (IASB) for the preparation of interim financial statements, in compliance with IAS 34, Interim Financial Reporting, unless otherwise specified. All amounts are in Canadian dollars unless otherwise indicated.

ACCESS TO MATERIALS

TMX Group has filed its Q3/24 unaudited condensed consolidated interim financial statements and MD&A with Canadian securities regulators. This press release should be read together with our Q3/24 unaudited condensed consolidated interim financial statements and MD&A. These documents may be accessed through www.sedarplus.ca, 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 +1 888 873-8392 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, our long-term

revenue growth CAGR and adjusted EPS CAGR objectives; our target dividend payout ratio; our target debt to adjusted EBITDA ratio; our objectives regarding growing recurring revenue, revenue outside Canada and the percentage of GSIA revenue as a percentage of total TMX Group revenue; our objectives related to the acquisition of VettaFi; our objectives related to the acquisition of Newsfile; the modernization of clearing platforms, including the expected cash expenditures related to the modernization of our clearing platforms and the timing of the implementation of the modernization project; the timing of and the total cash expenditures related to the U.S. Expansion, other statements related to cost reductions; the ability to and the timing of achieving our targeted leverage range; the impact of the market capitalization of TSX and TSXV issuers overall (from 2022 to 2023); future changes to TMX Group's anticipated statutory income tax rate for 2024; 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, 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 and alternative sources of financing, on a national and international basis; dependence on the economy of Canada; adverse effects on our results caused by global economic conditions (including geopolitical events, interest rate movements, threat of recession) 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; dependence on information technology; significant delays in the post trade modernization project resulting from the industry implementation of T+1 settlement or for other reasons, which could lead to increased implementation costs and could negatively impact our operating results; 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 TMX VettaFi, 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 inter-corporate 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 the resulting impact on 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 and other venues; 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; 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 and services; 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.

Assumptions related to long term financial objectives

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 technology and systems;
- no significant changes to our effective tax rate, and number of shares outstanding;
- organic and inorganic growth in recurring revenue;
- moderate levels of market volatility over the long term;
- 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 inflation, rising interest rates and supply chain constraints 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 2023 annual 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, TMX Trayport** and **TMX VettaFi** 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, Singapore, and Vienna. For more information about TMX Group, visit www.tmx.com. Follow TMX Group on X: **@TMXGroup**.

Teleconference / Audio Webcast

TMX Group will host a teleconference / audio webcast to discuss the financial results for Q3/24.

Time: 8:00 a.m. - 9:00 a.m. ET on Thursday October 31, 2024

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: 437-900-0527 or 1-888-510-2154

Audio Replay: 289-819-1450 or 1-888-660-6345

The pass code for the replay is 68235.

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1 Adjusted diluted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures".

2 Newsfile's financial information is unaudited and provided by iNDEX Research management. It is not prepared in accordance with IFRS for public companies.

3 iNDEX Research's financial information is unaudited and provided by iNDEX Research management. It is not prepared in accordance with IFRS for public companies.

4 As defined in National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure.

5 As defined in National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure.

6 Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures".

7 Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures".

8 BOX Exchange LLC is a national securities exchange registered with the Securities and Exchange Commission, and is responsible for regulating and monitoring activities of BOX Options Market LLC, to ensure compliance with BOX Exchange rules and U.S. federal securities laws. TMX has a 40% equity and a 20% voting interest in BOX Exchange LLC.

9 Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures".

10 Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures".

11 Includes amortization expense of acquired intangibles including TMX VettaFi in Q3/24.

12 For additional information, see discussion under the heading "Initiatives and Accomplishments" in TMX Group's Q3 2024 MD&A for more details.

13 Includes amounts related to WSH and VettaFi, and amounts related to Newsfile, see discussion under the heading "Compensation and benefits" in TMX Group's Q3 2024 MD&A.

14 Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures". The reconciliation for Adjusted net income in Q3/24 is presented without rounding adjustments for better accuracy.

15 Includes amortization expense of acquired intangibles including BOX, AST Canada, Tradesignal and WSH in Q3/23 and Q3/24, and TMX VettaFi in Q3/24.

16 For additional information, see discussion under the heading "Initiatives and Accomplishments" in TMX Group's Q3 2024 MD&A.

17 Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures". Integration costs and Contingent payments accrual and fair value adjustment are not presented in the reconciliation due to the size of the adjustment being less than a penny.

18 The reconciliation for Basic adjusted earnings per share in Q3/24 is presented without rounding adjustments for better accuracy.

19 Effective Tax Rate is based on Income tax expense divided by Income before income tax expense less Non-controlling interests. Effective tax rate, including NCI, calculated from total Income before Income Tax Expense was 25% in Q3/24 and Q3/23.

20 TMX Group completed a five-for-one split of its common shares outstanding (the Stock Split) effective at the close of business on June 13, 2023. All common share numbers and per share amounts in this release, including comparative figures, have been adjusted to reflect the Stock Split.

21 Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures".

22 FNM/23 has been restated to be consistent with current quarter methodology.

23 Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures".

24 Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures".

25 Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures".

26 Includes amortization expense of acquired intangibles including TMX VettaFi in FNM/24.

27 For additional information, see discussion under the heading "Initiatives and Accomplishments" in TMX Group's Q3 2024 MD&A for more details.

28 Gain resulting from the sale of SigmaLogic (effective April 21, 2023).

29 For additional information, see discussion under the heading "Additional Information - Other Income".

30 Includes amounts related to WSH and VettaFi, see discussion under the heading "Additional Information - Net Finance Costs", and amounts related to Newsfile, see discussion under the heading "Compensation and benefits" in TMX Group's Q3 2024 MD&A.

31 Adjusted net income is a non-GAAP measure, see discussion under the heading "Non-GAAP Measures".

32 The reconciliation for adjusted net income in FNM/24 is presented without a rounding adjustment for better accuracy.

33 FNM/23 has been restated to be consistent with current quarter methodology.

34 Includes amortization expense of acquired intangibles including TMX VettaFi in FNM/24.

35 For additional information, see discussion under the heading "Initiatives and Accomplishments" in TMX Group's Q3 2024 MD&A for more details.

36 For additional information, see discussion under the heading "Additional Information - Net Finance Costs".

37 Adjusted earnings per share is a non-GAAP ratio, see discussion under the heading "Non-GAAP Measures". "Gain on sale of SigmaLogic, net of divestiture costs" is not presented in the reconciliation due to the size of the adjustment being less than a penny.

38 The reconciliations for Basic adjusted earnings per share in FNM/24 and Diluted adjusted earnings per share in FNM/23 is presented without a rounding adjustment for better accuracy.

39 Equity-accounted January 9, 2023 prior to the acquisition of control January 2, 2024.

40 Consolidated February 16, 2023 and divested April 21, 2023. For additional information, see discussion under the heading "Initiatives and Accomplishments* VettaFi Acquisition" in the 2023 Annual MD&A.

41 For additional information, see discussion under the heading "Financial Instruments" in TMX Group's Q3 2024 MD&A.

42 Effective Tax Rate is based on Income tax expense divided by Income before income tax expense less Non-controlling interests. Effective tax rate, including NCI, calculated from total Income before Income Tax Expense was 21% in FNM/24 and 25% in FNM/23.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/228262>

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