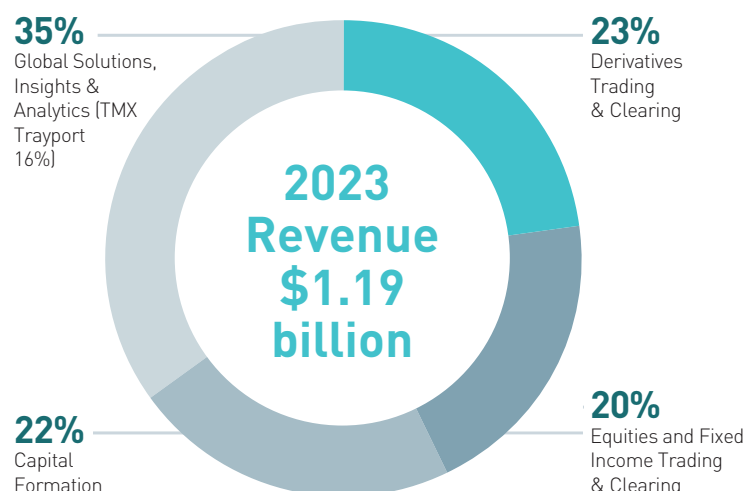


# Record 2023 Revenue: Double-digit Gains in Global Solutions, Insights and Analytics



## 2023

## OPERATING MARGIN\*

Capital Formation	39%
Equities and Fixed Income Trading & Clearing	44%
Derivatives Trading & Clearing	54%
Global Solutions, Insights & Analytics	63%
TMX	45%

## Key Metrics:

**7%**

2023 Revenue Growth

**53%**

2023 Recurring Revenue<sup>1</sup>

**41%**

2023 Revenue from outside Canada<sup>2</sup>

**35%**

2023 Revenue from Global Solutions, Insights and Analytics<sup>3</sup>

**2.1%**

Dividend Yield<sup>4</sup>

<sup>1</sup> Recurring revenue streams include substantially all of GSIA, as well as sustaining listing fees, custody fees, transfer agency fees, and other access / subscription based revenues.

<sup>2</sup> From customers with an address outside Canada, based on 2023 revenue.

<sup>3</sup> GSIA segment revenue as a percentage of total TMX Group revenue.

<sup>4</sup> Based on January 30, 2024 closing share price and quarterly dividend of \$0.18 per common share declared on February 5, 2024.

\* Operating margin is calculated as income from operations divided by revenue.

# CAPITAL FORMATION

~3,480	Issuers <sup>1</sup>
221	New listings on TSX and TSXV in 2023
18	New international listings on TSX and TSXV in 2023
#3	Number of new international listings among exchange peers <sup>6</sup>
#5	Number of new listings among exchange peers <sup>6</sup>

**TSX**  
Toronto Stock Exchange

**TSXV**  
TSX Venture Exchange listing and issuer services, a unique and innovative feeder system

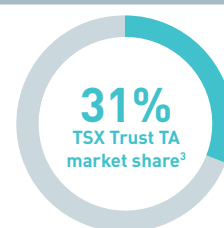
~1,810	Issuers (2,479 Issues <sup>1</sup> )
989	Listed ETFs <sup>1</sup> (with \$398B market cap)
1,670	Issuers (1,759 Issues <sup>1</sup> )
763	Graduates (from TSXV to TSX <sup>2</sup> )
~20%	of issuers in S&P/TSX Composite Index that graduated from TSXV to TSX <sup>1,**</sup>
189	New CPCs since the redesign of the program in 2021 <sup>1</sup>

## INTERNATIONAL LISTINGS BY SECTOR<sup>4</sup>



## TSX TRUST

A leading provider of transfer agency and corporate trust services



# EQUITIES AND FIXED INCOME TRADING & CLEARING

- TSX, TSXV and TSX Alpha Exchange equities trading
- The Canadian Depository for Securities Limited (CDS)
- Shorcan Brokers Limited (Shorcan)

65% Market share in equities trading for TSX and TSXV listed issues (58% for all marketplaces)<sup>5</sup>

6% CAGR in ADV equities ('98 - '23)

4% CAGR in clearing trades ('13 - '23)

# DERIVATIVES TRADING & CLEARING

- Montréal Exchange (MX)
- Canadian Derivatives Clearing Corporation (CDCC)
- BOX (consolidated January 3, 2022)

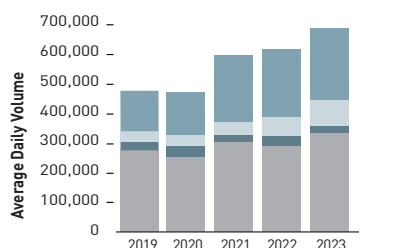
## BOX

47.9% economic interest, 51.4% voting interest<sup>7</sup>

693 million contracts traded in 2023 (up 14% from 2022)

7% market share in equity options in 2023 (up 1% from 2022)

## MX



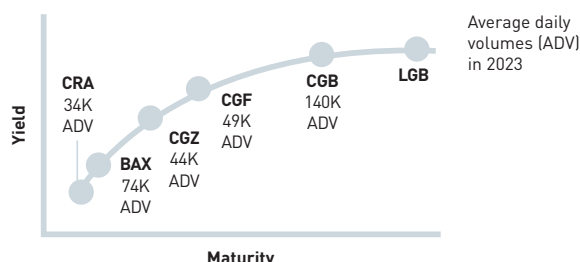
Equity Derivatives, ETF Derivatives, Index Derivatives, Interest Rate Derivatives

10% CAGR in ADV contracts ('13 - '23)

~4% Of interest rate products and equity index futures during extended hours in 2023

## BUILDING THE YIELD CURVE

- Five-Year Government of Canada Bond Futures (CGF) re-launched December 2018
- Two-Year Government of Canada Bond Futures (CGZ) re-launched December 2020
- 30-year Government of Canada Bond Futures (LGB) re-launched November 2021



<sup>1</sup> At December 31, 2023.

<sup>2</sup> From January 1, 2000 to December 31, 2023.

<sup>3</sup> Based on listed issuers when measured by clients on TSX, TSXV, NEO and Canadian Securities Exchange as at December 31, 2023.

<sup>4</sup> Source: TMX Market Intelligence Group.

<sup>5</sup> IIROC data, excluding intentional crosses in 2023.

<sup>6</sup> WFE rankings for 2023.

<sup>7</sup> Non-controlling interests related to BOX is 52.1%.

<sup>\*\*</sup> The S&P/TSX Composite Index is the product of S&P Dow Jones Indices LLC ("SPDJI") and TSX Inc. ("TSX"). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and TSX® is a registered trademark of TSX Inc. SPDJI, Dow Jones, S&P and TSX do not sponsor, endorse, sell or promote any products based on the S&P/TSX Indices and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions or interruptions of the S&P/TSX Indices or any data related thereto.

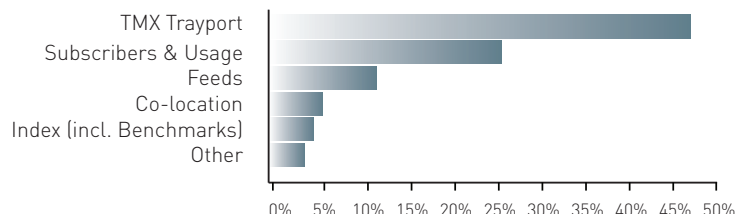
# GLOBAL SOLUTIONS INSIGHTS & ANALYTICS (GSIA)

## TMX DATALINX AND CO-LOCATION SERVICES

Market data subscriptions & feeds, index products and co-location services

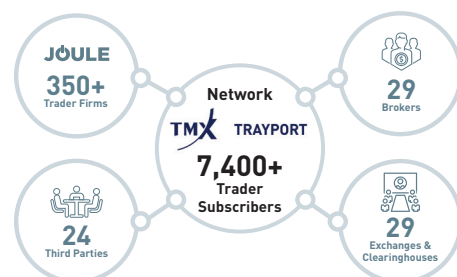
**~55%** Of 2023 GSIA Revenue (excluding TMX Trayport and Co-location) billed in USD

## 2023 REVENUE BREAKDOWN



## TMX TRAYPORT

Primary network and data platform for European wholesale energy markets



**>70%** Our technology underpins power and gas trading in Europe<sup>8</sup>

**12%** CAGR in TMX Trayport revenue ('18 - '23 in CAD)

**23%** TMX Trayport revenue growth in 2023 [in CAD]<sup>9</sup>

**~90%** Of 2023 TMX Trayport revenue billed in GBP

## TMX VETTAFI

Leading data and analytics business that delivers full-service solution from index ideation to post-launch distribution support

Acquired remaining ~78% common units on January 2, 2024

**80%+** Recurring revenues<sup>10</sup>

**\$32B** Assets tracking TMX VettaFi indices<sup>11</sup>

# FINANCIAL OBJECTIVES TO DELIVER STRONG REVENUE AND EARNINGS GROWTH

## LONG TERM FINANCIAL OBJECTIVES<sup>12</sup>

**Double digit** adjusted EPS<sup>13</sup> CAGR

**Strong Growth\*** revenue CAGR<sup>14</sup>

### High Growth\*

- TSX Trust
- Derivatives Trading & Clearing
- GSIA - TMX Trayport
- GSIA - TMX VettaFi

### Strong Growth\*

- Capital Formation (excl. TSX Trust)
- GSIA - TMX Datalinx

### Market Growth\*

- Equity & FI Trading and Clearing

**40-50%** Target dividend payout ratio in line with peers<sup>15</sup>

**1.5 - 2.5x** Target debt / adjusted EBITDA<sup>16</sup>

- More than two thirds recurring revenue<sup>17</sup>

- More than half revenue outside of Canada<sup>18</sup>

- More than half Global Solutions, Insights and Analytics (GSIA) revenue<sup>19</sup>

\* High Growth is defined as high-single to double digit revenue CAGR, Strong Growth is defined as 5% plus revenue CAGR, and Market Growth is defined as revenue CAGR in line with the overall market. See discussion under "Forward-Looking Information - Assumptions related to long term financial objectives" in TMX Group's 2023 Annual MD&A (which is incorporated by reference and available under our profile on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca)).

<sup>8</sup> Of European power and gas products available on TMX Trayport's Joule platform in 2023.

<sup>9</sup> Compared to 2023.

<sup>10</sup> Over the last twelve months through September 30, 2023

<sup>11</sup> As of December 31, 2023. Refers to passive AUM that license a TMX VettaFi index to run the fund.

<sup>12</sup> See "Financial Objectives" and "Transformational Objectives" in TMX Group's 2023 Annual MD&A for more details.

<sup>13</sup> Adjusted EPS and adjusted EPS CAGR are non-GAAP ratios. See discussion under the headings "Non-GAAP Measures" and "Caution Regarding Forward Looking Information - Assumptions related to long term financial objectives" in TMX Group's 2023 Annual MD&A (which is incorporated by reference and available under our profile on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca)) for information on the composition of adjusted EPS.

<sup>14</sup> Revenue including acquisitions and divestitures in comparative periods compound annual growth rate (CAGR). See discussion under "Forward-Looking Information" on back cover.

<sup>15</sup> Dividend payout ratio = Dividend/Adjusted EPS. Target payout ratio over the long term. Dividend payout ratio is a non-GAAP ratio and does not have a standardized meaning prescribed by GAAP and is, therefore, unlikely to be comparable to similar measures presented by other companies. See discussion under the heading "Non-GAAP Measures" in TMX's 2023 Annual MD&A (which are incorporated by reference and available under our profile on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca)) for information on the composition of adjusted EPS. See discussion under "Forward-Looking Information" on back cover.

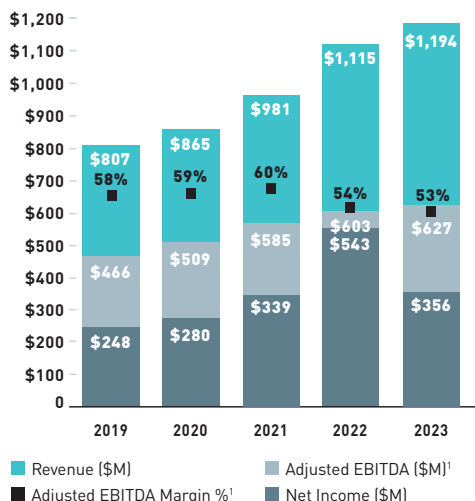
<sup>16</sup> Debt defined as commercial paper plus debentures. Adjusted EBITDA is a non-GAAP measure, and Debt/Adjusted EBITDA is a non-GAAP ratio. See discussion under "Non-GAAP Measures" and "Forward Looking Information" on back cover. See back cover for the composition of Adjusted EBITDA and the reconciliation of Adjusted EBITDA from Net income attributable to equity holders of TMX.

<sup>17</sup> Recurring revenue streams include substantially all of GSIA, as well as sustaining fees, custody fees, transfer agency fees, and other access/subscription based revenues.

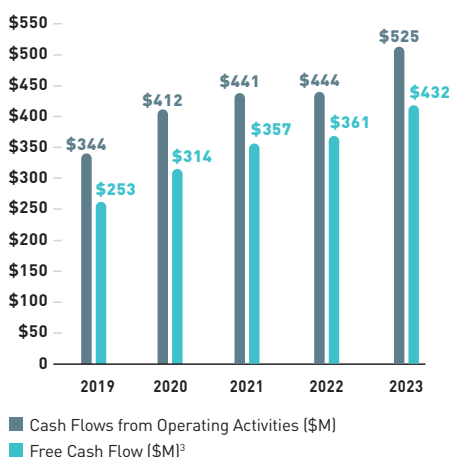
<sup>18</sup> Revenue based on the country to which customer invoices are addressed.

<sup>19</sup> GSIA segment revenue as a percentage of total TMX Group revenue.

## REVENUE, NET INCOME, ADJUSTED EBITDA<sup>1</sup> AND ADJUSTED EBITDA MARGIN<sup>1</sup>



## CASH FLOWS FROM OPERATING ACTIVITIES AND FREE CASH FLOW<sup>3</sup>



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**1.7X** Debt/Adjusted EBITDA<sup>2</sup>

All amounts in this presentation are in millions of Canadian dollars, unless otherwise noted. The following is a reconciliation of Net income attributable to equity holders of TMX to adjusted EBITDA<sup>1</sup>:

	2019	2020	2021	2022	2023
Net income attributable to equity holders of TMX	\$247.6	\$279.7	\$338.5	\$542.7	\$356.0
Income tax expense	\$87.3	\$109.1	\$140.8	\$88.5	\$129.2
<b>Income before income taxes</b>	<b>\$334.9</b>	<b>\$388.8</b>	<b>\$479.3</b>	<b>\$631.2</b>	<b>\$485.2</b>
Share of loss (income) from equity-accounted investments	(\$3.8)	(\$5.7)	(\$24.2)	\$1.3	(\$0.4)
Impairment charges	\$18.0	-	-	-	-
Gain on sale of a subsidiary / investment / other income	(\$2.3)	-	-	(\$177.9)	(\$1.3)
Net finance income / costs*	\$35.6	\$32.8	\$36.1	\$31.0	\$25.3
Depreciation and amortization*	\$79.6	\$80.3	\$87.1	\$104.9	\$103.3
Acquisition / transaction related costs	\$0.6	\$1.7	\$3.4	\$1.8	\$9.0
Integration costs	-	-	\$3.4	\$13.7	\$0.3
Strategic re-alignment expenses	\$3.7	-	-	-	\$5.7
Commodity tax provision	-	(\$1.5)	-	-	-
Net litigation settlement costs	-	\$12.4	-	-	-
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$466.3</b>	<b>\$508.8</b>	<b>\$585.1</b>	<b>\$606.0</b>	<b>\$627.1</b>

The following is a reconciliation of cash flows from operating activities to free cash flow<sup>3</sup>:

	2019	2020	2021	2022	2023
Cash flows from operating activities	\$344.0	\$412.2	\$441.4	\$444.1	\$524.9
Interest paid net of interest received and net settlement on derivative instruments <sup>4</sup>	(\$33.9)	(\$31.6)	(\$33.1)	(\$31.4)	(\$28.1)
Additions to premises, equipment and intangible assets	(\$57.6)	(\$67.1)	(\$51.2)	(\$51.9)	(\$65.2)
<b>Free cash flow<sup>3</sup></b>	<b>\$252.5</b>	<b>\$313.5</b>	<b>\$357.1</b>	<b>\$360.8</b>	<b>\$431.6</b>

\* Excludes non-controlling interests related to BOX (52.1%).

<sup>1</sup> Adjusted EBITDA is a non-GAAP measure and Debt/Adjusted EBITDA and adjusted EBITDA margin are non-GAAP ratios. See discussion under "Non-GAAP Measures". TMX Group presents income before income taxes to indicate operating and financial performance. TMX Group presents adjusted EBITDA and adjusted EBITDA margin from income before income taxes after share of income from equity accounted investees, impairment charges, gain on sale of a subsidiary/investment/other income, net finance income/costs, depreciation and amortization, acquisition/transaction related costs, integration costs, strategic re-alignment expenses, commodity tax provision, and net litigation settlement costs. See above for the composition of Adjusted EBITDA and the reconciliation of Adjusted EBITDA from Net income attributable to equity holders of TMX.

<sup>2</sup> Debt/Adjusted EBITDA based on Debt at December 31, 2023 divided by Adjusted EBITDA for the year ended December 31, 2023. Debt is defined as commercial paper plus debentures at December 31, 2023. Adjusted EBITDA is a non-GAAP measure and Debt/Adjusted EBITDA is a non-GAAP ratio and do not have standardized meaning prescribed by GAAP, and are therefore unlikely to be comparable to similar measures presented by other companies.

This Brochure should be read together with TMX Group's MD&A and the audited annual consolidated financial statements for the year ended December 31, 2023, and as at December 31, 2023.

**Non-GAAP Measures:** We use non-GAAP measures and non-GAAP ratios that 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 and our ability to repay debt. 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.

**Forward-Looking Information (FLI)** Certain written and oral statements made by TMX Group or their representatives may contain FLI that is based on expectations, estimates, assumptions & projections as of the date of this document. This information is for your information only, is accurate at the time of providing the information, and may be superseded by more current information. Except as required by law, we have no intention to update information, whether as a result of new information, future events or otherwise. FLI requires the use of assumptions and involves risks, uncertainties and other factors which may cause the actual results, performance or achievements of TMX Group to be materially different from any future results, performance or achievements expressed or implied by the FLI. Important additional information identifying risks and uncertainties and other factors is contained in TMX Group's 2023 Annual MD&A under the headings entitled "Caution Regarding Forward-Looking Information" and "Enterprise Risk Management" which may be accessed at [tmx.com](http://tmx.com) in the Investor Relations section under Regulatory Filings.

<sup>3</sup> Free cash flow (FCF) is a non-GAAP measure, and does not have standardized meanings prescribed by GAAP. See discussion under "Non-GAAP Measures". TMX Group presents FCF after accounting for interest paid, interest received, net settlement on derivative instruments, additions to premises and equipment and intangible assets as an indication of cash available on an ongoing basis for debt reduction, further investment and/or distribution to shareholders. FCF includes 100% of BOX, the non-controlling interest is 52.1%. See "Our Business - Derivatives Trading and Clearing - MX, CDCC and BOX" in TMX Group's 2023 Annual MD&A for more details.

<sup>4</sup> Net settlement on derivative instruments for 2019.