

**Cboe Global Markets, Inc.**  
**Second Quarter 2024 Earnings Call**  
**August 2, 2024**

Good morning and thank you for joining us for our second quarter earnings conference call. On the call today, Fred Tomczyk, our CEO, and Dave Howson, our Global President, will discuss our performance for the quarter and provide an update on our strategic initiatives. Then, Jill Griebenow, our Chief Financial Officer, will provide an overview of our financial results for the quarter as well as discuss our 2024 financial outlook. Following their comments, we will open the call to Q&A. Also joining us for Q&A will be Chris Isaacson, our Chief Operating Officer.

I would like to point out that this presentation will include the use of slides. We will be showing the slides and providing commentary on each. A downloadable copy of the slide presentation is available on the Investor Relations portion of our website.

**Slide 3: Disclosures**

During our remarks, we will make some forward-looking statements, which represent our current judgment on what the future may hold, and while we believe these judgments are reasonable, these forward-looking statements are not guarantees of future performance and involve certain assumptions, risks and uncertainties. Actual outcomes and results may differ materially from what is expressed or implied in any forward-looking statements. Please refer to our filings with the SEC for a full discussion of the factors that may affect any forward-looking statements.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, after this conference call.

During the call this morning, we will be referring to non-GAAP measures as defined and reconciled in our earnings materials. Now, I'd like to turn the call over to Fred.

**Slide 4: Fredric Tomczyk, CEO**

Good morning and thanks for joining us today.

**Slide 5: Record Net Revenue in Second Quarter**

I'm pleased to report on strong second quarter results for Cboe Global Markets. During the quarter, we grew net revenue 10% year-over-year to a record \$514 million and adjusted diluted EPS by a robust 21% to \$2.15. These results were driven by a contribution from each part of our ecosystem with:

- 1) improved volumes in our cash and spot markets

- 2) solid volumes across our derivatives franchise – specifically our proprietary index option and futures products,
- 3) continued expansion of our Data and Access Solutions business, and
- 4) disciplined expense management.

Our Cash and Spot Markets category performed very well in the second quarter, with revenue increasing 15% on a year-over-year basis. The contribution was broad-based, with each of our global regions posting solid growth as compared to the second quarter of 2023.

Our Derivatives business delivered another solid quarter as organic net revenue increased 11% year-over-year. We saw solid volumes across our suite of S&P 500 index options products, with second quarter ADV in the SPX contract increasing 9% year-over-year to 3 million contracts. We also saw strong year-over-year growth in our volatility product suite during the second quarter as ADV increased 8% in VIX options and 30% in VIX futures. Given the secular and cyclical tailwinds in place, we believe we are well positioned as investors continue to utilize options in their portfolios and trading strategies.

Our Data and Access Solutions business continued to drive durable results with organic net revenue increasing 5% year-over-year for the second quarter and running at approximately 7% through the first six months. We are optimistic in the outlook for this business as we look to further leverage our global network and ecosystem to drive growth.

Overall, it was another solid quarter for both transaction and non-transaction revenues, wrapping up a strong first half of the year, which has seen us grow adjusted diluted EPS by 17%. We look forward to building on these strong results in the second half of 2024.

### **Slide 6: Sharpening The Strategic Focus**

From a strategic perspective, I remain centered on sharpening our strategic focus in areas where we see the most valuable growth opportunities for Cboe. Throughout the strategic review process, we have made a number of key adjustments to our strategy including:

- 1) dialing back on M&A activities,
- 2) reallocating resources to align with our core strengths, including winding down our Digital Spot Market and refocusing on digital asset derivatives,
- 3) lowering expense growth,
- 4) stabilizing our margins, and
- 5) changing our capital allocation strategy away from M&A activities to increase investments in organic growth initiatives and returning capital to our shareholders.

The strategic review has provided us with a framework to hone our strategy and determine how to best

- 1) leverage our core strengths,
- 2) reallocate our resources internally including investing in our global technology platform, and position the company for continued growth over the long-term, and
- 3) return capital to our shareholders through a combination of dividends and share repurchases.

To that end, refocusing our view of the company as both an import and export business helps enable us to unlock even more of our global growth potential. Over the last few years, we have been very focused on the “export” type business – expanding into new geographies and deploying our exchange technology and data to create better trading experiences for customers across the globe. We’ve also exported our U.S. derivatives market model to Europe, leveraging our proven blueprint for success in the U.S. to build out new markets and reach new customers.

As we enter these markets and listen to our customers, we’ve found opportunities to grow our import business. From my time traveling and talking to our global client base over the last nine months, I’ve learned there is a huge appetite to invest in the U.S. market, and our analysis confirms this trend. While our customers want to trade and invest in their local markets, they are eager to gain access to the investment opportunities of the U.S. market. They are excited about the innovation that Cboe has brought to their local markets and our investments in our technology, and they are optimistic about the investment opportunity that they continue to see in the U.S. market.

Representing nearly 45% of the \$109 trillion global equity market cap, the U.S. equity marketplace is by far the largest and one of the fastest growing markets in the world. Foreign holdings of U.S. equities reached nearly \$14 trillion last year, growing at an approximately 10.5% CAGR over the last decade.

And we expect this trend will endure as the growth of the retail investor globally continues and different markets implement legislative changes that are expected to create opportunities for Cboe.

The S&P 500 Index is the dominant global equity benchmark with an estimated \$16 trillion benchmarked and indexed to it, more than any other country’s individual market cap globally. Through our SPX options complex, the ability to facilitate risk management and the import of foreign investment back into the U.S. market is a significant and growing opportunity.

We continue to see significant opportunity in the Asia Pacific region specifically, where we see growing demand for our index options products, which serve as an efficient and accessible way to gain exposure to the U.S. market. In the first half of this year, three key brokers – Futu Hong Kong, Webull Thailand and Samsung Futures – added various Cboe products to their platforms, including SPX options, further expanding access to our product suite.

We see this as a long-term secular growth trend, and we are eager to help facilitate access to U.S. markets. International participants are highly valuable to the U.S. market, as diversity of opinion and goals helps lead to a better trading ecosystem. Whether it be through Global Trading Hours, new products or education, we'll continue to help investors access the liquidity and efficiency of the U.S. markets while also providing trusted markets in local regions worldwide.

We believe the secular trends that are reshaping trading and capital markets, including...

- 1) the globalization of markets,
- 2) the rise of the retail investor,
- 3) increased use of options by market participants to manage risk efficiently, generate income and take speculative positions, and
- 4) the technology and data revolution.

...create excellent opportunities for Cboe. The strategic review process has enabled us to examine long-term growth and value creation opportunities and reposition and redeploy resources to leverage our strengths against these opportunities we see in the market. The strategic review should be viewed as a journey and not an event and you will see us continue to refine our strategy over time.

Finally, we remain well-positioned due to our strong balance sheet combined with our disciplined approach to the allocation of our capital. Our approach to capital allocation focuses on a balanced mix of reinvestment in core operations including our technology platform, prudent expense management, strategic investments that drive sustainable growth and returning capital to shareholders.

During the second quarter we repurchased \$90 million of shares and will continue to be opportunistic with our share repurchase efforts. Overall, we remain committed to maintaining a strong and flexible balance sheet while investing in organic growth initiatives, our technology capabilities, and operating efficiencies, thereby driving durable revenue growth, optimized margins and earnings growth for the firm.

I'll now pass the call over to Dave to discuss business line results.

## **Slide 7: Derivatives Continued to Execute, Well Positioned for Future**

Thanks Fred,

Starting with our global derivatives category – Q2 was a tale of two halves – volatility spiked in April on the back of rising geopolitical tensions in the Middle East with the VIX index hitting a year-to-date high of 19 before falling precipitously in May and June, with June ranking as the least volatile month since November 2019. Not surprisingly, index option volumes were particularly strong in April, with SPX recording its 3<sup>rd</sup> highest monthly ADV of 3.3M contracts, driven by a notable increase in put volumes as hedging demand picked up. While activity normalized in May and June, overall second quarter SPX ADV was still up a solid 9% year-over-year to 3.0M contracts. ODTE options made up 48% of overall SPX activity in Q2, unchanged from the previous quarter.

VIX option volumes, on the other hand, surged higher in Q2, up over 18% quarter-over-quarter to an ADV of 843k contracts – making it the 3<sup>rd</sup> highest quarter on record behind the first quarter of 2018 and ahead of even Q1 2020's covid-driven spike. Investors have flocked to VIX options to help hedge against potential tail risk – whether it be geopolitical shocks or macroeconomic surprises – with year-to-date ADV on track to exceed even last year's all-time high.

On the back of this unprecedented interest in VIX options trading, we're excited to expand the access and utility of Cboe's VIX product suite with our planned October launch of options on VIX futures, subject to regulatory review. These will be options that physically settle into the underlying front-month VIX future and they will trade on our futures exchange – CFE. This is important for two reasons – first, it allows us to provide access to VIX options product to a wider set of market participants in the U.S. and abroad that may not have access to our securities options exchange. Second, it allows us to offer more tenors to meet customer demand.

We're especially excited to expand our volatility toolkit ahead of this year's US election, which has historically been a meaningful volatility catalyst for markets and where demand for options to help manage risk is particularly strong. For example, the VIX index jumped over 10 pts in the month leading up to both of the last two elections. In addition to introducing options on VIX futures, we also plan to launch Cboe S&P 500 Variance futures in September, subject to regulatory review. Cboe's variance futures will provide an exchange-listed alternative to over-the-counter (OTC) variance swaps and introduce yet another way to trade volatility around the US election as well as other key catalysts.

Our commitment to continually innovate is often cited by customers as one of the key reasons they're eager to partner with us. As we continue to make investments in our products and our markets, our customers are responding by increasing their collaboration with us – whether it be making enhancements to better compete in SPX ODTE options, setting up to trade in GTH ahead of the US election, or the international “import” of business as more retail brokers come online for options trading in different geographies. Strong client engagement and an exciting product pipeline make us confident that we're well positioned to continue to grow our derivatives business for the rest of the year.

Outside the US more specifically, we continue to make sustained progress exporting our U.S derivatives model to Europe, leveraging our blueprint in the US by deploying our exchange technology to create better trading experiences for customers in Europe through our European Derivatives platform, CEDX. We saw the first equity options trade on CEDX in June with nearly 14 thousand lots traded in 201 distinct options during the first month of trading. On the index side, spreads tightened on the back of our recently implemented Liquidity Provision Program, helping improve the quality of our book for index options. From a participant perspective, during the second quarter, we announced two noteworthy developments with the addition of Interactive Brokers as a direct trading participant of CEDX and a clearing participant of Cboe Clear Europe, in addition to IMC becoming a new direct trading participant in June. While we still have a great deal of work ahead, we are pleased with the milestones hit during the second quarter and look forward to building on that momentum in the quarters ahead.

### **Slide 8: Unlocking Global Growth Potential**

Taking a look at the cash and spot businesses across regions, second quarter results were very strong with year-over-year net revenue growth reaching a robust 15%. Each region saw year-over-year increases as Cboe leveraged its scaled infrastructure to monetize a healthy market backdrop.

Looking at the various regions, in North America, US on-exchange net capture rates improved markedly as a result of pricing changes we made in the first half of the year as well as a dramatic shift in customer mix given the meme stock activity. Moving forward, we expect to continue to look to strike the right balance between market share and capture to maximize the revenue outcome. In Canada, we produced another 50 basis points of market share improvement as compared to the second quarter of 2023, and remain on track with our final technology integration, the migration of our Canadian market to Cboe technology, in early 2025, subject to regulatory review.

Moving over to Europe,

- While closing auction activity hit another record high, an estimated 27% of on-exchange market share unavailable to Cboe in Q2, we retained our leading market share position during continuous trading, accounting for 31% of intraday activity for the quarter. Periodic auctions also notched another overall market share record and Cboe BIDS Europe retained the distinction of the largest platform of its type for the 27<sup>th</sup> month in a row in June.
- As we look to adjacent areas of the market for future growth, we remain on track for a fourth quarter launch of our Securities Financing Transactions Clearing Services, subject to regulatory review.

And finally, turning to Asia Pacific, we saw continued strong momentum in Australia and Japan.

- In Australia, Cboe continued its market share gains with total market share for the quarter finishing at 20.8%, up 2.6 full percentage points from the second quarter of 2023.
- In Japan, market share continues to set new records, reaching 5.5% for the second quarter, a 1.4 percentage point improvement versus the second quarter of 2023. In addition, volumes increased by a very strong 71% as compared to Q2 2023 levels. Cboe's positive momentum in Japan has continued into the third quarter with solid volumes and market share.
- The APAC region remains one we are incredibly excited about moving forward. Not only do we see the opportunity to more effectively monetize our ecosystem of transaction and non-transaction businesses in local markets like Australia and Japan, but as we grow, we look forward fueling the import of derivatives activity into the U.S. We anticipate making measured investments to maximize our brand and sales efforts in developing regions. While we are in the very early stages of realizing this opportunity, the onboarding of three new brokers out of Asia Pacific earlier this year, highlights the underlying demand for exposure to Cboe's U.S. benchmark products.

### **Slide 9: Data and Access Solutions – Driving Durable Growth**

Turning to Data and Access Solutions, net revenues grew five percent as compared to the second quarter of 2023. The slower second quarter growth was a result of longer sales cycles and an outsized one-time backbill payment in our index business hitting in the second quarter of 2023, creating a more difficult comparison against softer-than-expected collections in Q2 24. And while the first half results are trending slightly below our guidance range of 7 to 10 percent for the year, we anticipate the slower trends will prove transitory given initiatives we have in place to help accelerate revenue expansion in the third and fourth quarters. Given the YTD results and our second half expectations, we anticipate hitting the lower end of our 7-10% guidance range in 2024.

Specifically, on the access solutions side, we are excited about the momentum behind our dedicated cores offering, greatly enhancing our exchange access layer. Dedicated cores is a new offering launched this year to help market participants improve determinism, reduce latency, and enhance their ability to effectively navigate markets. We are currently live on all four of our US equity markets, with strong initial interest, and have plans to roll out the technology in Europe in the fall. Dedicated cores is another example of leveraging Cboe's strong, global technology infrastructure to provide scaled solutions to customers across our ecosystem.

Looking internationally, approximately 40% of this quarter's growth came from outside the U.S. We saw a notable uptick in Canada behind sales of our Cboe One data product, as well as solid momentum in Europe and Australia. As we think about expanding our global footprint, Cboe Global Cloud has been instrumental in extending our connectivity with clients. During the second quarter nearly 80% of Cboe Global Cloud sales came from outside the Americas.

Moving forward, we anticipate being able to shift greater resources to the development of DnA opportunities as we move from integration efforts with our technology resources to revenue enhancing capabilities in our data and access solutions category, particularly as it relates to enhancements around US options in the quarters ahead. The breadth of our cash and derivative markets provides us with the unrivaled position to harvest, aggregate and deliver custom data sets and services closer to customers, both current and prospective, and we look forward to investing behind those opportunities.

### **Slide 10: Executing on Growth Priorities**

Cboe's second quarter results highlight the power of the entire ecosystem with Cash and Spot Markets, Data and Access Solutions, and Derivatives all delivering durable results, and the third quarter is off to a great start. We look forward to leveraging the global footprint of our scaled infrastructure to enhance revenue generation across Cash, Data and Derivatives. With that, I will turn the call over to Jill.

### **Slide 12: 2Q24 Financial Summary**

Thanks Dave. As Fred and Dave highlighted, Cboe posted a strong second quarter with adjusted diluted earnings per share up 21% on a year-over-year basis to \$2.15, equaling our previous quarterly record. While the second quarter results are notable for a number of reasons, I believe the most powerful message they illustrate is our focus on driving margin stabilization as a result of durable revenue growth against diligent expense management, as well as the robust capital return results on display throughout the first half of 2024. I will



provide some high-level takeaways from this quarter's operating results before going through an assessment of the segment results:

Our second quarter net revenue increased 10% versus the second quarter of 2023 to finish at a record \$514 million. The growth was driven by strength in our Cash and Spot Markets and Derivatives categories as well as solid results from our Data and Access Solutions business. Specifically:

- Cash and Spot Markets organic net revenues grew 15% versus the second quarter of 2023, with all geographies producing solid year-over-year growth.
- Derivatives Markets produced 11% year-over-year net revenue growth in the second quarter as our proprietary product franchise continued to provide increasing utility to the market.
- Data and Access Solutions net revenues increased 5% on an organic basis during the quarter. Despite the second quarter slowdown, we are confident in our ability to hit the lower end of our 7-10% targeted net revenue growth range for 2024.
- Adjusted operating expenses increased a modest 2% to \$197 million for the quarter, with the year-over-year growth driven by higher compensation-related expenses given the strong year-to-date revenue results, as well as professional fees and outside services, offset by favorable results in travel and promotional expenses;
- and Adjusted EBITDA of \$341 million grew a healthy 16% versus the second quarter of 2023. Importantly, as a result of our strategic focus on revenue generation and diligent expense management, we continued to make meaningful progress in stabilizing our adjusted EBITDA margins during the quarter. Our second quarter adjusted EBITDA margin expanded by three and a half percentage points on a year-over-year basis to 66.3%.

### **Slide 13: 2Q24 Net Revenue by Segment and Key Drivers**

Turning to the key drivers by segment. Our press release and the appendix of our slide deck include information detailing the key metrics for our business segments, so I'll provide some highlights for each:

- Net revenue in the Options segment grew 8%, led by higher index options transaction fees.
  - Total options ADV was up 1%, driven by a 9% increase in index options volume,
  - Revenue per contract moved 9% higher as index options represented a higher percentage of total options volume.
- North American Equities net revenue increased 8% on a year-over-year basis to a record level in the second quarter, reflecting higher net transaction and clearing fees and access and capacity fees. Increased net transaction and clearing fees were driven by stronger US exchange and off-exchange net capture rates, as well as higher volumes and market share in Canadian Equities. On the non-transaction side, access and capacity fees increased 6% as compared to the second quarter of 2023.
- The Europe and APAC segment produced a 15% year-over-year increase in net revenue, resulting from strong growth across both transaction and non-transaction

revenues. Transaction revenue in Australia and Japan benefited from continued market share gains as well as greater volumes versus the second quarter of 2023.

- The Futures segment reported 19% net revenue growth for the quarter, with higher net transaction and clearing fees reflecting a 28% increase in ADV. On the non-transaction side, market data revenues were up 10%.
- And finally, the FX segment delivered a quarter of record net revenue, with an 11% year-over-year increase driven by higher net transaction and clearing fees. Market share was 20.2% for the quarter, as compared to 19.5% in the second quarter of 2023.

#### **Slide 14: Grew 2Q24 Data and Access Solutions Net Revenue 5% YoY Organically**

Turning now to Cboe's Data and Access Solutions business, net revenues were up 5% on an organic basis in the second quarter. Net revenue growth continued to be driven by sales outside the U.S., with approximately 40% coming from international growth, the largest increase coming in Canada related to our Cboe One product. The strong second quarter international sales growth helped more than double overall sales annual contract value as compared to first quarter levels and highlights the many ways we can monetize our ecosystem of exchange networks around the globe. And while new sales may only provide a partial benefit in the quarter they occur, we believe the sales trends are a strong leading indicator of potential future revenue growth for the business.

We continue to believe DnA is well positioned and anticipate an acceleration in trends in the third and fourth quarters, helping us deliver on the lower end of DnA revenue growth guidance of 7-10%. More specifically, we expect to see continued strength from:

- Demand for access across our global markets, particularly as we increase our presence in new geographies and leverage the distribution capabilities of Cboe Global Cloud
- The expansion of dedicated cores, greatly enhancing our exchange access layer, and
- Increased capabilities around our US options data and access solutions as we reallocate technology resources from integration efforts to organic revenue generating enhancements.

#### **Slide 15: 2Q24 Adjusted Operating Expenses**

Turning to expenses, total adjusted operating expenses were approximately \$197 million for the quarter, up a modest 2% compared to the second quarter of last year. The increase was a result of higher compensation and benefits as well as an increase in professional fees and outside services, partially offset by a decline in travel and promotional expenses.

Looking forward, we are reaffirming our full year 2024 adjusted expense guidance of \$795 to \$805 million. Our guidance factors in the stronger-than-expected revenue trends we have seen to start the year and supportive revenue expectations for the second half of 2024, putting some upward pressure on our short-term incentive bonus accrual, but is balanced by our strong expense discipline, leaving our overall guidance unchanged for the year.

Importantly, the guidance provides opportunity for continued investment in the businesses. We anticipate that the continued reallocation of resources from integration efforts to areas like the DnA enhancements I just covered, or Derivatives technology upgrades and marketing spend, will provide attractive returns in the quarters ahead.

Outside of our adjusted expense results, we recorded a number of one-time accounting adjustments I want to briefly touch on. Following the digital business realignment we announced in April, Cboe recorded an \$81 million charge representing the non-cash impairment of intangible assets related to the Cboe Digital spot market wind down. In addition, we reported a \$16 million impairment as a result of a routine review of the carrying value of Cboe's other minority investments. These charges are considered one-time and are excluded from our second quarter adjusted operating expenses.

### **Slide 16: 2024 Guidance**

As we look ahead on slide 16 to our 2024 guidance, we are increasing our full year organic net revenue growth range to 6 to 8% from the higher end of 5 to 7%. The updated guidance reflects our strong first half results, solid July activity, and a supportive outlook for the second half of the year.

Looking at our full-year guidance more broadly,

- While we anticipate hitting our DnA organic net revenue guidance range of 7 to 10 percent for the year, we are guiding to the lower end of the range given the softer second quarter results. We anticipate a steady increase in DnA revenue growth throughout the back half of 2024 given incremental demand for our dedicated cores offering, as well as continued geographic growth in our DnA business.
- Our expectation for non-operating income is unchanged at \$37 to \$43 million in 2024. We continue to anticipate \$33 to \$37 million from positive marks on our investments to help our "earnings on investments" line and \$4 to \$6 million in largely dividend income to flow through our "other income" line.
- Our full year guidance range for CapEx remains at \$51 to \$57 million for 2024, and depreciation and amortization is expected to be in the range of \$43-\$47 million for the year.
- And finally, we continue to expect the effective tax rate on adjusted earnings (under the current tax laws) to come in at 28.5% to 30.5% for 2024.

### **Slide 17: Efficient Allocation of Capital to Create Long-Term Shareholder Value**

Turning to our balance sheet, our second quarter leverage ratio remained at 1.1x. We remain comfortable with our overall debt profile and the balance sheet flexibility it affords, having locked in low medium-to-longer term fixed rates averaging roughly 2.8% on our outstanding debt.

As Fred highlighted earlier, a core tenet of the ongoing strategic review is the effective allocation of capital. As such, you have seen us pull back on our M&A activity, choosing to allocate capital to higher return internal projects or to shareholder returns in the form of share repurchases and dividends. In the second quarter, we repurchased 90 million dollars in shares, bringing total repurchases for the first half of 2024 to \$180 million. We have continued our repurchase activity to start the third quarter, buying back an incremental \$25 million in the month of July. Moving forward, we plan to continue to opportunistically repurchase shares, as appropriate, given our expected strong free cash flow generation and flexible balance sheet.

Also in the second quarter, we returned a total of \$58.2 million to shareholders in the form of a \$0.55 per share quarterly dividend. Factoring in share repurchases and dividends paid in the first half of 2024, Cboe returned nearly \$300 million to shareholders, representing an attractive 65% of adjusted earnings being paid out as repurchases and dividends.

As always, we aspire to allocate capital and resources in the most value enhancing way, striking the right balance between investing in future revenue growth and optimizing our margins. We look forward to building on our first half trends and delivering durable shareholder returns in the quarters ahead.

Now I'd like to turn it back over to Fred for some closing comments before we open it up to Q&A.

### **Closing Remarks**

In closing, we are pleased to report another strong quarter delivering 21% growth in EPS year-over-year. That caps a strong first half with 8% net revenue growth and 17% EPS growth year-over-year as we have:

- 1) Continued with strong revenue growth
- 2) Brought down our expense growth and stabilized our EBITDA margins
- 3) Reallocated our resources to invest in technology and organic growth initiatives and,
- 4) Allocated our capital away from M&A towards strengthening our balance sheet and returning capital to our shareholders. For the first half of 2024 we have returned 65% of our adjusted earnings to our shareholders through a combination of dividends and share repurchases.

Our balance sheet is strong, and we are well-positioned to continue to return capital to shareholders and take advantage of opportunities as they arise.

### *Cautionary Statements Regarding Forward-Looking Information*

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. You can identify these statements by forward-looking words such as “may,” “might,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” and the negative of these terms and other comparable terminology. All statements that reflect our expectations, assumptions or projections about the future other than statements of historical fact are forward-looking statements. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions about us, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from those expressed or implied by the forward-looking statements.*

*We operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible to predict all risks and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.*

*Some factors that could cause actual results to differ include: the loss of our right to exclusively list and trade certain index options and futures products; economic, political and market conditions; compliance with legal and regulatory obligations; price competition and consolidation in our industry; decreases in trading or clearing volumes, market data fees or a shift in the mix of products traded on our exchanges; legislative or regulatory changes or changes in tax regimes; our ability to protect our systems and communication networks from security vulnerabilities and breaches; our ability to attract and retain skilled management and other personnel; increasing competition by foreign and domestic entities; our dependence on and exposure to risk from third parties; global expansion of operations; factors that impact the quality and integrity of our indices; our ability to manage our growth and strategic acquisitions or alliances effectively; our ability to operate our business without violating the intellectual property rights of others and the costs associated with protecting our intellectual property rights; our ability to minimize the risks, including our credit, counterparty, investment and default risks, associated with operating a European clearinghouse; our ability to accommodate trading and clearing volume and transaction traffic, including significant increases, without failure or degradation of performance of our systems; misconduct by those who use our markets or our products or for whom we clear transactions; challenges to our use of open source software code; our ability to meet our compliance obligations, including managing potential conflicts between our regulatory responsibilities and our for-profit status; our ability to maintain BIDS Trading as an independently managed and operated trading venue, separate from and not integrated with our registered national securities exchanges; damage to our reputation; the ability of*

*our compliance and risk management methods to effectively monitor and manage our risks; restrictions imposed by our debt obligations and our ability to make payments on or refinance our debt obligations; our ability to maintain an investment grade credit rating; impairment of our goodwill, long-lived assets, investments or intangible assets; the impacts of pandemics; the accuracy of our estimates and expectations; litigation risks and other liabilities; and risks relating to digital assets, including winding down the Cboe Digital spot market and transitioning digital asset futures to CFE, operating a digital assets futures clearinghouse, cybercrime, changes in digital asset regulation, and fluctuations in digital asset prices. More detailed information about factors that may affect our actual results to differ may be found in our filings with the SEC, including in our Annual Report on Form 10-K for the year ended December 31, 2023 and other filings made from time to time with the SEC.*

*We do not undertake, and we expressly disclaim, any duty to update any forward-looking statement whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.*