Cboe Global Markets, Inc.
Third Quarter 2024 Earnings Call
November 1, 2024

Good morning and thank you for joining us for our third 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. Thank you for joining us today.

Slide 5: Record Net Revenue in Third Quarter
I'm pleased to report on another record quarter of results for Cboe Global Markets. During the quarter we grew net revenue 11% year-over-year to a record $532 million and adjusted diluted EPS rose by 8% to a record $2.22.

These results were driven by:
1. Strong volumes in our derivatives franchise – specifically our proprietary index options and futures products,
2. Solid volumes across our cash and spot markets,
3. Continued expansion of our Data and Access Solutions business, and
4. Steady expense management.

Our Derivatives business delivered another record quarter, as organic net revenue increased 13% year-over-year. We saw solid volumes across our suite of S&P 500 index options products, with third quarter ADV in the SPX contract increasing 7% year-over-year to 3.1 million contracts. We also saw strong year-over-year growth in our volatility product suite during the third quarter as ADV increased 33% in VIX options and 20% 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 Cash and Spot Markets category delivered another strong quarter, with revenue increasing 12% on a year-over-year basis. The contribution was broad-based, with each of our global regions posting solid growth as compared to the third quarter of 2023.

Our Data and Access Solutions business continued to drive solid results with organic net revenue increasing 6% year-over-year for the third quarter. Given the acceleration we have seen in trends during the month of September, we remain 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, and we are well-positioned as we head into the final quarter of the year.

Slide 6: Sharpening the Strategic Focus
Over the past year as CEO, I have concentrated on sharpening our strategic focus and making important and deliberate decisions on how to best allocate our capital and resources to support our growth strategy.
Over the course of the strategic review process, we have made fundamental adjustments including:

1. Dialing back on M&A activities
2. Lowering expense growth and stabilizing our margins
3. Changing our capital allocation strategy to increase investments in organic initiatives and returning capital to our shareholders, and
4. Reallocating resources to align with our core strengths, specifically our Derivatives and Data and Access Solutions businesses and leading-edge technology.

As we move forward, we have set forth a strategic framework that we believe will ensure we are well-positioned to drive growth and capitalize on opportunities we see in the market, and we are well-aligned to the secular trends occurring in the market today. This strategic framework includes:

1. Investing in the continued growth of our core business – Global Derivatives
2. Increasing recurring revenue opportunities through DnA
3. Harnessing the power of our global network and client base to expand product reach and access
4. Capitalizing on the dominance of the U.S. capital markets
5. Leveraging our superior technology to drive innovation and product development
6. Disciplined allocation of resources and capital towards long-term secular growth trends

Our Derivatives business remains very resilient, supported by a growing customer base, demand for access to the U.S. market, and an increasing demand for options. Given that options by their very nature expire, investors must repurchase new options to reposition themselves in the market, which in turn creates a quasi-recurring revenue stream that continues to increase for Cboe as investors shift to shorter duration expirations and more frequent repositioning in response to market events.

Our derivatives ecosystem continued to flourish in the third quarter as traders and investors utilized our flagship VIX and S&P 500 index options products across an ever-changing market environment responding to geopolitical events, market volatility, and uncertainty ahead of the U.S. election.

As the pioneer of listed options, Cboe has led the way in making options more accessible, transforming them from a small asset class into a key component of the global trading ecosystem. We remain optimistic about the growing retail participation in the options market. Last month we were excited to announce that Robinhood, one of the largest options trading platforms for retail investors, will begin offering Cboe's index options to their clients.

We believe retail adoption of index options is just beginning and Cboe is well-positioned to cater to this growing demand. Index options come with numerous benefits, and retail traders deserve access to those benefits as much as any institution, professional or wealthy investor. We are focused on three key pillars for supporting the growth of this important customer segment:

1. Education: Cboe's Options Institute is equipping retail traders with the knowledge and empowering them through education.
2. Access: We continue to broaden access to our products by working with retail brokers and meeting demand where it exists.
3. Product: We continue to evolve our suite of index options products to provide opportunities for customers of all dimensions to trade a contract that is right sized for them, on a timeframe that suits their unique needs.

Additionally, we continue to focus on product innovation across our ecosystem and unlocking access to U.S. markets for international investors. Whether it be through increased accessibility, new products or education, we'll continue to help people access the liquidity, efficiency and stability of the U.S. markets while also providing trusted markets in local regions worldwide.

Turning to our Data and Access Solutions business, our global footprint continued to help drive momentum during the third quarter. Approximately 40% of the new sales in our DnA business came internationally during the first three quarters of the year. Additionally, as we have reallocated capital towards investment in our technology platform over the past year, we have seen these organic investments begin to bear fruit within our DnA business. The DnA technology investments have been focused on optimizing efficiencies across three core areas: access, data, and insights.

While we execute on our organic growth strategy, we will continue to explore non-organic opportunities that provide scale and broadened distribution inside key geographic markets. To that end, during October we acquired a 14.8% ownership stake in Japannext, a leading proprietary trading system in Japan. Japan is one of the world's largest and most important capital marketplaces and is undergoing a lot of change. As the regulatory landscape evolves and the market opens to more competition, there is tremendous opportunity for Cboe to compete. This investment reaffirms Cboe's strong commitment to Japan and will help us strengthen our relationships within the industry and expand our presence in the region.

With our global network largely built and our final technology migration wrapping early next year, we now have the keys to unlock our future success – a strategic framework aligned with secular trends, great technology and a common platform, our global footprint, and strong free cash flow. We remain committed to maintaining a flexible balance sheet while investing in organic growth initiatives, our technology, and operating efficiencies – in turn driving future revenue growth, enhanced margins, and earnings growth for Cboe.

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

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

Thanks Fred.

The third quarter was a strong one for our derivatives franchise, with Cboe producing a 13% increase in net revenue on a year-over-year basis. The increase was led by strength in our propriety products with year-over-year volume growth of 7% in SPX options, 18% in XSP options, 20% in VIX futures, and 33% in VIX options. The Q3 results build on our strong first half trends, translating to an 11% increase in YTD derivatives net revenue as compared to 2023 levels.

During the quarter, investors relied on the full range of the Cboe volatility toolkit as they navigated a rise in geopolitical uncertainty, varying economic data points, and election uncertainty. Perhaps the most notable event last quarter was the August 5th yen carry trade unwind that produced one of the largest short-term volatility events since COVID and the global financial crisis. Investors rushed for downside protection in the form of VIX options. VIX Options ADV of 1.2mn contracts in August was the second highest on record, trailing only February 2018. The higher vol of vol regime continued into September, extending demand for VIX options as VIX ADV totaled 945k contracts for the month, the 2nd highest level of demand for VIX options in over two years. Similar to past election cycles, the VIX term structure is pricing in increased uncertainty as we move through next week's elections, as evidenced by the term structure's backwardation.

And while investors have gravitated towards the higher convexity profile that VIX options offer during bouts of volatility, SPX volumes have remained healthy. Interestingly, we have seen a variety of trading styles used based on duration, with a more balanced put-to-call ratio for short duration trades vs. longer-duration trades that favor more put protection. 0DTE volumes registered a six-month high in October, and as the trading environment continues to evolve, we have seen our user base continue to expand, the use cases grow, and our customer base season, all pointing to an increasingly durable use case for the product.

Building on our strong index product trends, we were pleased to launch Cboe S&P 500 Variance futures in September. This latest tool in the volatility toolkit provides an exchange-listed alternative to over-the-counter variance swaps and has an additive impact to activity across the SPX ecosystem. On October 14^{th}, we launched options on VIX futures. These options physically settle into the underlying front-month VIX future and provide a few key benefits. First, it allows us to provide access to our 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, in particular those with a shorter duration, to meet customer demand. As we look to avenues of future growth, we are incredibly excited by the opportunity both in the US and abroad for our volatility toolkit.

Looking at the options asset class more holistically, we believe the potential to bring options to a greater portion of the US customer base remains a meaningful opportunity for Cboe.

- The use of options in exchange traded products provides an innovative way for broker dealer clients to access a variety of options strategies in a traditional ETF wrapper. US-listed option-based ETFs have grown to an estimated $120 billion in AUM, with assets increasing over 600% over the past three years.
- As for more direct access to options trading, we estimate that less than 10% of customers at major retail broker dealers are enabled to trade options today, with some of our largest key customer platforms at a fraction of that amount. The ability to introduce and educate broker dealer customers as to the benefits of this fast-growing asset class is a secular tailwind we believe we can leverage for years to come.

Later this quarter, Robinhood will begin providing customers access to index options, enhancing their trading capabilities. Cboe's proprietary suite of index options provides broad U.S. market exposure, hedging capabilities against U.S. large-cap and U.S. small-cap equity market volatility, and can allow customers to generate income and capitalize on market movements. We anticipate that the simplicity of cash-settlement, the certainty of European-style exercise, and the potential 60/40 tax treatment may resonate with Robinhood's active trader community. Fred and I had the opportunity to take part in the HOOD Summit 2024 two weeks ago, and I was inspired by the customer excitement around the new features and capabilities being rolled out, as well as the hunger for greater education around how to most effectively use these tools in their portfolio.

Slide 8: Unlocking Global Growth Potential

Turning to cash and spot markets, third quarter results continued the strong trends we saw in the second quarter, with third quarter net revenues increasing 12% year-over-year, pushing growth in our cash and spot markets to 9% on a YTD basis. In the third quarter, we saw year-over-year growth in every region as Cboe continued to leverage its scaled infrastructure to monetize a supportive market backdrop.

In North America, U.S. on-exchange net capture trends were again solid, and industry volumes were up 10% year-over-year. Our off-exchange business saw an improvement in volumes and capture on a year-over-year basis in the third quarter. And rounding out our North American Equities segment, stronger industry volumes and net capture helped drive another quarter of year-over-year growth for our Canadian equities business. We remain particularly excited about the outlook for our Canadian business as we remain on track with the migration of our Canadian market to Cboe technology, in early 2025, subject to regulatory approval.

Our Europe and Asia Pacific segment delivered robust 22% year-over-year growth led by a 32% increase in net transaction and clearing fees.

For Europe specifically:

- Cboe was the largest European stock exchange throughout the third quarter, with our share of continuous trading volume hitting 32.4%, up more than a full percentage point vs. last quarter. Two products in particular speak to the success Cboe has had bringing alternative market mechanisms to investors. Periodic auctions achieved another market share record, accounting for 8.7% of continuous trading during the third quarter. In addition, Cboe BIDS Europe retained its position as the largest large-in-scale venue, adding eight new buyside clients during the quarter.

Turning to Asia Pacific, we saw continued solid contributions from both Australia and Japan.

- In Australia, Cboe grew market share to 20.8%, up 2.9 percentage points from the third quarter of 2023. In addition, net capture improved, and our results benefitted from a 28% increase in average daily notional value traded during the quarter.
- In Japan, market share hit 5.4% in the third quarter, a 2.1 percentage point improvement versus the third quarter of 2023. Volume trends remained robust with ADNV increasing 117% on a year-over-year basis.
- The APAC region remains a key focus for Cboe as we move forward, providing a number of opportunities across our ecosystem to fuel growth.
    - The solid cash market trends have helped us better monetize opportunities in our DnA business as evidenced by the 8% year-over-year third quarter growth in market data and access services in the region.
    - And lastly, we anticipate continued strategic investment in the region to translate to increased brand awareness and an improved sales effort for the import of derivatives activity into the U.S.

Slide 9: Data and Access Solutions: Driving Durable Growth
Turning to Data and Access Solutions, net revenues grew 6% as compared to the third quarter of 2023. The first two months saw a continuation of the slower trends that hindered first half growth, but activity changed notably for us in September as net revenues grew a strong 9.7% as compared to September 2023. We anticipate that these stronger activity levels will carry through the fourth quarter and help us hit the lower end of our 7-10% DnA guidance range for 2024. The September strength on a year-over-year basis has been broad based with the index analytics and international businesses all producing solid year-over-year increases. As we look forward, we expect growth will be driven by a continuation of the solid international trends, with over 40% of new sales coming from outside the US in the third quarter. In addition, the uptake from dedicated cores continued to exceed our expectations as we rolled the functionality out across additional markets. And finally, the redeployment of technology resources to revenue generating activities is already translating to new data sets and sales in our DnA business.

Slide 10: Executing on Growth Priorities
Cboe's third quarter results highlight the power of the entire ecosystem with Derivatives, Cash and Spot Markets, and Data and Access Solutions all delivering durable results. The fourth quarter is off to a solid start as we look to cap a robust year at Cboe. With that, I will turn the call over to Jill.

Slide 12: 3Q24 Financial Summary
Thanks Dave. As Fred and Dave highlighted, Cboe posted a strong third quarter with adjusted diluted earnings per share up 8% on a year-over-year basis to a record $2.22. The third quarter results continue to illustrate the complementary and diversified nature of our business model, with solid contributions from across the Cboe ecosystem. I will provide some high-level takeaways from this quarter's operating results before going through an assessment of the segment results:

Our third quarter net revenue increased 11% versus the third quarter of 2023 to finish at a record $532 million. The growth was driven by strength in our Derivatives and Cash and Spot Markets categories as well as solid results from our Data and Access Solutions business. Specifically:
    - Derivatives Markets produced 13% year-over-year net revenue growth in the third quarter as our proprietary product franchise again produced sustained growth.
    - Cash and Spot Markets organic net revenues grew 12% versus the third quarter of 2023, with all geographies contributing solid year-over-year growth.
    - Data and Access Solutions net revenues increased 6% on an organic basis during the quarter. As Dave highlighted earlier, we saw an acceleration in activity in September and remain confident in our ability to hit the lower end of our 7 to 10% targeted net revenue growth range for 2024.
- Adjusted operating expenses increased 13% to $204 million for the quarter, with the year-over-year growth driven by higher compensation-related expenses as well as travel and promotional expenses, partially offset by a decrease in professional fees and outside services;
- and Adjusted EBITDA of $342 million grew 7% versus the third quarter of 2023.

Slide 13: 3Q24 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:

- The Options segment generated record net revenue, with 10% year-over-year growth led by higher index options transaction fees.
    - Total options ADV was up 2%, driven by a 13% increase in index options volume,
    - Revenue per contract moved 10% higher as index options represented a higher percentage of total options volume and multi-listed options RPC increased 15%.
- North American Equities net revenue increased 3% on a year-over-year basis, reflecting higher net transaction and clearing fees as well as access and capacity fees. Increased net transaction and clearing fees were driven by both higher industry volumes and stronger net capture rates. On the non-transaction side, access and capacity fees increased 12% as compared to the third quarter of 2023.
- The Europe and APAC segment produced a 22% year-over-year increase in net revenue, a result of strong growth across both transaction and non-transaction revenues. Transaction revenue in Australia and Japan benefited from continued market share gains as well as increased volumes versus the third quarter of 2023.
- The Futures segment recorded 17% net revenue growth for the quarter, with higher net transaction and clearing fees reflecting a 19% increase in ADV. On the non-transaction side, market data revenues were up 9%.
- And finally, the FX segment delivered another quarter of record net revenue, with 9% year-over-year growth driven by higher net transaction and clearing fees.

Slide 14: Grew 3Q24 Data and Access Solutions Net Revenue 6% YoY Organically
Turning now to Cboe's Data and Access Solutions business, net revenues were up 6% on an organic basis in the third quarter. International sales continued to underpin growth, with over 40% of new sales coming from outside the U.S. over the quarter.

We continue to believe DnA is well positioned and anticipate an acceleration in trends during the fourth quarter, helping us deliver on the lower end of DnA revenue growth guidance of 7 to 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 in our equities markets
- Greatly enhancing our options access layer, and
- Increased capabilities around our data, access, and insights as we reallocate technology resources from integration efforts to organic revenue generating enhancements.

Slide 15: 3Q24 Adjusted Operating Expenses
Turning to expenses, total adjusted operating expenses were approximately $204 million for the quarter, up 13% compared to the third quarter of last year. The increase primarily resulted from:

- Higher compensation and benefits given an increase in our short-term incentive accrual driven by our stronger revenue generation, as well as a $10 million benefit in the third quarter of 2023 from executive departures that did not recur in 2024.
- In addition, travel and promotional expenses were also higher on a year-over-year basis as we saw some acceleration in our marketing efforts.

I would note that adjusting for the impact of the 2023 executive departures, total adjusted operating expenses would have increased a more modest 7% year over year for the third quarter, in line with our efforts to stabilize margins given the 11% revenue growth during the quarter.

Slide 16: 2024 Guidance
As we look ahead on slide 16 to our 2024 guidance, we are raising our full year organic net revenue growth range to 7 to 9% from 6 to 8%. The updated guidance reflects our strong year-to-date results and a supportive outlook for the remainder of the year.

Given the positive revisions to our revenue guidance, we are increasing our full year 2024 adjusted expense guidance to $798 to $808 million, up from our prior guidance of $795 to $805 million. The $3 million increase captures the upward pressure on our short-term incentive bonus accrual given our improved revenue guidance range, as well as some targeted marketing spend to capitalize on the expanded access of our index options product suite.

We believe the refined revenue and expense guidance continues to strike the right balance as we look to drive long-term margin stability. Looking at our results on a year-to-date basis, we see that narrative reflected in the 80 basis point adjusted EBITDA margin expansion produced through the first three quarters of the year.

Looking at our full-year guidance more broadly,

- We continue to anticipate hitting the lower end of our DnA organic net revenue guidance range of 7 to 10 percent. As Dave highlighted, September was a strong month for DnA revenue growth, and we expect to see those stronger trends carry through the fourth quarter.

- Below the line, we are increasing our expectation for "other income" to $7 to $9 million from $4 to $6 million given an increase in dividend income realized during the third quarter. Within our "earnings on investments" line, we continue to expect $33 to $37 million from positive marks on our investments. In total, this raises our 2024 expected impact on non-operating income to $40 to $46 million from $37 to $43 million.

- We are also increasing our full year guidance range for CapEx to $57 to $63 million from $51 to $57 million, primarily resulting from an acceleration of technology investments across our businesses. Depreciation and amortization is expected to remain in the range of $43 to $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.

- While we don't provide formal guidance on interest income or interest expense, I wanted to highlight that the third quarter included a benefit from a one-time true up of interest earned from available-for-sale securities. Moving forward, we would expect a more modest impact, and anticipate that interest expense, net of interest income will be in the $7 to 8 million range for the fourth quarter.

Slide 17: Efficient Allocation of Capital to Create Long-Term Shareholder Value
Turning to our balance sheet, our third quarter leverage ratio remained at 1.1x, and we remain comfortable with our overall debt profile and the balance sheet flexibility it affords.

The effective allocation of capital has been a cornerstone of our ongoing strategic review. We strive to allocate capital to where we see the greatest long-term opportunity, whether it be investments in internal projects or returning it to shareholders in the form of share repurchases and dividends. During the third quarter, we repurchased approximately $25 million in shares, bringing our year-to-date repurchases to $204 million. In August, we announced a $500 million increase to our share repurchase authorization, boosting our total capacity available for share repurchases to approximately $680 million as of the end of September.

In addition to repurchases, we returned a total of $66 million to shareholders in the form of a $0.63 dividend during the quarter, a 15% year-over-year increase in our quarterly dividend. Factoring in both share repurchases and dividends through the third quarter, Cboe has returned a total of $387 million to shareholders – representing 56% of adjusted earnings year-to-date.

As we move forward, our strong free cash flow generation and flexible balance sheet afford us the opportunity to allocate capital and resources in the most value enhancing activities, striking the right balance between investing in future revenue growth and improving shareholder returns. We look forward to building on our year-to-date progress and delivering durable growth 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 8% adjusted diluted EPS growth year-over-year. Fundamentally, our business performed very well with year-to-date net revenue up 9% and adjusted expense growth at 6%. As we head into the final quarter of the year, our balance sheet is strong, and we are well-positioned to take advantage of opportunities as they arise.

With our new strategic framework, coupled with the strong fundamentals we are seeing across our business, we are very encouraged about the opportunities ahead of us and we look forward to sharing more as we move forward into 2025.

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.