

REFINITIV

# DELTA REPORT

## 10-Q

VIRT - VIRTU FINANCIAL, INC.

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1243
CHANGES	417
DELETIONS	481
ADDITIONS	345

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q  
(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended **September 30, 2023** **March 31, 2024**

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from to  
Commission file number: 001-37352

**Virtu Financial, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**32-0420206**

(I.R.S. Employer Identification No.)

**1633 Broadway**

**New York, New York**

(Address of principal executive offices)

**10019**

(Zip Code)

**(212) 418-0100**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.00001 per share	VIRT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Securities Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Class of Stock	Shares outstanding as of <b>November</b>	
	<b>2, 2023</b>	<b>April 19, 2024</b>
Class A common stock, par value \$0.00001 per share	<b>90,476,855</b>	88,494,096
Class C common stock, par value \$0.00001 per share		8,607,998
Class D common stock, par value \$0.00001 per share		60,091,740

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FOR THE QUARTER ENDED **September 30, 2023** **March 31, 2024**

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## PART I

### ITEM 1. FINANCIAL STATEMENTS

#### Index to Condensed Consolidated Financial Statements

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Virtu Financial, Inc. and Subsidiaries  
Condensed Consolidated Statements of Financial Condition (Unaudited)

(in thousands, except share data)	(in thousands, except share data)	September 30, 2023	December 31, 2022	(in thousands, except share data)	March 31, 2024	December 31, 2023
<b>Assets</b>	<b>Assets</b>					
Cash and cash equivalents	Cash and cash equivalents	\$ 688,790	\$ 981,580			
Cash and cash equivalents	Cash and cash equivalents					
Cash restricted or segregated under regulations and other	Cash restricted or segregated under regulations and other	37,565	56,662			
Securities borrowed	Securities borrowed	1,524,177	1,187,674			
Securities purchased under agreements to resell	Securities purchased under agreements to resell	3,127,072	336,999			
Receivables from broker-dealers and clearing organizations	Receivables from broker-dealers and clearing organizations	1,696,495	1,115,185			
Receivables from broker-dealers and clearing organizations (\$22,801 and \$ — at fair value, as of March 31, 2024 and December 31, 2023, respectively)	Receivables from broker-dealers and clearing organizations (\$22,801 and \$ — at fair value, as of March 31, 2024 and December 31, 2023, respectively)					
Trading assets, at fair value:	Trading assets, at fair value:					
Financial instruments owned	Financial instruments owned	6,889,825	3,667,481			
Financial instruments owned	Financial instruments owned					

Financial instruments owned and pledged	Financial instruments owned and pledged	1,397,700	963,071
Receivables from customers	Receivables from customers	148,445	80,830
Property, equipment and capitalized software (net of accumulated depreciation of \$350,220 and \$460,763 as of September 30, 2023 and December 31, 2022, respectively)		92,124	85,194
Receivables from customers			
Receivables from customers			
Property, equipment and capitalized software (net of accumulated depreciation of \$336,866 and \$367,779 as of March 31, 2024 and December 31, 2023, respectively)			
Operating lease right-of-use assets	Operating lease right-of-use assets	161,811	187,442
Goodwill	Goodwill	1,148,926	1,148,926
Intangibles (net of accumulated amortization of \$366,020 and \$318,013 as of September 30, 2023 and December 31, 2022, respectively)		273,473	321,480
Intangibles (net of accumulated amortization of \$396,660 and \$381,973 as of March 31, 2024 and December 31, 2023, respectively)			
Deferred tax assets	Deferred tax assets	132,361	146,801
Other assets (\$74,911 and \$78,965, at fair value, as of September 30, 2023 and December 31, 2022, respectively)		299,664	303,916
Other assets (\$167,384 and \$84,521, at fair value, as of March 31, 2024 and December 31, 2023, respectively)			
Other assets (\$167,384 and \$84,521, at fair value, as of March 31, 2024 and December 31, 2023, respectively)			
Other assets (\$167,384 and \$84,521, at fair value, as of March 31, 2024 and December 31, 2023, respectively)			
Total assets	Total assets	\$17,618,428	\$10,583,241

Liabilities and equity	Liabilities and equity		
Liabilities and equity			
Liabilities	Liabilities		
Liabilities			
Liabilities			
Short-term borrowings			
Short-term borrowings			
Short-term borrowings	Short-term borrowings	\$ 97,217	\$ 3,944
Securities loaned	Securities loaned	1,459,980	1,060,432
Securities sold under agreements to repurchase	Securities sold under agreements to repurchase	3,376,948	627,549
Payables to broker-dealers and clearing organizations		540,464	273,843
Payables to broker-dealers and clearing organizations (\$90,271 and \$7,661, at fair value, as of March 31, 2024 and December 31, 2023, respectively)			
Payables to customers	Payables to customers	74,374	46,525
Trading liabilities, at fair value:	Trading liabilities, at fair value:		
Financial instruments sold, not yet purchased	Financial instruments sold, not yet purchased	7,941,472	4,196,974
Financial instruments sold, not yet purchased			
Financial instruments sold, not yet purchased			
Tax receivable agreement obligations	Tax receivable agreement obligations	215,483	238,758
Accounts payable, accrued expenses and other liabilities			
Accounts payable, accrued expenses and other liabilities			
Accounts payable, accrued expenses and other liabilities	Accounts payable, accrued expenses and other liabilities	411,848	448,635
Operating lease liabilities	Operating lease liabilities	211,249	239,202
Long-term borrowings	Long-term borrowings	1,778,743	1,795,952

Total liabilities	Total liabilities	16,107,778	8,931,814
Commitments and Contingencies (Note 14)	Commitments and Contingencies (Note 14)		
Commitments and Contingencies (Note 14)			
Commitments and Contingencies (Note 14)			
Virtu Financial Inc. Stockholders' equity	Virtu Financial Inc. Stockholders' equity		
Class A common stock (par value \$0.00001), Authorized — 1,000,000,000 and 1,000,000,000 shares, Issued — 134,865,978 and 133,071,754 shares, Outstanding — 91,455,446 and 98,549,464 shares at September 30, 2023 and December 31, 2022, respectively		1	1
Class B common stock (par value \$0.00001), Authorized — 175,000,000 and 175,000,000 shares, Issued and Outstanding — 0 and 0 shares at September 30, 2023 and December 31, 2022, respectively		—	—
Class C common stock (par value \$0.00001), Authorized — 90,000,000 and 90,000,000 shares, Issued and Outstanding — 8,607,998 and 9,030,066 shares at September 30, 2023 and December 31, 2022, respectively		—	—
Class D common stock (par value \$0.00001), Authorized — 175,000,000 and 175,000,000 shares, Issued and Outstanding — 60,091,740 and 60,091,740 shares at September 30, 2023 and December 31, 2022, respectively		1	1
Treasury stock, at cost, 43,410,532 and 34,522,290 shares at September 30, 2023 and December 31, 2022, respectively		(1,120,501)	(954,637)
Virtu Financial Inc. Stockholders' equity			
Virtu Financial Inc. Stockholders' equity			
Class A common stock (par value \$0.00001), Authorized — 1,000,000,000 and 1,000,000,000 shares, Issued — 136,550,996 and 134,901,037 shares, Outstanding — 88,783,569 and 89,092,686 shares at March 31, 2024 and December 31, 2023, respectively			

Class A common stock (par value \$0.00001), Authorized — 1,000,000,000 and 1,000,000,000 shares, Issued — 136,550,996 and 134,901,037 shares, Outstanding — 88,783,569 and 89,092,686 shares at March 31, 2024 and December 31, 2023, respectively

Class A common stock (par value \$0.00001), Authorized — 1,000,000,000 and 1,000,000,000 shares, Issued — 136,550,996 and 134,901,037 shares, Outstanding — 88,783,569 and 89,092,686 shares at March 31, 2024 and December 31, 2023, respectively

Class B common stock (par value \$0.00001), Authorized — 175,000,000 and 175,000,000 shares, Issued and Outstanding — 0 and 0 shares at March 31, 2024 and December 31, 2023, respectively

Class C common stock (par value \$0.00001), Authorized — 90,000,000 and 90,000,000 shares, Issued and Outstanding — 8,607,998 and 8,607,998 shares at March 31, 2024 and December 31, 2023, respectively

Class D common stock (par value \$0.00001), Authorized — 175,000,000 and 175,000,000 shares, Issued and Outstanding — 60,091,740 and 60,091,740 shares at March 31, 2024 and December 31, 2023, respectively



Treasury stock, at cost, 47,767,427 and 45,808,351 shares at March 31, 2024 and December 31, 2023, respectively			
Additional paid-in capital	Additional paid-in capital	1,343,307	1,292,613
Retained earnings (accumulated deficit)	Retained earnings (accumulated deficit)	1,018,201	972,317
Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss)	24,327	31,604
Total Virtu Financial Inc. stockholders' equity	Total Virtu Financial Inc. stockholders' equity	1,265,336	1,341,899
Noncontrolling interest		245,314	309,528

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**Virtu Financial, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Financial Condition (Unaudited)**

(in thousands, except share data)	(in thousands, except share data)	September 30, 2023	December 31, 2022	(in thousands, except share data)	March 31, 2024	December 31, 2023
Noncontrolling interest						
Total equity	Total equity	1,510,650	1,651,427			
Total liabilities and equity	Total liabilities and equity	\$17,618,428	\$10,583,241			
Total liabilities and equity						
Total liabilities and equity						

See accompanying Notes to the Condensed Consolidated Financial Statements (Unaudited).

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**Virtu Financial, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Comprehensive Income (Unaudited)**

(in thousands, except share and per share data)	(in thousands, except share and per share data)	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,
		2023	2022	2023	2022	
<b>Revenues:</b>	<b>Revenues:</b>					
<b>Revenues:</b>						
<b>Revenues:</b>						
Trading income, net						
Trading income, net						

Trading income, net	Trading income, net	\$ 316,085	\$ 397,383	\$1,034,764	\$ 1,315,618
Interest and dividends income	Interest and dividends income	127,693	43,631	307,916	95,435
Interest and dividends income					
Interest and dividends income					
Commissions, net and technology services					
Commissions, net and technology services					
Commissions, net and technology services	Commissions, net and technology services	110,276	120,986	341,223	411,981
Other, net	Other, net	76,110	(956)	73,493	44,010
Other, net					
Other, net					
Total revenue					
Total revenue					
Total revenue	Total revenue	630,164	561,044	1,757,396	1,867,044
Operating Expenses:	Operating Expenses:				
Operating Expenses:					
Operating Expenses:					
Brokerage, exchange, clearance fees and payments for order flow, net					
Brokerage, exchange, clearance fees and payments for order flow, net					
Brokerage, exchange, clearance fees and payments for order flow, net	Brokerage, exchange, clearance fees and payments for order flow, net	123,245	168,869	391,238	476,235
Communication and data processing	Communication and data processing	57,066	52,907	170,837	164,441
Communication and data processing					
Communication and data processing					
Employee compensation and payroll taxes					
Employee compensation and payroll taxes					
Employee compensation and payroll taxes	Employee compensation and payroll taxes	97,221	103,254	296,214	305,338
Interest and dividends expense	Interest and dividends expense	132,802	61,989	342,896	153,243
Interest and dividends expense					

Interest and dividends expense					
Operations and administrative					
Operations and administrative					
Operations and administrative	Operations and administrative	22,416	14,319	72,204	53,110
Depreciation and amortization	Depreciation and amortization	15,815	16,658	47,076	50,470
Depreciation and amortization					
Depreciation and amortization					
Amortization of purchased intangibles and acquired capitalized software					
Amortization of purchased intangibles and acquired capitalized software					
Amortization of purchased intangibles and acquired capitalized software	Amortization of purchased intangibles and acquired capitalized software	15,967	16,060	48,007	48,817
Termination of office leases	Termination of office leases	364	361	314	1,744
Termination of office leases					
Termination of office leases					
Debt issue cost related to debt refinancing, prepayment and commitment fees	Debt issue cost related to debt refinancing, prepayment and commitment fees	1,796	1,404	5,744	28,525
Debt issue cost related to debt refinancing, prepayment and commitment fees					
Debt issue cost related to debt refinancing, prepayment and commitment fees					
Transaction advisory fees and expenses					
Transaction advisory fees and expenses					
Transaction advisory fees and expenses	Transaction advisory fees and expenses	6	134	30	1,113
Financing interest expense on long-term borrowings	Financing interest expense on long-term borrowings	25,361	23,483	74,499	66,905
Financing interest expense on long-term borrowings					
Financing interest expense on long-term borrowings					
Total operating expenses					

Total operating expenses					
Total operating expenses	Total operating expenses	492,059	459,438	1,449,059	1,349,941
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest	138,105	101,606	308,337	517,103
Income before income taxes and noncontrolling interest					
Income before income taxes and noncontrolling interest					
Provision for income taxes					
Provision for income taxes					
Provision for income taxes	Provision for income taxes	20,512	21,732	51,117	88,405
Net income	Net income	117,593	79,874	257,220	428,698
Net income					
Net income					
Noncontrolling interest					
Noncontrolling interest					
Noncontrolling interest	Noncontrolling interest	(55,678)	(39,867)	(120,722)	(191,264)
Net income available for common stockholders	Net income available for common stockholders	\$ 61,915	\$ 40,007	\$ 136,498	\$ 237,434
Net income available for common stockholders					
Net income available for common stockholders					
Earnings per share					
Earnings per share					
Earnings per share	Earnings per share				
Basic	Basic	\$ 0.63	\$ 0.38	\$ 1.36	\$ 2.17
Basic					
Basic					
Diluted					
Diluted					
Diluted	Diluted	\$ 0.63	\$ 0.37	\$ 1.36	\$ 2.16
Weighted average common shares outstanding	Weighted average common shares outstanding				
Weighted average common shares outstanding					
Weighted average common shares outstanding					
Basic	Basic	93,408,537	102,289,172	95,376,590	105,500,700
Basic					
Basic					
Diluted					
Diluted					

Diluted	Diluted	93,408,537	102,550,852	95,376,590	106,004,393
Net income	Net income	\$ 117,593	\$ 79,874	\$ 257,220	\$ 428,698
Net income					
Net income					
Other comprehensive income					
Other comprehensive income					
Other comprehensive income	Other comprehensive income				
Foreign exchange translation adjustment, net of taxes	Foreign exchange translation adjustment, net of taxes	(4,005)	(18,527)	170	(43,505)
Foreign exchange translation adjustment, net of taxes					
Foreign exchange translation adjustment, net of taxes					
Net change in unrealized cash flow hedges gain (loss), net of taxes					
Net change in unrealized cash flow hedges gain (loss), net of taxes					
Net change in unrealized cash flow hedges gain (loss), net of taxes	Net change in unrealized cash flow hedges gain (loss), net of taxes	(7,646)	30,731	(12,612)	92,666
Comprehensive income	Comprehensive income	105,942	92,078	244,778	477,859
Comprehensive income					
Comprehensive income					
Less: Comprehensive income attributable to noncontrolling interest					
Less: Comprehensive income attributable to noncontrolling interest					
Less: Comprehensive income attributable to noncontrolling interest	Less: Comprehensive income attributable to noncontrolling interest	(50,832)	(44,719)	(115,557)	(209,051)
Comprehensive income attributable to common stockholders	Comprehensive income attributable to common stockholders	\$ 55,110	\$ 47,359	\$ 129,221	\$ 268,808
Comprehensive income attributable to common stockholders					
Comprehensive income attributable to common stockholders					

See accompanying Notes to the Condensed Consolidated Financial Statements (Unaudited).

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Virtu Financial, Inc. and Subsidiaries

**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**Three and Nine Months Ended September 30, 2023, March 31, 2024 and 2022 2023**

										Additional														
		Class A		Class C		Class D		Treasury Stock		Paid-in														
		Common Stock		Common Stock		Common Stock				Capital	Retained	Accumulated	Total Virtu											
										Earnings	Other	Financial Inc.												
										(Accumulated	Comprehensive	Stockholders'	Noncontrolling	Total										
Class A Common										Deficit)	Income (loss)	Equity	Interest	Equity	Class A	Class C	Class D	Treasury	Additional					
Stock										Deficit)	Income (loss)	Equity	Interest	Equity	Common	Common Stock	Common Stock	Stock	Common					
(in thousands, except share and interest data)	(in thousands, except share and interest data)	Shares	Amounts	Shares	Amounts	Shares	Amounts	Shares	Amounts	Amounts	Retained	Accumulated	Total Virtu											
										Earnings	Other	Financial Inc.												
										(Accumulated	Comprehensive	Stockholders'	Noncontrolling	Total										
										Deficit)	Income (loss)	Equity	Interest	Equity										
Balance at December 31, 2022		133,071,754	\$ 1	9,030,066	\$ —	60,091,740	\$ 1	(34,522,290)	\$ (954,637)	\$1,292,613	\$ 972,317	\$ 31,604	\$ 1,341,899	\$ 309,528	\$1,651,427									
Balance at December 31, 2023																								
Balance at December 31, 2023																								
Balance at December 31, 2023																								
Balance at December 31, 2023																								
Share based compensation	Share based compensation	2,393,550	—	—	—	—	—	—	—	31,030	—	—	31,030	—	31,030									
Repurchase of Class C common stock		—	(21,498)	—	—	—	—	—	—	(424)	—	—	(424)	—	(424)									
Treasury stock purchases																								
Treasury stock purchases																								
Treasury stock purchases	Treasury stock purchases	(902,947)	—	—	—	—	—	(3,932,499)	(75,568)	—	(17,650)	—	(93,218)	—	(93,218)									
Net income																								
Net income																								
Net income	Net income	—	—	—	—	—	—	—	—	—	57,881	—	57,881	52,202	110,083									
Foreign exchange translation adjustment	Foreign exchange translation adjustment	—	—	—	—	—	—	—	—	—	—	980	980	668	1,648									
Net change in unrealized cash flow hedges gains	Net change in unrealized cash flow hedges gains	—	—	—	—	—	—	—	—	—	—	(7,834)	(7,834)	(5,334)	(13,168)									
Dividends (\$0.24 per share of Class A common stock and participating Restricted Stock Unit and Restricted Stock Awards) and distributions from Virtu Financial to noncontrolling interest	Dividends (\$0.24 per share of Class A common stock and participating Restricted Stock Unit and Restricted Stock Awards) and distributions from Virtu Financial to noncontrolling interest	—	—	—	—	—	—	—	—	—	(24,696)	—	(24,696)	(27,308)	(52,004)									
Issuance of common stock in connection with employee exchanges		152,037	—	—	—	—	—	—	—	—	—	—	—	—	—									
Repurchase of Virtu Financial Units and corresponding number of Class C common stock in connection with employee exchanges		—	—	(152,037)	—	—	—	—	—	—	—	—	—	—	—									
Balance at March 31, 2023		134,714,394	\$ 1	8,856,531	\$ —	60,091,740	\$ 1	(38,454,789)	\$ (1,030,205)	\$1,323,219	\$ 987,852	\$ 24,750	\$ 1,305,618	\$ 329,756	\$1,635,374									
Share based compensation		20,000	—	—	—	—	—	—	—	12,050	—	—	12,050	—	12,050									
Treasury stock purchases		(9,147)	—	—	—	—	—	(2,265,811)	(41,579)	—	(165)	—	(41,744)	—	(41,744)									

Net income	—	—	—	—	—	—	—	—	—	16,702	—	16,702	12,842	29,544
Foreign exchange translation adjustment	—	—	—	—	—	—	—	—	—	—	1,503	1,503	1,024	2,527
Net change in unrealized cash flow hedges gains	—	—	—	—	—	—	—	—	—	—	4,879	4,879	3,323	8,202
Dividends (\$0.24 per share of Class A and Class B common stock and participating Restricted Stock Unit and Restricted Stock Awards) and distributions from Virtu Financial to noncontrolling interest	—	—	—	—	—	—	—	—	—	(23,908)	—	(23,908)	(69,744)	(93,652)
Balance at March 31, 2024														
Balance at March 31, 2024														
Balance at March 31, 2024														
Balance at June 30, 2023	134,725,247	\$ 1	8,856,531	\$ —	60,091,740	\$ 1	(40,720,600)	\$(1,071,784)	\$1,335,269	\$ 980,481	\$ 31,132	\$ 1,275,100	\$ 277,201	\$1,552,301
Share based compensation	144,783	—	—	—	—	—	—	—	11,634	\$ —	—	11,634	—	11,634
Repurchase of Class C common stock	—	—	(214,176)	—	—	—	—	—	(3,596)	\$ —	—	(3,596)	—	(3,596)
Treasury stock purchases	(38,409)	—	—	—	—	—	(2,689,932)	(48,717)	—	(703)	—	(49,420)	—	(49,420)
Net income	—	—	—	—	—	—	—	—	—	61,915	—	61,915	55,678	117,593
Foreign exchange translation adjustment	—	—	—	—	—	—	—	—	—	—	(2,339)	(2,339)	(1,666)	(4,005)
Net change in unrealized cash flow hedges gains	—	—	—	—	—	—	—	—	—	—	(4,466)	(4,466)	(3,180)	(7,646)
Dividends (\$0.24 per share of Class A and Class B common stock and participating Restricted Stock Unit and Restricted Stock Award) and distributions from Virtu Financial to noncontrolling interest	—	—	—	—	—	—	—	—	—	(23,492)	—	(23,492)	(82,719)	(106,211)
Repurchase of Virtu Financial Units and corresponding number of Class C common stock in connection with employee exchanges	34,357	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuance of tax receivable agreements in connection with employee exchange	—	—	(34,357)	—	—	—	—	—	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Balance at September 30, 2023	134,865,978	\$ 1	8,607,998	\$ —	60,091,740	\$ 1	(43,410,532)	\$(1,120,501)	\$1,343,307	\$ 1,018,201	\$ 24,327	\$ 1,265,336	\$ 245,314	\$1,510,650

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**Virtu Financial, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**Three and Nine Months Ended September 30, 2023, and 2022**

(in thousands, except share and interest data)	Class A Common Stock		Class C Common Stock		Class D Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Total Virtu Financial Inc. Equity	Noncontrolling Interest	Total Equity
	Shares	Amounts	Shares	Amounts	Shares	Amounts	Shares	Amounts	Amounts	Deficit	Income (loss)	Equity	Interest	Total Equity
Balance at December 31, 2021	131,497,645	\$ 1	9,359,065	\$ —	60,091,740	\$ 1	(18,326,863)	\$ (494,075)	\$ 1,223,119	\$ 830,538	\$ (10,196)	\$ 1,549,388	\$ 314,230	\$ 1,863,618
Share based compensation	1,669,030	—	—	—	—	—	—	—	27,377	—	—	27,377	—	27,377
Repurchase of Class C common stock	—	—	(234,269)	—	—	—	—	—	(8,204)	—	—	(8,204)	—	(8,204)
Treasury stock purchases	(612,844)	—	—	—	—	—	(8,908,544)	(287,211)	—	(18,354)	—	(305,565)	—	(305,565)
Stock options exercised	246,879	—	—	—	—	—	—	—	4,691	—	—	4,691	—	4,691
Net income	—	—	—	—	—	—	—	—	—	112,257	—	112,257	87,668	199,925
Foreign exchange translation adjustment	—	—	—	—	—	—	—	—	—	—	(3,172)	(3,172)	(1,996)	(5,168)
Net change in unrealized cash flow hedges gains	—	—	—	—	—	—	—	—	—	—	29,387	29,387	18,486	47,873

Dividends (\$0.24 per share of Class A common stock and participating Restricted Stock Units and Restricted Stock Awards) and distributions from Virtu Financial to noncontrolling interest	—	—	—	—	—	—	—	—	—	(27,054)	—	(27,054)	(98,751)	(125,805)
Issuance of common stock in connection with employee exchanges	71,641	—	—	—	—	—	—	—	—	—	—	—	—	—
Repurchase of Virtu Financial Units and corresponding number of Class C common stock in connection with employee exchanges	—	—	(71,641)	—	—	—	—	—	—	—	—	—	—	—
Balance at March 31, 2022	132,872,351	\$ 1	9,053,155	\$ —	60,091,740	\$ 1	(27,235,407)	\$ (781,286)	\$ 1,246,983	\$ 897,387	\$ 16,019	\$ 1,379,105	\$ 319,637	\$ 1,698,742
Share based compensation	—	—	—	—	—	—	—	—	9,411	—	—	9,411	—	9,411
Repurchase of Class C common stock	—	—	(1,800)	—	—	—	—	—	(52)	—	—	(52)	—	(52)
Treasury stock purchases	—	—	—	—	—	—	(1,762,756)	(47,486)	—	—	—	(47,486)	—	(47,486)
Stock options exercised	22,000	—	—	—	—	—	—	—	418	—	—	418	—	418
Net income	—	—	—	—	—	—	—	—	—	85,167	—	85,167	63,729	148,896
Foreign exchange translation adjustment	—	—	—	—	—	—	—	—	—	—	(10,773)	(10,773)	(9,037)	(19,810)
Net change in unrealized cash flow hedges losses	—	—	—	—	—	—	—	—	—	—	8,580	8,580	5,482	14,062
Dividends (\$0.24 per share of Class A and Class B common stock and participating Restricted Stock Units and Restricted Stock Award) and distributions from Virtu Financial to noncontrolling interest	—	—	—	—	—	—	—	—	—	(26,067)	—	(26,067)	(76,906)	(102,973)
Issuance of common stock in connection with employee exchanges	21,289	—	—	—	—	—	—	—	—	—	—	—	—	—
Repurchase of Virtu Financial Units and corresponding number of Class C common stock in connection with employee exchanges	—	—	(21,289)	—	—	—	—	—	—	—	—	—	—	—
Contributions from noncontrolling interests	—	\$ —	—	\$ —	—	\$ —	—	\$ —	\$ —	—	\$ —	—	\$ 39,200	\$ 39,200
Balance at June 30, 2022	132,915,640	\$ 1	9,030,066	\$ —	60,091,740	\$ 1	(28,998,163)	\$ (828,772)	\$ 1,256,760	\$ 956,487	\$ 13,826	\$ 1,398,303	\$ 342,105	\$ 1,740,408
Share based compensation	131,892	—	—	—	—	—	—	—	9,159	—	—	9,159	—	9,159
Treasury stock purchases	(35,006)	—	—	—	—	—	(3,439,813)	(80,596)	—	(823)	—	(81,419)	—	(81,419)
Stock options exercised	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Net income	—	—	—	—	—	—	—	—	—	40,007	—	40,007	39,867	79,874
Foreign exchange translation adjustment	—	—	—	—	—	—	—	—	—	—	(11,161)	(11,161)	(7,366)	(18,527)
Net change in unrealized cash flow hedges gains	—	—	—	—	—	—	—	—	—	—	18,513	18,513	12,218	30,731
Dividends (\$0.24 per share of Class A and Class B common stock and participating Restricted Stock Unit and Restricted Stock Award) and distributions from Virtu Financial to noncontrolling interest	—	—	—	—	—	—	—	—	—	(25,337)	—	(25,337)	(61,981)	(87,318)

**Virtu Financial, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**Three and Nine Months Ended September 30, 2023, and 2022**

Class A Common  Stock	Class A				Additional
	Common	Class C	Class D	Treasury	Paid-in
	Stock	Common Stock	Common Stock	Stock	Capital
(in thousands, except share and interest data)					Retained
					Earnings
					(Accumulated
					Deficit)
Balance at					
December 31,					
2022					



Balance at	
December 31,	
2022	
Balance at	
December 31,	
2022	
Share based	
compensation	
Repurchase	
of Class C	
common	
stock	
Treasury	
stock	
purchases	

											Additional				
	Class A		Class C		Class D		Treasury Stock			Paid-in					
	Common Stock		Common Stock		Common Stock		Treasury Stock			Capital					
(in thousands, except share and interest data)											Retained Earnings	Accumulated Other Comprehensive Income (loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
	Shares	Amounts	Shares	Amounts	Shares	Amounts	Shares	Amounts	Amounts	Deficit	Income (loss)		Equity		
Balance at September 30, 2022	133,012,526	\$ 1	9,030,066	\$ —	60,091,740	\$ 1	(32,437,976)	(\$909,368)	\$1,265,919	\$ 970,334	\$ 21,178	\$ 1,348,065	\$ 324,843	\$1,672,908	

Net income	
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adjustment[illegible]

unrealized

cash flow

hedges gains

Dividends  
(\$0.24 per  
share of Class

A common stock and

Stock and participating Restricted

Stock Units and Restricted	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	605	604	603	602	601	600	599	598	597	596	
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Stock Awards)  
and

distributions  
from Virtu

Financial to noncontrolling interest

common

connection

with employeeexchanges

Repurchase  
of Virtu  
Financial  
Units and  
corresponding  
number of  
Class C  
common  
stock in  
connection  
with employee  
exchanges  
  
Balance at  
March 31, 2023

See accompanying Notes to the Condensed Consolidated Financial Statements (Unaudited).  
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Virtu Financial, Inc. and Subsidiaries  
Condensed Consolidated Statements of Cash Flows (Unaudited)

		Nine Months Ended September 30,		Three Months Ended March 31,
(in thousands)	(in thousands)	2023	2022	
Cash flows from operating activities	Cash flows from operating activities			
Cash flows from operating activities	Cash flows from operating activities			
Cash flows from operating activities	Cash flows from operating activities			
Cash flows from operating activities	Cash flows from operating activities			
Net income	Net income			
Net income	Net income			
Net income	Net income	\$ 257,220	\$ 428,698	
Adjustments to reconcile net income to net cash used by operating activities:	Adjustments to reconcile net income to net cash used by operating activities:			
Adjustments to reconcile net income to net cash used by operating activities:	Adjustments to reconcile net income to net cash used by operating activities:			
Adjustments to reconcile net income to net cash used by operating activities:	Adjustments to reconcile net income to net cash used by operating activities:			
Depreciation and amortization	Depreciation and amortization			
Depreciation and amortization	Depreciation and amortization	47,076	50,470	
Amortization of purchased intangibles and capitalized software	Amortization of purchased intangibles and capitalized software	48,007	48,817	

Amortization of purchased intangibles and acquired capitalized software			
Amortization of purchased intangibles and acquired capitalized software			
Debt issue cost related to debt refinancing and prepayment			
Debt issue cost related to debt refinancing and prepayment			
Debt issue cost related to debt refinancing and prepayment	Debt issue cost related to debt refinancing and prepayment	306	24,316
Amortization of debt issuance costs and deferred financing fees	Amortization of debt issuance costs and deferred financing fees	5,260	5,738
Amortization of debt issuance costs and deferred financing fees			
Amortization of debt issuance costs and deferred financing fees			
Termination of office leases	Termination of office leases	314	1,744
Termination of office leases			
Termination of office leases			
Share-based compensation			
Share-based compensation			
Share-based compensation	Share-based compensation	47,108	50,841
Deferred taxes	Deferred taxes	16,566	9,013
Deferred taxes			
Deferred taxes			
Other			
Other			
Other	Other	1,794	10,786
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:		
Changes in operating assets and liabilities:			
Changes in operating assets and liabilities:			
Securities borrowed			
Securities borrowed			
Securities borrowed	Securities borrowed	(336,503)	84,772
Securities purchased under agreements to resell	Securities purchased under agreements to resell	(2,790,073)	72,779

Securities purchased under agreements to resell			
Securities purchased under agreements to resell			
Receivables from broker-dealers and clearing organizations			
Receivables from broker-dealers and clearing organizations			
Receivables from broker-dealers and clearing organizations	Receivables from broker-dealers and clearing organizations	(596,916)	(399,890)
Trading assets, at fair value	Trading assets, at fair value	(3,656,973)	(546,393)
Trading assets, at fair value			
Trading assets, at fair value			
Receivables from customers			
Receivables from customers			
Receivables from customers	Receivables from customers	(67,615)	(101,016)
Operating lease right-of-use assets	Operating lease right-of-use assets	25,631	25,386
Operating lease right-of-use assets			
Operating lease right-of-use assets			
Other assets			
Other assets			
Other assets	Other assets	13,795	(67,931)
Securities loaned	Securities loaned	399,548	(153,079)
Securities loaned			
Securities loaned			
Securities sold under agreements to repurchase			
Securities sold under agreements to repurchase			
Securities sold under agreements to repurchase	Securities sold under agreements to repurchase	2,749,399	(68,247)
Payables to broker-dealers and clearing organizations	Payables to broker-dealers and clearing organizations	266,621	130,040
Payables to broker-dealers and clearing organizations			
Payables to broker-dealers and clearing organizations			
Payables to customers			

Payables to customers			
Payables to customers	Payables to customers	27,849	41,932
Trading liabilities, at fair value	Trading liabilities, at fair value	3,744,498	689,059
Trading liabilities, at fair value			
Trading liabilities, at fair value			
Operating lease liabilities			
Operating lease liabilities			
Operating lease liabilities	Operating lease liabilities	(27,953)	(30,044)
Accounts payable, accrued expenses and other liabilities	Accounts payable, accrued expenses and other liabilities	(31,268)	(17,329)
Net cash provided by operating activities		143,691	290,462
Accounts payable, accrued expenses and other liabilities			
Accounts payable, accrued expenses and other liabilities			
Net cash used in operating activities			
Net cash used in operating activities			
Net cash used in operating activities			
Cash flows from investing activities			
Cash flows from investing activities			
Cash flows from investing activities	Cash flows from investing activities		
Development of capitalized software	Development of capitalized software	(31,961)	(31,294)
Development of capitalized software			
Development of capitalized software			
Acquisition of property and equipment	Acquisition of property and equipment	(24,292)	(18,354)
Acquisition of property and equipment			
Acquisition of property and equipment			
Other investing activities			
Other investing activities			
Other investing activities	Other investing activities	(14,210)	38,668

Net cash used in investing activities	Net cash used in investing activities	(70,463)	(10,980)
Net cash used in investing activities			
Net cash used in investing activities			
Cash flows from financing activities	Cash flows from financing activities		
Cash flows from financing activities			
Cash flows from financing activities			
Dividends to stockholders and distributions from Virtu Financial to noncontrolling interest			
Dividends to stockholders and distributions from Virtu Financial to noncontrolling interest			
Dividends to stockholders and distributions from Virtu Financial to noncontrolling interest	Dividends to stockholders and distributions from Virtu Financial to noncontrolling interest	(251,867)	(316,096)
Repurchase of Class C common stock	Repurchase of Class C common stock	—	(8,256)
Repurchase of Class C common stock			
Repurchase of Class C common stock			
Purchase of treasury stock	Purchase of treasury stock	(184,382)	(434,470)
Stock options exercised		—	5,109
Purchase of treasury stock			
Purchase of treasury stock			
Short-term borrowings, net	Short-term borrowings, net	96,056	104,945
Proceeds from long-term borrowings		—	1,800,000
Repayment of long term borrowings		(18,000)	(1,599,774)
Short-term borrowings, net			
Short-term borrowings, net			
Repayment of long-term borrowings			
Repayment of long-term borrowings			
Repayment of long-term borrowings			
Payment of tax receivable agreement obligations	Payment of tax receivable agreement obligations	(23,275)	(21,343)

Payment of tax receivable agreement obligations			
Payment of tax receivable agreement obligations			
Debt issuance costs			
Debt issuance costs			
Debt issuance costs	Debt issuance costs	(3,817)	(35,813)
Contributions from noncontrolling interests		—	39,200
Net cash used in financing activities		(385,285)	(466,498)
Net cash provided by (used in) financing activities			
Net cash provided by (used in) financing activities			
Net cash provided by (used in) financing activities			
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	170	(43,490)
Net decrease in cash and cash equivalents		(311,887)	(230,506)
Effect of exchange rate changes on cash and cash equivalents			
Effect of exchange rate changes on cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents			
Cash, cash equivalents, and restricted or segregated cash, beginning of period	Cash, cash equivalents, and restricted or segregated cash, beginning of period	1,038,242	1,120,953
Cash, cash equivalents, and restricted or segregated cash, beginning of period			
Cash, cash equivalents, and restricted or segregated cash, beginning of period			
Cash, cash equivalents, and restricted or segregated cash, end of period			
Cash, cash equivalents, and restricted or segregated cash, end of period			

Cash, cash equivalents, and restricted or segregated cash, end of period	Cash, cash equivalents, and restricted or segregated cash, end of period	\$ 726,355	\$ 890,447
Supplementary disclosure of cash flow information	Supplementary disclosure of cash flow information		

Supplementary disclosure of cash flow information
Supplementary disclosure of cash flow information
Cash paid for interest
Cash paid for interest
Cash paid for interest
Cash paid for taxes
Cash paid for taxes
Cash paid for taxes

Virtu Financial, Inc. and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	Nine Months Ended September 30,	
	2023	2022
Cash paid for interest	\$ 370,761	\$ 168,739
Cash paid for taxes	33,595	100,844
Non-cash investing activities		
Share-based and accrued incentive compensation to developers relating to capitalized software	14,665	12,863
Non-cash financing activities		
Repurchase of Class C common stock	(4,020)	—

(in thousands)	Three Months Ended March 31,	
	2024	2023
Non-cash investing activities		
Share-based and accrued incentive compensation to developers relating to capitalized software	4,101	4,732

See accompanying Notes to the Condensed Consolidated Financial Statements (Unaudited).

Virtu Financial, Inc. and Subsidiaries

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(dollars in thousands, except shares and per share amounts, unless otherwise noted)

1. Organization and Basis of Presentation

Organization

The accompanying Condensed Consolidated Financial Statements include the accounts and operations of Virtu Financial, Inc. ("VFI" or, collectively with its wholly owned or controlled subsidiaries, "Virtu" or the "Company"). VFI is a Delaware corporation whose primary asset is its ownership interest in Virtu Financial LLC ("Virtu Financial"). As of



September 30, 2023 March 31, 2024, VFI owned approximately 58.4% 57.8% of the membership interests of Virtu Financial. VFI is the sole managing member of Virtu Financial and operates and controls all of the businesses and affairs of Virtu Financial and its subsidiaries (the "Group").

The Company is a leading financial firm that leverages cutting edge technology to deliver liquidity to the global markets and innovative, transparent trading solutions to its clients. The Company provides deep liquidity in over 25,000 financial instruments, on over 235 venues, in 36 countries worldwide to help create more efficient markets. Leveraging its global market structure expertise and scaled, multi-asset infrastructure, the Company provides its clients with a robust product suite including offerings in execution, liquidity sourcing, analytics and broker-neutral, multi-dealer platforms in workflow technology. The Company's product offerings allow its clients to trade on hundreds of venues in over 50 countries and across multiple asset classes, including global equities, Exchange-Traded Funds ("ETFs" ("ETFs")), options, foreign exchange, futures, fixed income, cryptocurrencies, and other commodities. The Company's integrated, multi-asset analytics platform provides a range of pre- and post-trade services, data products and compliance tools that its clients rely upon to invest, trade and manage risk across global markets.

The Company has completed two significant acquisitions that have expanded and complemented Virtu Financial's original electronic trading and marking making business. On July 20, 2017, the Company completed the all-cash acquisition of KCG Holdings, Inc. ("KCG") (the "Acquisition of KCG"). On March 1, 2019 (the "ITG Closing Date"), the Company completed the acquisition of Investment Technology Group, Inc. and its subsidiaries ("ITG") in an all-cash transaction (the "ITG Acquisition").

Virtu Financial's principal United States ("U.S.") subsidiary is Virtu Americas LLC ("VAL"), which is a U.S. broker-dealer. Other principal U.S. subsidiaries include Virtu Financial Global Markets LLC, a U.S. trading entity focused on futures and currencies; Virtu ITG Analytics LLC, a provider of pre- and post-trade analysis, fair value, and trade optimization services; and Virtu ITG Platforms LLC, a provider of workflow technology solutions and network connectivity services. Principal foreign subsidiaries include Virtu Financial Ireland Limited ("VFIL") and Virtu Europe Trading Limited ("VETL") (f/k/a Virtu ITG Europe Limited), each formed in Ireland; Virtu ITG UK Limited ("VIUK"), formed in the United Kingdom; Virtu Canada Corp (f/k/a Virtu ITG Canada Corp.), formed in Canada; Virtu Financial Asia Pty Ltd. and Virtu ITG Australia Limited, each formed in Australia; Virtu ITG Hong Kong Limited, formed in Hong Kong; and Virtu Financial Singapore Pte. Ltd. and Virtu ITG Singapore Pte. Ltd., each formed in Singapore, all of which are trading entities focused on asset classes in their respective geographic regions.

The Company has two operating segments: (i) Market Making and (ii) Execution Services; and one non-operating segment: Corporate. See Note 20 "Geographic Geographic Information and Business Segments Segments" for a further discussion of the Company's segments.

### Basis of Consolidation and Form of Presentation

These Condensed Consolidated Financial Statements are presented in U.S. dollars, have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") regarding financial reporting with respect to Form 10-Q and accounting standards generally accepted in the United States of America ("U.S. GAAP") promulgated by the Financial Accounting Standards Board ("FASB") in the Accounting Standards Codification ("ASC" or the "Codification"), and reflect all adjustments that, in the opinion of management, are normal and recurring, and that are necessary for a fair statement of the results for the periods presented. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted in accordance with SEC rules and regulations. The Condensed Consolidated Financial Statements of the Company include its equity interests in Virtu Financial and its subsidiaries. As sole managing member of Virtu Financial, the Company exerts control over the Group's operations. The Company consolidates Virtu Financial and its subsidiaries' financial statements and records the interests in Virtu Financial that

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the Company does not own as noncontrolling interests. All intercompany accounts and transactions have been eliminated in consolidation.

## 2. Summary of Significant Accounting Policies

For a detailed discussion of the Company's significant accounting policies, see Note 2 "Summary Summary of Significant Accounting Policies Policies" in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

### Goodwill

Goodwill represents the excess of the purchase price over the underlying net tangible and intangible assets of the Company's acquisitions. Goodwill is not amortized but is assessed for impairment on an annual basis and between annual assessments whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is assessed at the reporting unit level, which is defined as an operating segment or one level below the operating segment.

The Company assesses goodwill for impairment on an annual basis on July 1 and on an interim basis when certain events occur or certain circumstances exist. In its impairment assessment as of July 1, 2023, the Company performed a quantitative assessment of each reporting unit and the estimated fair value of each of the reporting units exceeded its respective carrying value, and therefore goodwill was not impaired.

The estimated fair value of each reporting unit was based on valuation techniques the firm believes market participants would use to value these reporting units, and allocated the enterprise value to each reporting unit based on an estimate of relative fair value for each reporting unit. The carrying value of each reporting unit reflects an allocation of total shareholders' equity and represents the estimated amount of total shareholders' equity required to support the activities of the applicable reporting unit under currently applicable regulatory capital requirements.

### Accounting Pronouncements Recently Adopted

**Derivatives and Hedging** - In March 2022, the FASB issued ASU 2022-01, *Derivatives and Hedging - Fair Value Hedging - Portfolio Layer Method (Topic 815)*. The ASU expands the scope of permissible hedging, and permits the use of different derivative structures as hedging instruments. The Company adopted this ASU on January 1, 2023 and it did not have a material impact on its condensed consolidated financial statements.

**Liabilities - Supplier Finance Programs** - In September 2022, the FASB issued ASU 2022-04, *Liabilities—Supplier Finance Programs (Subtopic 405-50)*. This ASU requires new quantitative and qualitative disclosure requirements for a buyer who enters into supplier financing programs. The Company adopted this ASU on January 1, 2023 and it did not have a material impact on its condensed consolidated financial statements.

The FASB issued ASU 2023-03, *Presentation of Financial Statements (Topic 205), Income Statement—Reporting Comprehensive Income (Topic 220), Distinguishing Liabilities from Equity (Topic 480), Equity (Topic 505), and Compensation—Stock Compensation (Topic 718): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 120, SEC Staff Announcement at the March 24, 2022 EITF Meeting, and Staff Accounting Bulletin Topic 6.B, Accounting Series Release 280—General Revision of Regulation S-X: Income or Loss Applicable to Common Stock (SEC Update)* in July 2023, and ASU 2023-04, *Liabilities (Topic 405): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 121 (SEC Update)* in August 2023. These ASUs amend and supersede various SEC paragraphs across multiple topics within the Codification to conform to past SEC announcements and guidance issued by the SEC. As the ASUs do not provide any new accounting standards, no transition or effective dates are associated with them. As such, the Company considers these adopted as of September 30, 2023 with no material impact on its condensed consolidated financial statements.

#### Accounting Pronouncements Not Yet Adopted as of September 30, 2023

**Fair Value Measurement** - In June 2022, the FASB issued ASU 2022-03, *Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions (Topic 326)*. The ASU clarifies the impact of contractual sale restrictions on the fair value of an equity security. Additionally, this ASU requires disclosure of the nature and remaining duration of the sale restriction. This ASU is effective for periods beginning after December 15, 2023. The Company is currently evaluating the impact of adopted this ASU but does on January 1, 2024, and it did not expect it to have a material impact on its condensed consolidated financial statements. Condensed Consolidated Financial Statements.

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**Leases - Common Control Arrangements** - In March 2023, the FASB issued ASU 2023-01, *Leases—Common Control Arrangements (Topic 842)*. This ASU provides updated guidance for accounting for common control leases and leasehold improvements. This ASU is effective for periods beginning after December 15, 2023. The Company is currently evaluating the impact of adopted this ASU but does on January 1, 2024, and it did not expect it to have a material impact on its condensed consolidated financial statements. Condensed Consolidated Financial Statements.

**Investments - Equity Method and Joint Ventures** - In March 2023, the FASB issued ASU 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323)*. This ASU provides updated guidance for accounting for investments in tax credit structures. This ASU is effective for periods beginning after December 15, 2023. The Company is currently evaluating the impact of adopted this ASU but does on January 1, 2024, and it did not expect it to have a material impact on its condensed consolidated financial statements. Condensed Consolidated Financial Statements.

#### Accounting Pronouncements Not Yet Adopted as of March 31, 2024

**Business Combinations—Joint Venture Formations** - In August 2023, the FASB issued ASU 2023-05, *Business Combinations—Joint Venture Formations (Subtopic 805-60)*. This ASU provides updated guidance on accounting for the formation of joint ventures. This ASU is effective prospectively for joint ventures formed on or after January 1, 2025. The Company does not expect it to have a material impact on its Condensed Consolidated Financial Statements.

**Segment Reporting** - In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280)*. This ASU requires incremental disclosures related to a public entity's reportable segments. It aims to provide financial statement users with more disaggregated information, specifically, significant expenses for each reportable segment. This ASU is effective for fiscal years beginning after December 15, 2023 and for interim periods within fiscal years beginning after December 15, 2024. The Company does not expect it to have a material impact on its Condensed Consolidated Financial Statements and related disclosures.

**Intangibles—Goodwill and Other—Crypto Assets** - In December 2023, the FASB issued ASU 2023-08, *Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60)*. This ASU requires measurement of in-scope crypto assets at fair value and provides updated guidance on presentation and disclosure requirements for crypto assets. This ASU is effective for periods beginning after December 15, 2024. The Company is currently evaluating the impact of this ASU on its Condensed Consolidated Financial Statements and related disclosures, and will adopt the disclosure requirements for the periods beginning after December 15, 2024.

**Income Taxes** - In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740)*. This ASU requires disclosure of additional information on effective tax rate reconciliation and income taxes paid. This ASU is effective for periods beginning after December 15, 2024. The Company is currently evaluating the impact of this ASU but does not expect it to have a material impact on its condensed consolidated financial statements. Condensed Consolidated Financial Statements and related disclosures.

### 3. Earnings per Share

The below table contains a reconciliation of Net income before income taxes and noncontrolling interest to Net income available for common stockholders:

		Three Months Ended September 30,				Three Months Ended March 31,	
		2023		2022			
(in thousands)	(in thousands)	2023	2022	2023	2022		
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest	\$138,105	\$101,606	\$308,337	\$517,103		
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest						
Provision for income taxes	Provision for income taxes	20,512	21,732	51,117	88,405		
Provision for income taxes	Provision for income taxes						
Net income	Net income						
Net income	Net income						
Net income	Net income	117,593	79,874	257,220	428,698		
Noncontrolling interest	Noncontrolling interest	(55,678)	(39,867)	(120,722)	(191,264)		
Noncontrolling interest	Noncontrolling interest						
Noncontrolling interest	Noncontrolling interest						
Net income available for common stockholders	Net income available for common stockholders	\$ 61,915	\$ 40,007	\$136,498	\$237,434		
Net income available for common stockholders	Net income available for common stockholders						
Net income available for common stockholders	Net income available for common stockholders						

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The calculation of basic and diluted earnings per share is presented below:

		Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023		2022			
(in thousands, except for share data)	(in thousands, except for share data)	2023	2022	2023	2022		
Basic earnings per share:	Basic earnings per share:						
Basic earnings per share:	Basic earnings per share:						
Net income available for common stockholders	Net income available for common stockholders						
Net income available for common stockholders	Net income available for common stockholders						

Net income available for common stockholders	Net income available for common stockholders	\$	61,915	\$	40,007	\$	136,498	\$	237,434								
Less: Dividends and undistributed earnings allocated to participating securities	Less: Dividends and undistributed earnings allocated to participating securities		(3,111)		(1,562)		(6,964)		(8,726)								
Less: Dividends and undistributed earnings allocated to participating securities																	
Less: Dividends and undistributed earnings allocated to participating securities																	
Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities																	
Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities																	
Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities	Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities		58,804		38,445		129,534		228,708								
Weighted average shares of common stock outstanding:	Weighted average shares of common stock outstanding:																
Weighted average shares of common stock outstanding:																	
Weighted average shares of common stock outstanding:																	
Class A																	
Class A																	

Class A	Class A	93,408,537	102,289,172	95,376,590	105,500,700
Basic earnings per share	Basic earnings per share	\$ 0.63	\$ 0.38	\$ 1.36	\$ 2.17
Basic earnings per share					
Basic earnings per share					
(in thousands, except for share or per share data)	(in thousands, except for share or per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
Diluted earnings per share:	Diluted earnings per share:				
Diluted earnings per share:					
Diluted earnings per share:					
Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities					
Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities					
Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities	Net income available for common stockholders, net of dividends and undistributed earnings allocated to participating securities	\$ 58,804	\$ 38,445	\$ 129,534	\$ 228,708
Weighted average shares of common stock outstanding:	Weighted average shares of common stock outstanding:				
Weighted average shares of common stock outstanding:					
Weighted average shares of common stock outstanding:					
Class A	Class A				
Class A	Class A				
Class A	Class A				
Issued and outstanding	Issued and outstanding	93,408,537	102,289,172	95,376,590	105,500,700
Issued and outstanding					
Issued and outstanding					

Three Months Ended March 31,

Issuable pursuant to Amended and Restated 2015 Management Incentive Plan	Issuable pursuant to Amended and Restated 2015 Management Incentive Plan	—	261,680	—	503,693
		93,408,537	102,550,852	95,376,590	106,004,393

Issuable pursuant to Amended and Restated 2015 Management Incentive Plan	
Issuable pursuant to Amended and Restated 2015 Management Incentive Plan	
	88,999,122
	88,999,122
	88,999,122

Diluted earnings per share (1)	Diluted earnings per share (1)	\$	0.63	\$	0.37	\$	1.36	\$	2.16
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(1) The dilutive impact of unexercised stock options excludes from the computation of EPS 68,988 options for the three months ended September 30, 2023, and 34,622 options for the nine months ended September 30, 2023 because inclusion of the options would have been anti-dilutive.

Diluted earnings per share (1)

Diluted earnings per share (1)

(1) Excluded from the computation of diluted Earnings per share were 45,814 unexercised stock options for the three months ended March 31, 2024 because inclusion of the options would have been anti-dilutive.

(1) Excluded from the computation of diluted Earnings per share were 45,814 unexercised stock options for the three months ended March 31, 2024 because inclusion of the options would have been anti-dilutive.

(1) Excluded from the computation of diluted Earnings per share were 45,814 unexercised stock options for the three months ended March 31, 2024 because inclusion of the options would have been anti-dilutive.

#### 4. Tax Receivable Agreements

For a detailed discussion of the Company's tax receivable agreements, see Note 5 "Tax 4 "Tax Receivable Agreements" Agreements" in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

For the purposes of the tax receivable agreements discussed above, the cash savings realized by the Company are computed by comparing the actual income tax liability of the Company to the amount of such taxes the Company would have been required to pay had there been (i) no increase to the tax basis of the assets of Virtu Financial as a result of the purchase or exchange of Virtu Financial Units, (ii) no tax benefit from the tax basis in the intangible assets of Virtu Financial on the date of the IPO and (iii) no tax benefit as a result of the Net Operating Losses ("NOLs") and other tax attributes of Virtu Financial. Subsequent adjustments of the tax receivable agreements obligations due to certain events (e.g., changes to the expected realization of NOLs or changes in tax rates) will be recognized within income before taxes and noncontrolling interests in the Condensed Consolidated Statements of Comprehensive Income.

The Company made its first payment of \$7.0 million in February 2017, and subsequent payments of \$12.4 million in September 2018, \$13.3 million in March 2020, \$16.5 million in April 2021, \$21.3 million in March 2022, and \$23.3 million in April 2023, 2023, and \$20.2 million in March 2024. Tax receivable payments are expected to range from approximately \$36.4 thousand and \$0.1 million to \$22.0 million per year over the next 15 years.

At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company's remaining deferred tax assets that relate to the matters described above were approximately \$146.5 \$130.2 million and \$162.1 \$135.7 million, respectively, and the Company's liabilities over the next 15 years pursuant to the tax receivable agreements were approximately \$215.5 \$196.3 million and \$238.8 \$216.5 million for September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

The amounts recorded as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023** are based on best estimates available at the respective dates and may be subject to change after the filing of the Company's U.S. federal and state income tax returns for the years in which tax savings were realized.

## 5. Goodwill and Intangible Assets

The Company has two operating segments: (i) Market Making; and (ii) Execution Services; and one non-operating segment: Corporate. As of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**, the Company's total amount of goodwill recorded was \$1,148.9 million. No goodwill impairment was recognized during the three and nine months ended **September 30, 2023** **March 31, 2024** and **2022**, **2023**.

The following table presents the details of goodwill by segment as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**:

(in thousands)	Market Making	Execution Services	Corporate	Total
Balance as of period-end	\$ 755,292	\$ 393,634	\$ —	\$ 1,148,926

As of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**, the Company's total amount of intangible assets recorded was **\$273.5 million** **\$242.8 million** and **\$321.5 million** **\$257.5 million**, respectively. Acquired intangible assets consisted of the following as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**:

(in thousands)	(in thousands)	As of September 30, 2023				(in thousands)	As of March 31, 2024					
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Useful Lives (Years)		Gross Carrying Amount		Accumulated Amortization		Net Carrying Amount	Useful Lives (Years)
Customer relationships	Customer relationships	\$ 486,600	\$ (225,868)	\$ 260,732	10 to 12	Customer relationships	\$ 486,600	\$ —	\$ (249,791)	\$ —	\$ 236,809	10 to 12
Technology	Technology	136,000	(129,667)	6,333	1 to 6	Technology	136,000	(136,000)	(136,000)	—	—	1 to 6
Favorable occupancy leases	Favorable occupancy leases	5,895	(4,985)	910	3 to 15	Favorable occupancy leases	5,895	(5,369)	(5,369)	526	526	3 to 15
Exchange memberships	Exchange memberships	3,998	—	3,998	Indefinite	Exchange memberships	3,998	—	—	3,998	3,998	Indefinite
Trade name	Trade name	3,600	(3,600)	—	3							
ETF issuer relationships	ETF issuer relationships	950	(950)	—	9							
ETF issuer relationships	ETF issuer relationships											
ETF buyer relationships	ETF buyer relationships											
ETF buyer relationships	ETF buyer relationships											
ETF buyer relationships	ETF buyer relationships	950	(950)	—	9							
Other	Other	\$ 1,500	\$ —	\$ 1,500	Indefinite							
Other	Other											
Other	Other						\$ 1,500	\$ —	—	\$ 1,500	Indefinite	
		\$ 639,493	\$ (366,020)	\$ 273,473								

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As of December 31, 2022						As of December 31, 2023											
As of December 31, 2022						As of December 31, 2023											
(in thousands)	(in thousands)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Useful Lives (Years)	(in thousands)	Gross Carrying Amount		Accumulated Amortization		Net Carrying Amount		Useful Lives (Years)				
Customer relationships	Customer relationships	\$486,600	\$ (189,986)	\$296,614	10 to 12	Customer relationships	\$ 486,600	\$	\$ (237,829)	\$	\$ 248,771	10	10 to 12				
Technology	Technology	136,000	(118,119)	17,881	1 to 6	Technology	136,000	(133,467)	(133,467)	2,533	2,533	1	1 to 6				

Favorable occupancy leases	Favorable occupancy leases	5,895	(4,408)	1,487	3 to 15	Favorable occupancy leases	5,895	(5,177)	(5,177)	718	718	3	3	to	15
Exchange memberships	Exchange memberships	3,998	—	3,998	Indefinite	Exchange memberships	3,998	—	—	3,998	3,998	Indefinite			Indefinite
Trade name	Trade name	3,600	(3,600)	—	3										
ETF issuer relationships	ETF issuer relationships	950	(950)	—	9										
ETF issuer relationships															
ETF issuer relationships															
ETF buyer relationships															
ETF buyer relationships															
ETF buyer relationships	ETF buyer relationships	950	(950)	—	9										
Other	Other	\$ 1,500	\$ —	\$ 1,500	Indefinite										
		\$639,493	\$ (318,013)	\$321,480											
Other															
Other						\$ 1,500	\$ —	\$ 1,500						Indefinite	

Amortization expense relating to finite-lived intangible assets was approximately \$16.0 million, \$14.7 million and \$16.1 million, \$16.0 million for the three months ended September 30, 2023, March 31, 2024 and 2022, respectively, and \$48.0 million, and \$48.8 million for the nine months ended September 30, 2023, and 2022, 2023, respectively. This is included in Amortization of purchased intangibles and acquired capitalized software in the accompanying Condensed Consolidated Statements of Comprehensive Income.

The Company expects to record amortization expense as follows over the next five subsequent years:

(in thousands)	(in thousands)	
Remainder of 2023		\$ 15,953
2024		50,845
Remainder of 2024		
Remainder of 2024		
Remainder of 2024		
2025	2025	47,879
2026	2026	47,879
2027	2027	47,879
2028	2028	47,879
2029		

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## 6. Receivables from/Payables to Broker-Dealers and Clearing Organizations

The following is a summary of receivables from and payables to brokers-dealers and clearing organizations at September 30, 2023, March 31, 2024 and December 31, 2022, December 31, 2023:

(in thousands)	(in thousands)	September 30, 2023	December 31, 2022
(in thousands)			
(in thousands)			
(in thousands)	March 31, 2024		December 31, 2023
Assets	Assets		
Due from prime brokers			
Due from prime brokers			



Due from prime brokers	Due from prime brokers	\$ 1,089,555	\$ 560,111
Deposits with clearing organizations	Deposits with clearing organizations	179,059	146,927
Net equity with futures commission merchants	Net equity with futures commission merchants	157,973	137,312
Unsettled trades with clearing organizations	Unsettled trades with clearing organizations	70,160	87,145
Securities failed to deliver	Securities failed to deliver	170,226	149,747
Commissions and fees	Commissions and fees	29,522	33,943
Total receivables from broker-dealers and clearing organizations	Total receivables from broker-dealers and clearing organizations	\$ 1,696,495	\$ 1,115,185
<b>Liabilities</b>	<b>Liabilities</b>		
<b>Liabilities</b>			
<b>Liabilities</b>			
Due to prime brokers			
Due to prime brokers			
Due to prime brokers	Due to prime brokers	\$ 378,909	\$ 229,424
Net equity with futures commission merchants (1)	Net equity with futures commission merchants (1)	6,264	(32,381)
Unsettled trades with clearing organizations	Unsettled trades with clearing organizations	35	38
Securities failed to receive	Securities failed to receive	150,647	70,576
Commissions and fees	Commissions and fees	4,609	6,186
Total payables to broker-dealers and clearing organizations	Total payables to broker-dealers and clearing organizations	\$ 540,464	\$ 273,843

(1) The Company presents its balances, including outstanding principal balances on all broker credit facilities, on a net-by-counterparty basis within receivables from and payables to broker-dealers and clearing organizations when the criteria for offsetting are met.

Included as a deduction from "Due from prime brokers" and "Net equity with futures commission merchants" is the outstanding principal balance on all of the Company's prime brokerage credit facilities (described in Note 8 "Borrowings" "Borrowings") of approximately \$93.6 million \$170.7 million and \$212.9 million \$175.3 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The loan proceeds from the credit facilities are available only to meet the initial margin requirements associated with the Company's ordinary course futures and other trading positions, which are held in the Company's trading accounts with an affiliate of the respective financial institutions. The credit facilities are fully collateralized by the Company's trading accounts and deposit accounts with these financial institutions. "Securities failed to deliver" and "Securities failed to receive" include amounts with a clearing organization and other broker-dealers.

## 7. Collateralized Transactions

The Company is permitted to sell or repledge securities received as collateral and use these securities to secure repurchase agreements, enter into securities lending transactions or deliver these securities to counterparties or clearing organizations to cover short positions. At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, substantially all of the securities received as collateral have been repledged.

The fair value of the collateralized transactions at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 are summarized as follows:

(in thousands)	(in thousands)	September 30, 2023	December 31, 2022	(in thousands)	March 31, 2024	December 31, 2023
Securities received as collateral:	Securities received as collateral:					
Securities borrowed	Securities borrowed	\$ 1,471,459	\$ 1,148,238			
Securities purchased under agreements to resell	Securities purchased under agreements to resell	3,127,072	336,849			
		\$ 4,598,531	\$ 1,485,087			

In the normal course of business, the Company pledges qualified securities with clearing organizations to satisfy daily margin and clearing fund requirements.

Financial instruments owned and pledged, where the counterparty has the right to repledge, at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 consisted of the following:

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(in thousands)	(in thousands)	September 30, 2023	December 31, 2022	(in thousands)	March 31, 2024	December 31, 2023
Equities	Equities	\$ 1,386,049	\$ 957,443			
Exchange traded notes	Exchange traded notes	11,651	5,628			
Exchange traded notes	Exchange traded notes					
		\$ 1,397,700	\$ 963,071			

## 8. Borrowings

### Short-term Borrowings, net

The following summarizes the Company's short-term borrowing balances outstanding, net of related debt issuance costs, with each described in further detail below.

September 30, 2023					March 31, 2024			
March 31, 2024					March 31, 2024			
(in thousands)	(in thousands)	Borrowing Outstanding	Deferred Debt Issuance Cost	Short-term Borrowings, net	(in thousands)	Borrowing Outstanding	Deferred Debt Issuance Cost	Short-term Borrowings, net
Broker-dealer credit facilities	Broker-dealer credit facilities	\$ 100,000	\$ (2,783)	\$ 97,217				
		\$						
		\$ 100,000	\$ (2,783)	\$ 97,217				

	December 31, 2022		
(in thousands)	Borrowing Outstanding	Deferred Debt Issuance Cost	Short-term Borrowings, net
Short-term bank loans	3,944	—	3,944
	\$ 3,944	\$ —	\$ 3,944

### Broker-Dealer Credit Facilities

On May 25, 2022, Virtu Financial Singapore Pte. Ltd. entered into a revolving credit facility with a financial institution (the "Overdraft Facility") to provide a source of short-term financing. The facility has an aggregate borrowing limit of \$10 million, and bears interest at the adjusted SOFR or base rate plus 3.5% per annum.

The following summarizes the Company's broker-dealer credit facilities' carrying values, net of unamortized debt issuance costs, where applicable. These balances are included within Short-term borrowings on the Condensed Consolidated Statements of Financial Condition.

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Overdraft facility	8.81%	10,000	—	—	—
		\$ 1,060,000	\$ 100,000	\$ (2,783)	\$ 97,217

(in thousands)	At December 31, 2022							(in thousands)	At December 31, 2023				
	Deferred Debt Outstanding						Interest Rate		Financing Available	Borrowing Outstanding	Deferred Debt Issuance Cost	Outstanding Borrowings, net	
	(in thousands)	Interest Rate	Financing Available	Borrowing Outstanding	Issuance Cost	Borrowings, net							
Broker-dealer credit facilities:	Broker-dealer credit facilities:							Broker-dealer credit facilities:					
Uncommitted facility (1)	Uncommitted facility (1)	5.50%	\$ 400,000	\$ —	\$ —	\$ —							
Committed facility	Committed facility	7.67%	650,000	—	—	—							
Overdraft facility	Overdraft facility	7.80%	10,000	—	—	—							
			\$1,060,000	\$ —	\$ —	\$ —							

(1) \$0.2 million of deferred debt issuance costs are included within Other assets on the consolidated statement of financial condition.

(1) \$2.3 million of deferred debt issuance costs are included within Other assets on the Consolidated Statement of Financial Condition.

(1) \$2.3 million of deferred debt issuance costs are included within Other assets on the Consolidated Statement of Financial Condition.

The following summarizes interest expense for the broker-dealer facilities. Interest expense is included within Interest and dividends expense in the accompanying Condensed Consolidated Statements of Comprehensive Income.

		Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	(in thousands)	2023	2022	2023	2022
<b>Broker-dealer credit facilities:</b>	<b>Broker-dealer credit facilities:</b>				
<b>Broker-dealer credit facilities:</b>	<b>Broker-dealer credit facilities:</b>				
Uncommitted facility	Uncommitted facility				
Uncommitted facility	Uncommitted facility				
Uncommitted facility	Uncommitted facility	\$ 1,829	\$ 1,476	\$ 5,377	\$ 2,769
Committed facility	Committed facility	23	—	23	38
Committed facility	Committed facility				
Overdraft facility	Overdraft facility				
Overdraft facility	Overdraft facility	\$ 62	13	272	13
		\$ 1,914	\$ 1,489	\$ 5,672	\$ 2,820

Three Months Ended March 31,

## Short-Term Bank Loans

The Company's international securities clearance and settlement activities are funded with operating cash or with short-term bank loans in the form of overdraft facilities. At September 30, 2023, March 31, 2024 and December 31, 2023, there was no balance associated with international settlement activities outstanding under these facilities. At December 31, 2022, there was \$3.9 million associated with international settlement activities outstanding under these facilities at a weighted average interest rate of approximately 3.8%. These Outstanding short-term bank loan balances are included within Short-term borrowings on the condensed consolidated statements Condensed Consolidated Statements of financial condition. Financial Condition.

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## Prime Brokerage Credit Facilities

The Company maintains short-term credit facilities with various prime brokers and other financial institutions from which it receives execution or clearing services. The proceeds of these facilities are used to meet margin requirements associated with the products traded by the Company in the ordinary course, and amounts borrowed are collateralized by the Company's trading accounts with the applicable financial institution.

		At September 30, 2023				At March 31, 2024		
(in thousands)	(in thousands)	Weighted Average Interest Rate	Financing Available	Borrowing Outstanding		Weighted Average Interest Rate	Financing Available	Borrowing Outstanding
Prime Brokerage Credit Facilities:	Prime Brokerage Credit Facilities:				Prime Brokerage Credit Facilities:			
Prime brokerage credit facilities (1)	Prime brokerage credit facilities (1)	8.09%	\$591,000	\$ 93,612				
			\$591,000	\$ 93,612				
		At December 31, 2022				At December 31, 2023		
(in thousands)	(in thousands)	Weighted Average Interest Rate	Financing Available	Borrowing Outstanding		Weighted Average Interest Rate	Financing Available	Borrowing Outstanding
Prime Brokerage Credit Facilities:	Prime Brokerage Credit Facilities:				Prime Brokerage Credit Facilities:			
Prime brokerage credit facilities (1)	Prime brokerage credit facilities (1)	7.42%	\$591,000	\$ 212,912				
			\$591,000	\$ 212,912				

(1) Outstanding borrowings are included with Receivables from/Payables to broker-dealers and clearing organizations within the Condensed Consolidated Statements of Financial Condition.

Interest expense in relation to the facilities was \$3.3 million \$2.6 million and \$2.6 million \$3.5 million for the three months ended September 30, 2023, March 31, 2024 and 2022, respectively, and \$10.4 million and \$5.9 million for the nine months ended September 30, 2023 and 2022, respectively.

## Long-Term Borrowings

The following summarizes the Company's long-term borrowings, net of unamortized discount and debt issuance costs, where applicable:

At September 30, 2023									At March 31, 2024					
(in thousands)	(in thousands)	Maturity Date	Interest Rate	Outstanding		Deferred Debt Issuance Cost	Outstanding Borrowings, net	(in thousands)	Maturity Date	Interest Rate	Outstanding		Deferred Debt Issuance Cost	Outstanding Borrowings, net
				Principal	Discount						Principal	Discount		
Long-term borrowings:	Long-term borrowings:							Long-term borrowings:						
First Lien Term Loan Facility	First Lien Term Loan Facility	January 2029	8.42%	\$ 1,782,000	\$ (3,366)	\$ (23,323)	\$ 1,755,311							
SBI bonds	SBI bonds	January 2026	5.00%	23,432	—	—	23,432							
SBI bonds														
SBI bonds														
				\$ 1,805,432	\$ (3,366)	\$ (23,323)	\$ 1,778,743							
At December 31, 2022									At December 31, 2023					
(in thousands)	(in thousands)	Maturity Date	Interest Rate	Outstanding		Deferred Debt Issuance Cost	Outstanding Borrowings, net	(in thousands)	Maturity Date	Interest Rate	Outstanding		Deferred Debt Issuance Cost	Outstanding Borrowings, net
				Principal	Discount						Principal	Discount		
Long-term borrowings:	Long-term borrowings:							Long-term borrowings:						
First Lien Term Loan Facility	First Lien Term Loan Facility	January 2029	7.42%	\$ 1,800,000	\$ (3,881)	\$ (26,858)	\$ 1,769,261							
SBI bonds	SBI bonds	January 2026	5.00%	26,693	—	(2)	26,691							
				\$ 1,826,693	\$ (3,881)	\$ (26,860)	\$ 1,795,952							
SBI bonds														
SBI bonds														
				—										
				\$										

#### Credit Agreements Agreement

In connection with the ITG Acquisition, Virtu Financial, VFH, and Impala Borrower LLC (the "Acquisition Borrower") entered into a credit agreement, with the lenders party thereto, Jefferies Finance LLC, as administrative agent and Jefferies Finance LLC and RBC Capital Markets, as joint lead arrangers and joint bookrunners (the "Acquisition Credit Agreement").

On January 13, 2022 (the "Credit Agreement Closing Date"), Virtu Financial, VFH Parent LLC, a Delaware limited liability company and a subsidiary of Virtu Financial ("VFH"), entered into a credit agreement with the lenders party thereto, JPMorgan Chase Bank, N.A. as administrative agent and JPMorgan Chase Bank, N.A., Goldman Sachs Bank USA, RBC Capital Markets, Barclays Bank plc, Jefferies Finance LLC, BMO Capital Markets Corp., and CIBC World Markets Corp., as joint lead arrangers and bookrunners (the "Credit Agreement"). The Credit Agreement provides (i) a senior secured first lien term loan in an aggregate principal amount of \$1,800.0 million, drawn in its entirety on the Credit Agreement Closing Date, the proceeds of which were used by VFH to repay all amounts outstanding under the Acquisition previous Credit Agreement, to pay fees and expenses in connection therewith, to fund share repurchases under the Company's repurchase program, and for general corporate purposes, and (ii) a \$250.0 million senior secured first lien revolving facility to VFH, with a \$20.0 million letter of credit subfacility and a \$20.0 million swingline subfacility.

The term loan borrowings and revolver borrowings under the Credit Agreement bear interest at a per annum rate equal to, at the Company's election, either (i) the greatest of (a) the prime rate in effect, (b) the greater of (1) the federal funds effective rate and (2) the overnight bank funding rate, in each case plus 0.50%, (c) an adjusted term SOFR rate with an interest period of one month plus 1.00% and (d)(1) in the case of term loan borrowings, 1.50% and (2) in the case of revolver borrowings, 1.00%, plus, (x) in the case of term loan borrowings, 2.00% and (y) in the case of revolver borrowings, 1.50%, or (ii) the greater of (a) an adjusted term SOFR rate for the interest period in effect and (b) (1) in the case of term loan borrowings, 0.50% and (2) in the case of revolver borrowings, 0.00%, plus, (x) in the case of term loan borrowings, 3.00% and (y) in the case of revolver borrowings,

2.50%. In addition, a commitment fee accrues at a rate of 0.50% per annum on the average daily unused amount of the revolving facility, with step-downs to 0.375% and 0.25% per annum based on VFH's first lien leverage ratio, and is payable quarterly in arrears.

The revolving facility under the Credit Agreement is subject to a springing net first lien leverage ratio test which may spring into effect as of the last day of a fiscal quarter if usage of the aggregate revolving commitments exceeds a specified level as of such date. VFH is also subject to contingent principal prepayments based on excess cash flow and certain other triggering events. Borrowings under the Credit Agreement are guaranteed by Virtu Financial and VFH's material non-regulated domestic restricted subsidiaries and secured by substantially all of the assets of VFH and the guarantors, in each case, subject to certain exceptions.

The Credit Agreement contains certain customary covenants and events of default, including relating to a change of control. If an event of default occurs and is continuing, the lenders under the Credit Agreement will be entitled to take various actions, including the acceleration of amounts outstanding under the Credit Agreement and all actions permitted to be taken by a secured creditor in respect of the collateral securing the obligations under the Credit Agreement.

Under the Credit Agreement, the term loans will mature on January 13, 2029. The term loans amortize in annual installments equal to 1.0% of the original aggregate principal amount of the term loans and the Company repaid \$18.0 million on January 13, 2023. On December 12, 2023, the Company made a voluntary prepayment of \$55.0 million, and the payment is applied toward subsequent annual amortization installments. The revolving commitments will terminate on January 13, 2025. As of September 30, 2023 March 31, 2024, \$1,782 million \$1,727 million was outstanding under the term loans, and there were no amounts outstanding under the first lien revolving facility.

In October 2019, the Company entered into a five-year \$525 million floating-to-fixed interest rate swap agreement. In January 2020, the Company also entered into a five-year \$1,000 million floating-to-fixed interest rate swap agreement. These two interest rate swaps met the criteria to be considered and were designated qualifying cash flow hedges under ASC 815 in the first quarter of 2020, and they effectively fixed interest payment obligations on \$525.0 million and \$1,000 million of principal under the Acquisition First Lien Term Loan Facility at rates of 4.3% and 4.4% through September 2024 and January 2025, respectively, based on the interest rates set forth in the Acquisition Credit Agreement. In April 2021, each of the swap agreements described above was novated to another counterparty and amended in connection with such novation. The amendments included certain changes to collateral posting obligations, and also had the effect of increasing the effective fixed interest payment obligations to rates of 4.5%, with respect to the earlier maturing swap arrangement, and 4.6% with respect to the later maturing swap arrangement. In January 2022, in order to align the swap agreements with the Credit Agreement, the Company amended each of the swap agreements to align the floating rate term of such swap agreements to SOFR. The effective fixed interest payment obligations remained at 4.5%, with respect to the earlier maturing swap arrangement, and 4.6% with respect to the later maturing swap arrangement.

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In December 2023, the Company terminated the two interest rate swap arrangements and received \$55.8 million in proceeds from the counterparty. The Company therefore dedesignated those cash flow hedges under ASC 815, and the amounts in AOCI related to the terminated swaps are to be amortized through interest expense. The Company simultaneously entered into a two-year \$1,525 million floating-to-fixed interest rate swap agreement with the same counterparty. The new interest rate swap met the criteria to be considered and was designated as a qualifying cash flow hedge under ASC 815 as of December 2023, and it effectively fixed interest payment obligations on \$1,525 million of principal under the First Lien Term Loan Facility at rate of 7.5% through November 2025, based on the interest rates set forth in the Credit Agreement.

SBI Bonds

On July 25, 2016, VFH issued Japanese Yen Bonds (collectively the "SBI Bonds") in the aggregate principal amount of ¥3.5 billion (\$33.1 million at issuance date) to SBI Life Insurance Co., Ltd. and SBI Insurance Co., Ltd. The proceeds from the SBI Bonds were used to partially fund the investment in Japannext Co., Ltd. (as described in Note 9 "Financial "Financial Assets and Liabilities" Liabilities"). The SBI Bonds are guaranteed by Virtu Financial. The SBI Bonds are subject to fluctuations on the Japanese Yen currency rates relative to the Company's reporting currency (U.S. Dollar) with the changes reflected in Other, net in the Condensed Consolidated Statements of Comprehensive Income. In December 2022, the maturity of the SBI Bonds was extended to 2026. The principal balance was ¥3.5 billion (\$23.4 23.1 million) as of September 30, 2023 March 31, 2024 and ¥3.5 billion (\$26.7 24.8 million) as of December 31, 2022 December 31, 2023. The Company had a gain of \$0.8 million \$1.7 million and a gain of \$1.6 million for \$0.3 million during the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and a gain of \$3.3 million, and a gain of \$6.5 million, during the nine months ended September 30, 2023 and 2022, 2023, respectively, due to changes in foreign currency rates.

As of September 30, 2023 March 31, 2024, aggregate future required minimum principal payments based on the terms of the long-term borrowings were as follows:

(in thousands)	(in thousands)	September 30, 2023	(in thousands)	March 31, 2024
Remainder of 2023	\$	—		
2024		18,000		
Remainder of 2024				
2025	2025	18,000		
2026	2026	41,432		
2027	2027	18,000		
2028	2028	18,000		
Thereafter		1,692,000		
2029				

Total	Total	
principal of	principal of	
long-term	long-term	
borrowings	borrowings	\$1,805,432

Total principal of long-term borrowings

Total principal of long-term borrowings

## 9. Financial Assets and Liabilities

### Financial Instruments Measured at Fair Value

The fair value of equities, options, on-the-run U.S. government obligations, and exchange traded notes and digital assets is estimated using recently executed transactions and market price quotations in active markets and are categorized as Level 1 with the exception of inactive traded equities and certain other financial instruments, which are categorized as Level 2. The Company's corporate bonds, derivative contracts, and other U.S. and non-U.S. government obligations and receivables and payables linked to digital assets have been categorized as Level 2. Fair value of the Company's derivative contracts is based on the indicative prices obtained from a number of banks and broker-dealers, as well as management's own analyses. The indicative prices have been independently validated through the Company's risk management systems, which are designed to check prices with information independently obtained from exchanges and venues where such financial instruments are listed or to compare prices of similar instruments with similar maturities for listed financial futures in foreign exchange.

The Company prices certain financial instruments held for trading at fair value based on theoretical prices, which can differ from quoted market prices. The theoretical prices reflect price adjustments primarily caused by the fact that the Company continuously prices its financial instruments based on all available information. This information includes prices for identical and near-identical positions, as well as the prices for securities underlying the Company's positions, on other exchanges that are open after the exchange on which the financial instruments is traded closes. The Company validates that all price adjustments can be substantiated with market inputs and checks the theoretical prices independently. Consequently, such financial instruments are classified as Level 2.

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Fair value measurements for those items measured on a recurring basis are summarized below as of September 30, 2023 March 31, 2024:

		September 30, 2023							March 31, 2024					
		Quoted Prices in Active Markets for Identical Assets							Quoted Prices in Active Markets for Identical Assets					
(in thousands)	(in thousands)	Assets (Level 1)	Inputs (Level 2)	Inputs (Level 3)	Collateral Netting	Total Fair Value	(in thousands)	Assets (Level 1)	Inputs (Level 2)	Inputs (Level 3)	Cash Collateral Netting	Total Fair Value		
Assets	Assets						Assets							
Financial instruments owned, at fair value:	Financial instruments owned, at fair value:						Financial instruments owned, at fair value:							
Equity securities	Equity securities	\$ 780,542	\$1,700,896	\$ —	\$ —	\$2,481,438								
U.S. and Non-U.S. government obligations	U.S. and Non-U.S. government obligations	297,010	2,757,901	—	—	3,054,911								
Corporate Bonds	Corporate Bonds	—	1,332,802	—	—	1,332,802								
Exchange traded notes	Exchange traded notes	11	10,296	—	—	10,307								
Currency forwards	Currency forwards	—	361,076	—	(357,664)	3,412								
Options	Options	6,955	—	—	—	6,955								
		\$1,084,518	\$6,162,971	\$ —	\$ (357,664)	\$6,889,825								



Financial instruments owned, pledged as collateral:	Financial instruments owned, pledged as collateral:						
Financial instruments owned, pledged as collateral:	Financial instruments owned, pledged as collateral:						
Financial instruments owned, pledged as collateral:	Financial instruments owned, pledged as collateral:						
Equity securities	Equity securities						
Equity securities	Equity securities	\$ 803,883	\$ 582,166	\$ —	\$ —	\$ 1,386,049	
Exchange traded notes	Exchange traded notes						
Exchange traded notes	Exchange traded notes						
Exchange traded notes	Exchange traded notes	279	11,372	—	—	11,651	
		\$ 804,162	\$ 593,538	\$ —	\$ —	\$ 1,397,700	
Other Assets	Other Assets						
Other Assets	Other Assets						
Other Assets	Other Assets						
Equity investment	Equity investment	\$ —	\$ —	\$ 72,399	\$ —	\$ 72,399	
Equity investment	Equity investment						
Equity investment	Equity investment						
Digital assets	Digital assets						
Exchange stock	Exchange stock	2,512	—	—	—	2,512	
		\$ 2,512	\$ —	\$ 72,399	\$ —	\$ 74,911	
Receivables from broker dealers and clearing organizations:	Receivables from broker dealers and clearing organizations:						
Receivables from broker dealers and clearing organizations:	Receivables from broker dealers and clearing organizations:						
Receivables from broker dealers and clearing organizations:	Receivables from broker dealers and clearing organizations:						
Interest rate swap	Interest rate swap	\$ —	\$ 71,662	\$ —	\$ —	\$ 71,662	
Interest rate swap	Interest rate swap						
Interest rate swap	Interest rate swap						
Receivables linked to digital assets	Receivables linked to digital assets						
		—					
		\$					
Liabilities	Liabilities						
Liabilities	Liabilities						
Liabilities	Liabilities						

Financial instruments sold, not yet purchased, at fair value:	Financial instruments sold, not yet purchased, at fair value:						
Financial instruments sold, not yet purchased, at fair value:	Financial instruments sold, not yet purchased, at fair value:						
Equity securities	Equity securities						
Equity securities	Equity securities	\$1,526,139	\$1,262,717	\$	—	\$	— \$2,788,856
U.S. and Non-U.S. government obligations	U.S. and Non-U.S. government obligations	274,223	3,585,904		—	—	3,860,127
Corporate Bonds	Corporate Bonds	—	1,231,572		—	—	1,231,572
Exchange traded notes	Exchange traded notes	—	56,589		—	—	56,589
Currency forwards	Currency forwards	—	361,910			(361,910)	—
Options	Options	4,328	—				4,328
		\$1,804,690	\$6,498,692	\$	—	\$ (361,910)	\$7,941,472
Payables to broker dealers and clearing organizations:	Payables to broker dealers and clearing organizations:						
Payables to broker dealers and clearing organizations:	Payables to broker dealers and clearing organizations:						
Payables to broker dealers and clearing organizations:	Payables to broker dealers and clearing organizations:						
Payables linked to digital assets	Payables linked to digital assets						
Payables linked to digital assets	Payables linked to digital assets						
Payables linked to digital assets	Payables linked to digital assets						
		—					
		\$					
		=					

Fair value measurements for those items measured on a recurring basis are summarized below as of December 31, 2022 December 31, 2023:

December 31, 2022	
-------------------	--

December 31, 2023

(in thousands)	(in thousands)	Quoted Prices in Active Markets for Identical Assets					(in thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Counterparty and Cash Collateral Netting	Total Fair Value
		Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Counterparty and Cash Collateral Netting	Total Fair Value						
<b>Assets</b>	<b>Assets</b>						<b>Assets</b>					
Financial instruments owned, at fair value:	Financial instruments owned, at fair value:						Financial instruments owned, at fair value:					
Equity securities	Equity securities	\$ 461,487	\$ 1,545,116	\$ —	\$ —	\$ 2,006,603						
U.S. and Non-U.S. government obligations	U.S. and Non-U.S. government obligations	251,708	575,946	—	—	827,654						
Corporate Bonds	Corporate Bonds	—	803,880	—	—	803,880						
Exchange traded notes	Exchange traded notes	51	16,777	—	—	16,828						
Currency forwards	Currency forwards	—	500,553	—	(493,237)	7,316						
Options	Options	5,200	—	—	—	5,200						
		\$ 718,446	\$ 3,442,272	\$ —	\$ (493,237)	\$ 3,667,481						
		\$										
Financial instruments owned, pledged as collateral:	Financial instruments owned, pledged as collateral:											
Equity securities	Equity securities											
Equity securities	Equity securities											
Equity securities	Equity securities	\$ 552,641	\$ 404,802	\$ —	\$ —	\$ 957,443						
Exchange traded notes	Exchange traded notes	6	5,622	—	—	5,628						
		\$ 552,647	\$ 410,424	\$ —	\$ —	\$ 963,071						
Exchange traded notes	Exchange traded notes											
Exchange traded notes	Exchange traded notes	—										
		\$										
Other Assets	Other Assets											
Equity investment	Equity investment	\$ —	\$ —	\$ 76,613	\$ —	\$ 76,613						
Equity investment	Equity investment											
Equity investment	Equity investment											
Exchange stock	Exchange stock	2,352	—	—	—	2,352						
Exchange stock	Exchange stock											
Exchange stock	Exchange stock	—										
		\$										
		\$ 2,352	\$ —	\$ 76,613	\$ —	\$ 78,965						

Receivables from broker dealers and clearing organizations:					
Interest rate swap	—	87,268	—	—	87,268

#### Liabilities

#### Liabilities

Liabilities	Liabilities				
Financial instruments sold, not yet purchased, at fair value:	Financial instruments sold, not yet purchased, at fair value:				

Financial instruments sold,  
not yet purchased, at fair  
value:

Financial instruments sold,  
not yet purchased, at fair  
value:

Equity securities

Equity securities

Equity securities	Equity securities	\$1,146,701	\$1,016,893	\$	—	\$	—	\$2,163,594
U.S. and Non-U.S. government obligations	U.S. and Non-U.S. government obligations	147,418	690,480		—		—	837,898
Corporate Bonds	Corporate Bonds	—	1,183,394		—		—	1,183,394
Exchange traded notes	Exchange traded notes	—	8,199		—		—	8,199
Currency forwards	Currency forwards	—	497,799		—	(497,799)		—
Options	Options	3,889	—		—		—	3,889
		<u>\$1,298,008</u>	<u>\$3,396,765</u>	<u>\$</u>	<u>—</u>	<u>\$</u>	<u>(497,799)</u>	<u>\$4,196,974</u>

Payables to broker dealers  
and clearing organizations:

Payables to broker dealers  
and clearing organizations:

Payables to broker dealers  
and clearing organizations:

Interest rate swap

Interest rate swap

Interest rate swap

—  
\$  
=  
\$  
=  
\$  
=

#### JNX Investment

The Company has a minority investment (the "JNX Investment") in Japannext Co., Ltd. ("JNX"), formerly known as SBI Japannext Co., Ltd., a proprietary trading system based in Tokyo. In connection with the JNX Investment, the Company issued the SBI Bonds (as described in Note 8 "Borrowings" "Borrowings") and used the proceeds to partially finance the transaction. The JNX Investment is included within Level 3 of the fair value hierarchy. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the fair value of the JNX Investment was determined using a weighted average of valuations using 1) the discounted cash flow method, an income approach; 2) a market approach based on average enterprise value/EBITDA ratios of comparable companies; and to a lesser extent 3) a transaction approach based on transaction values of comparable

companies. The fair value measurement is highly sensitive to significant changes in the unobservable inputs, and significant increases (decreases) in discount rate or decreases (increases) in enterprise value/EBITDA multiples would result in a significantly lower (higher) fair value measurement.

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The table below presents information on the valuation techniques, significant unobservable inputs and their ranges for the JNX Investment:

September 30, 2023													
March 31, 2024							March 31, 2024						
(in thousands)	(in thousands)	Fair Value	Valuation Technique	Significant Unobservable Input	Range	Weighted Average	(in thousands)	Fair Value	Valuation Technique	Significant Unobservable Input	Range	Weighted Average	
Equity investment	Equity investment	\$72,399	Discounted cash flow	Estimated revenue growth	3.7% - 6.4%	4.1 %							
				Discount rate	16.3% - 16.3%	16.3 %							
Equity investment													
			Market	Future enterprise value/ EBITDA ratio	8.6x - 17.6x	11.8x							
Equity investment								\$84,587	Discounted cash flow	Estimated revenue growth	5.0% - 10.2%	6.6 %	
				Discount rate							Discount rate	16.0% - 16.0%	
			Market								Future enterprise value/ EBITDA ratio	9.5x - 17.7x	
												14.4x	
December 31, 2022													
December 31, 2023							December 31, 2023						
(in thousands)	(in thousands)	Fair Value	Valuation Technique	Significant Unobservable Input	Range	Weighted Average	(in thousands)	Fair Value	Valuation Technique	Significant Unobservable Input	Range	Weighted Average	
Equity investment	Equity investment	\$76,613	Discounted cash flow	Estimated revenue growth	(5.7)% - 15.5%	3.1 %							
				Discount rate	15.5% - 15.5%	15.5 %							
			Market	Future enterprise value/ EBITDA ratio	(1.2)x - 18.1x	12.2x							
Equity investment													
Equity investment								\$81,805	Discounted cash flow	Estimated revenue growth	5.0% - 6.8%	5.8 %	
				Discount rate							Discount rate	15.6% - 15.6%	
			Market								Future enterprise value/ EBITDA ratio	8.7x - 17.8x	
												12.9x	

Changes in the fair value of the JNX Investment are included within Other, net in the Consolidated Statements of Comprehensive Income.

The following presents the changes in the Company's Level 3 financial instruments measured at fair value on a recurring basis:

Three Months Ended September 30, 2023							
(in thousands)	Balance at June 30, 2023	Purchases	Total Realized and Unrealized Gains / (Losses) (1)	Net Transfers into (out of) Level 3	Settlement	Balance at September 30, 2023	Change in Net Unrealized Gains / (Losses) on Investments still held at September 30, 2023
<b>Assets</b>							
Other assets:							
Equity investment	\$ 71,059	\$ —	\$ 1,340	\$ —	\$ —	\$ 72,399	\$ 1,340
Total	\$ 71,059	\$ —	\$ 1,340	\$ —	\$ —	\$ 72,399	\$ 1,340

(1) Total realized and unrealized gains/(losses) includes gains and losses due to fluctuations in currency rates as well as gains and losses recognized on changes in the fair value of the JNX Investment.

Three Months Ended September 30, 2022							
(in thousands)	Balance at June 30, 2022	Purchases	Total Realized and Unrealized Gains / (Losses) (1)	Net Transfers into (out of) Level 3	Settlement	Balance at September 30, 2022	Change in Net Unrealized Gains / (Losses) on Investments still held at September 30, 2022
<b>Assets</b>							
Other assets:							
Equity investment	\$ 77,562	\$ —	\$ (5,937)	\$ —	\$ —	\$ 71,625	\$ (5,937)
Total	\$ 77,562	\$ —	\$ (5,937)	\$ —	\$ —	\$ 71,625	\$ (5,937)

(1) Total realized and unrealized gains/(losses) includes gains and losses due to fluctuations in currency rates as well as gains and losses recognized on changes in the fair value of the JNX Investment.

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Three Months Ended March 31, 2024							
(in thousands)	Balance at December 31, 2023	Purchases	Total Realized and Unrealized Gains / (Losses) (1)	Net Transfers into (out of) Level 3	Settlement	Balance at March 31, 2024	Change in Net Unrealized Gains / (Losses) on Investments still held at March 31, 2024
<b>Assets</b>							
Other assets:							
Equity investment	\$ 81,805	\$ —	\$ 2,782	\$ —	\$ —	\$ 84,587	\$ 2,782
Total	\$ 81,805	\$ —	\$ 2,782	\$ —	\$ —	\$ 84,587	\$ 2,782

(1) Total realized and unrealized gains/(losses) includes gains and losses due to fluctuations in currency rates as well as gains and losses recognized on changes in the fair value of the JNX Investment.

Nine Months Ended September 30, 2023							
(in thousands)	Balance at December 31, 2022	Purchases	Total Realized and Unrealized Gains / (Losses) (1)	Net Transfers into (out of) Level 3	Settlement	Balance at September 30, 2023	Change in Net Unrealized Gains / (Losses) on Investments still held at September 30, 2023
<b>Assets</b>							
Other assets:							
Equity investment	\$ 76,613	\$ —	\$ (4,214)	\$ —	\$ —	\$ 72,399	\$ (4,214)
Total	\$ 76,613	\$ —	\$ (4,214)	\$ —	\$ —	\$ 72,399	\$ (4,214)

(1) Total realized and unrealized gains/(losses) includes gains and losses due to fluctuations in currency rates as well as gains and losses recognized on changes in the fair value of the JNX Investment.

Nine Months Ended September 30, 2022



Securities loaned	1,459,980	1,459,980	—	1,459,980	—
Securities sold under agreements to repurchase	3,376,948	3,376,948	—	3,376,948	—
Payables to broker-dealers and clearing organizations	540,464	540,464	—	540,464	—
Payables to customers	74,374	74,374	—	74,374	—
Other liabilities (2)	21,910	21,910	—	21,910	—
<b>Total Liabilities</b>	<b>\$ 7,349,636</b>	<b>\$ 7,370,198</b>	<b>\$ —</b>	<b>\$ 7,370,198</b>	<b>\$ —</b>

(1) Includes cash collateral and deposits, and interest and dividends receivables.

(2) Includes deposits, interest and dividends payable.

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March 31, 2024					
(in thousands)	Carrying Value	Fair Value	Quoted Prices in Active		
			Markets for	Significant Other	Significant
			Identical Assets	Observable Inputs	Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Assets</b>					
Cash and cash equivalents	\$ 399,585	\$ 399,585	\$ 399,585	\$ —	\$ —
Cash restricted or segregated under regulations and other	29,821	29,821	29,821	—	—
Securities borrowed	1,782,982	1,782,982	—	1,782,982	—
Securities purchased under agreements to resell	502,470	502,470	—	502,470	—
Receivables from broker-dealers and clearing organizations	1,247,603	1,247,603	—	1,247,603	—
Receivables from customers	118,680	118,680	—	118,680	—
Other assets (1)	29,430	29,430	9,604	19,826	—
<b>Total Assets</b>	<b>\$ 4,110,571</b>	<b>\$ 4,110,571</b>	<b>\$ 439,010</b>	<b>\$ 3,671,561</b>	<b>\$ —</b>
<b>Liabilities</b>					
Short-term borrowings	\$ 138,202	\$ 140,000	\$ —	\$ 140,000	\$ —
Long-term borrowings	1,726,657	1,749,054	—	1,749,054	—
Securities loaned	1,640,521	1,640,521	—	1,640,521	—
Securities sold under agreements to repurchase	836,433	836,433	—	836,433	—
Payables to broker-dealers and clearing organizations	382,624	382,624	—	382,624	—
Payables to customers	33,485	33,485	—	33,485	—
Other liabilities (2)	29,229	29,229	—	29,229	—
<b>Total Liabilities</b>	<b>\$ 4,787,151</b>	<b>\$ 4,811,346</b>	<b>\$ —</b>	<b>\$ 4,811,346</b>	<b>\$ —</b>

(1) Includes cash collateral and deposits, and interest and dividends receivables.

(2) Includes deposits, interest and dividends payable.

The table below summarizes financial assets and liabilities not carried at fair value on a recurring basis as of **December 31, 2022** **December 31, 2023**:

	December 31, 2022								December 31, 2023						
				Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs				Quoted Prices in Active Markets for Identical Assets		Significant Other Observable Inputs		Significant Unobservable Inputs	
(in thousands)	(in thousands)	Carrying Value	Fair Value	(Level 1)	(Level 2)	(Level 3)	(in thousands)		Carrying Value	Fair Value	(Level 1)		(Level 2)		(Level 3)
Assets	Assets							Assets							
Cash and cash equivalents	Cash and cash equivalents	\$ 981,580	\$ 981,580	\$ 981,580	\$ —	\$ —									



Cash restricted or segregated under regulations and other	Cash restricted or segregated under regulations and other	56,662	56,662	56,662	—	—
Securities borrowed	Securities borrowed	1,187,674	1,187,674	—	1,187,674	—
Securities purchased under agreements to resell	Securities purchased under agreements to resell	336,999	336,999	—	336,999	—
Receivables from broker-dealers and clearing organizations	Receivables from broker-dealers and clearing organizations	1,027,917	1,027,917	—	1,027,917	—
Receivables from customers	Receivables from customers	80,830	80,830	—	80,830	—
Other assets (1)	Other assets (1)	30,579	30,579	—	30,579	—
<b>Total Assets</b>	<b>Total Assets</b>	<b>\$3,702,241</b>	<b>\$3,702,241</b>	<b>\$ 1,038,242</b>	<b>\$2,663,999</b>	<b>\$ —</b>
<b>Liabilities</b>	<b>Liabilities</b>					
<b>Liabilities</b>						
<b>Liabilities</b>						
Short-term borrowings						
Short-term borrowings						
Short-term borrowings	Short-term borrowings	3,944	3,944	—	3,944	—
Long-term borrowings	Long-term borrowings	1,795,952	1,783,943	—	1,783,943	—
Securities loaned	Securities loaned	1,060,432	1,060,432	—	1,060,432	—
Securities sold under agreements to repurchase	Securities sold under agreements to repurchase	627,549	627,549	—	627,549	—
Payables to broker dealer and clearing organizations	Payables to broker dealer and clearing organizations	273,843	273,843	—	273,843	—
Payables to broker-dealers and clearing organizations						
Payables to customers	Payables to customers	46,525	46,525	—	46,525	—
Other liabilities (2)	Other liabilities (2)	23,776	23,776	—	23,776	—
<b>Total Liabilities</b>	<b>Total Liabilities</b>	<b>\$3,832,021</b>	<b>\$3,820,012</b>	<b>\$ —</b>	<b>\$3,820,012</b>	<b>\$ —</b>

(1) Includes cash collateral and deposits, and interest and dividends receivables.

(2) Includes deposits, interest and dividends payable.

#### Offsetting of Financial Assets and Liabilities

The Company does not net securities borrowed and securities loaned, or securities purchased under agreements to resell and securities sold under agreements to repurchase. These financial instruments are presented on a gross basis in the Condensed Consolidated Statements of Financial Condition. In the tables below, the amounts of financial instruments owned that are not offset in the Condensed Consolidated Statements of Financial Condition, but could be netted against financial liabilities with specific counterparties under legally enforceable master netting agreements in the event of default, are presented to provide financial statement readers with the Company's estimate of its net exposure to counterparties for these financial instruments.

The following tables set forth the gross and net presentation of certain financial assets and financial liabilities as of **September 30, 2023**, **March 31, 2024** and **December 31, 2022**, **December 31, 2023**:

		September 30, 2023						March 31, 2024					
				Net Amounts of Assets Presented in the Condensed Consolidated Statements of Financial Condition						Amounts Not Offset in the Condensed Consolidated Statements of Financial Condition		Amounts No Offset in the Condensed Consolidated Statements of Financial Condition	
		Amounts Offset in the Condensed Consolidated Statement of Financial Condition		Amounts Not Offset in the Condensed Consolidated Statements of Financial Condition				Amounts Offset in the Condensed Consolidated Statement of Financial Condition		Net Amounts of Assets Presented in the Condensed Consolidated Statements of Financial Condition			
		Gross Amounts of Recognized Assets		Statement of Financial Condition		Statements of Financial Condition		Gross Amounts of Recognized Assets		Statement of Financial Condition		Financial Condition	
(in thousands)		Assets		Condition		Condition		Assets		Condition		Condition	
(in thousands)													
						Counterparty						Counterparty	
				Net Amounts of Assets Presented in the Condensed Consolidated Statements of Financial Condition		Financial Instrument Collateral		Netting/ Cash Collateral		Net Amount		Financial Instrument Collateral	
(in thousands)		(in thousands)										Net /	
Offsetting of Financial Assets:		Offsetting of Financial Assets:		Offset in the Condensed Consolidated Statement of Financial Condition		the Condensed Consolidated Statements of Financial Condition		Counterparty Collateral		Offsetting of Financial Assets:			
Securities borrowed		Securities borrowed		Gross Amounts of Recognized Assets		Financial Condition		\$ (1,471,459)		Financial Condition		\$ (11,907) \$ 40,811	
Securities purchased under agreements to resell		Securities purchased under agreements to resell		3,127,072		—		3,127,072		(3,127,072)		—	
Receivables from broker-dealers and clearing organizations:		Receivables from broker-dealers and clearing organizations:											
Interest rate swaps		Interest rate swaps		71,662		—		71,662		—		—	
Interest rate swaps													
Trading assets, at fair value:		Trading assets, at fair value:											
Currency forwards													
Currency forwards													
Currency forwards		Currency forwards		361,076 (357,664)		3,412		—		—		3,412	
Options		Options		6,955 —		6,955		—		(4,285)		2,670	
Total		Total		\$ 5,090,942 \$ (357,664)		\$ 4,733,278		\$(4,598,531)		\$ (16,192)		\$ 118,555	

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(in thousands)	(in thousands)	Gross Amounts of Recognized Liabilities	Amounts Offset in the Condensed Consolidated Statement of Financial Condition	Financial Instruments	Net Amounts of Liabilities Presented in the Consolidated Statement of Financial Condition	Amounts Not Offset in the Condensed Consolidated Statements of Financial Condition	Counterparty	Netting/ Cash Collateral	Net Amount	(in thousands)	Gross Amounts of Recognized Liabilities	Amounts Offset in the Condensed Consolidated Statement of Financial Condition	Financial Instrument Collateral	Net Amounts of Liabilities Presented in the Consolidated Statement of Financial Condition	Net C: Coll
Offsetting of Financial Liabilities:	Offsetting of Financial Liabilities:														
Securities loaned	Securities loaned	\$ 1,459,980	\$ —		\$ 1,459,980	\$ (1,423,820)	\$ (15,163)		\$20,997						
Securities sold under agreements to repurchase	Securities sold under agreements to repurchase	3,376,948	—		3,376,948	(3,376,948)	—		—						
Trading liabilities, at fair value:	Trading liabilities, at fair value:														
Trading liabilities, at fair value:															
Trading liabilities, at fair value:															
Currency forwards															
Currency forwards															
Currency forwards	Currency forwards	361,910	(361,910)		—	—	—		—						
Options	Options	4,328	—		4,328	—	(4,285)		43						
Total	Total	\$ 5,203,166	\$ (361,910)		\$ 4,841,256	\$ (4,800,768)	\$ (19,448)		\$21,040						

December 31, 2023

(in thousands)	(in thousands)	Gross Amounts of Recognized Assets	Amounts Offset in the Condensed Consolidated Statement of Financial Condition	Financial Instruments	Net Amounts of Assets Presented in the Consolidated Statement of Financial Condition	Amounts Not Offset in the Condensed Consolidated Statements of Financial Condition	Counterparty	Netting/ Cash Collateral	Net Amount	(in thousands)	Gross Amounts of Recognized Assets	Amounts Offset in the Condensed Consolidated Statement of Financial Condition	Financial Instrument Collateral	Net Amounts of Assets Presented in the Consolidated Statement of Financial Condition	Net Amount
Offsetting of Financial Assets:	Offsetting of Financial Assets:														
Securities borrowed	Securities borrowed	\$ 1,187,674	\$ —		\$ 1,187,674	\$ (1,148,238)	\$ (5,138)		\$ 34,298						



Currency forwards	
Currency forwards	

Currency forwards	Currency forwards	497,799	(497,799)	—	—	—	—
Options	Options	3,889	—	3,889	—	(3,889)	—
Total	Total	\$ 2,189,669	\$ (497,799)	\$ 1,691,870	\$ (1,654,450)	\$ (12,989)	\$ 24,431

The following table presents gross obligations for securities sold under agreements to repurchase and for securities lending transactions by remaining contractual maturity and the class of collateral pledged as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**:

		September 30, 2023						March 31, 2024						
		Remaining Contractual Maturity						Remaining Contractual Maturity						
		Remaining Contractual Maturity						Remaining Contractual Maturity						
(in thousands)	(in thousands)	Overnight and Continuous	Less than 30 days	30 - 60 days	61 - 90 Days	Greater than 90 days	Total	(in thousands)	Overnight and Continuous	Less than 30 days	30 - 60 days	61 - 90 Days	Greater than 90 days	Total
Securities sold under agreements to repurchase:	Securities sold under agreements to repurchase:													
Securities sold under agreements to repurchase:	Securities sold under agreements to repurchase:													
Equity securities	Equity securities													
Equity securities	Equity securities	\$ —	\$ 140,000	\$ 185,000	\$ 75,000	\$ —	\$ 400,000							
U.S. and Non-U.S. government obligations	U.S. and Non-U.S. government obligations	2,976,948	—	—	—	—	2,976,948							
Total	Total	\$ 2,976,948	\$ 140,000	\$ 185,000	\$ 75,000	\$ —	\$ 3,376,948							
Securities loaned:	Securities loaned:													
Securities loaned:	Securities loaned:													
Equity securities	Equity securities													
Equity securities	Equity securities	\$ 1,459,980	\$ —	\$ —	\$ —	\$ —	\$ 1,459,980							
Total	Total	\$ 1,459,980	\$ —	\$ —	\$ —	\$ —	\$ 1,459,980							

		December 31, 2022						December 31, 2023						
		Remaining Contractual Maturity						Remaining Contractual Maturity						
		Remaining Contractual Maturity						Remaining Contractual Maturity						
(in thousands)	(in thousands)	Overnight and Continuous	Less than 30 days	30 - 60 days	61 - 90 Days	Greater than 90 days	Total	(in thousands)	Overnight and Continuous	Less than 30 days	30 - 60 days	61 - 90 Days	Greater than 90 days	Total
Securities sold under agreements to repurchase:	Securities sold under agreements to repurchase:													
Securities sold under agreements to repurchase:	Securities sold under agreements to repurchase:													
Equity securities	Equity securities													
Equity securities	Equity securities	\$ 1,459,980	\$ —	\$ —	\$ —	\$ —	\$ 1,459,980							
Total	Total	\$ 1,459,980	\$ —	\$ —	\$ —	\$ —	\$ 1,459,980							

Securities sold under agreements to repurchase:											
Securities sold under agreements to repurchase:											
Equity securities	Equity securities	\$	—	\$250,000	\$100,000	\$50,000	\$	—	\$	400,000	
U.S. and Non-U.S. government obligations	U.S. and Non-U.S. government obligations										
			227,549	—	—	—	—	—		227,549	
Total	Total	\$	227,549	\$250,000	\$100,000	\$50,000	\$	—	\$	627,549	
Securities loaned:	Securities loaned:										
Securities loaned:											
Equity securities											
Equity securities											
Equity securities	Equity securities										
			1,060,432	—	—	—	—	—		1,060,432	
Total	Total	\$1,060,432	\$	—	\$	—	\$	—	\$	—	\$1,060,432

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## 10. Derivative Instruments

The fair value of the Company's derivative instruments on a gross basis consisted of the following at September 30, 2023, March 31, 2024 and December 31, 2022 December 31, 2023:

(in thousands)	(in thousands)	September 30, 2023		December 31, 2022		(in thousands)	March 31, 2024		December 31, 2023	
Derivatives	Derivatives	Financial Statement		Financial Statement		Derivatives	Financial Statement		Financial Statement	
Assets	Assets	Location	Fair Value	Notional	Fair Value	Notional	Assets	Location	Fair Value	Notional
Derivative instruments not designated as hedging instruments:	Derivative instruments not designated as hedging instruments:					Derivative instruments not designated as hedging instruments:				
Equities futures	Equities futures	Receivables from broker-dealers and clearing organizations	\$ 1,003	\$1,876,199	\$ (575)	\$ 663,110				
Commodity futures	Commodity futures	Receivables from broker-dealers and clearing organizations	28,188	6,796,487	(31,007)	7,597,057				
Currency futures	Currency futures	Receivables from broker-dealers and clearing organizations	1,751	6,723,854	(24,023)	7,460,531				

Fixed income futures	Fixed income futures	Receivables from broker-dealers and clearing organizations	(9)	11,659	(360)	30,292
Options	Options	Financial instruments owned	6,955	1,041,790	5,200	691,737

Options

Options

Currency forwards	Currency forwards	Financial instruments owned	361,076	35,857,456	500,553	30,286,330
Derivative instruments designated as hedging instruments:	Derivative instruments designated as hedging instruments:					

Derivative instruments designated as hedging instruments:

Derivative instruments designated as hedging instruments:

Interest rate swap

Interest rate swap

Interest rate swap	Interest rate swap	Receivables from broker-dealers and clearing organizations	71,662	1,525,000	87,268	1,525,000
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Derivatives Liabilities

Derivatives Liabilities

Derivatives Liabilities	Derivatives Liabilities	Financial Statement Location	Fair Value	Notional	Fair Value	Notional	Financial Statement Location	Fair Value	Notional	Fair Value	Notional
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Derivative instruments not designated as hedging instruments:	Derivative instruments not designated as hedging instruments:					
---	---	--	--	--	--	--

Derivative instruments not designated as hedging instruments:

Equities futures	Equities futures	Payables to broker-dealers and clearing organizations	\$ (102)	\$ 98,233	\$ 1,819	\$3,238,651
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Commodity futures	Commodity futures	Payables to broker-dealers and clearing organizations	564	25,191	597	39,046
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Currency futures	Currency futures	Payables to broker-dealers and clearing organizations	(180)	13,170	8	6,386
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Fixed income futures	Fixed income futures	Payables to broker- dealers and clearing organizations	220	111,852	(264)	123,043
Options	Options	Financial instruments sold, not yet purchased	4,328	1,007,927	3,889	742,531
Currency forwards	Currency forwards	Financial instruments sold, not yet purchased	361,910	35,857,874	497,799	30,284,952

Derivative instruments designated as hedging instruments:	
Derivative instruments designated as hedging instruments:	
Derivative instruments designated as hedging instruments:	
Interest rate swaps	
Interest rate swaps	
Interest rate swaps	

Amounts included in receivables from and payables to broker-dealers and clearing organizations represent net variation margin on long and short futures contracts as well as amounts receivable or payable on interest rate swaps.

The following table summarizes the net gain (loss) from derivative instruments not designated as hedging instruments under ASC 815, which are recorded in total revenues, and from those designated as hedging instruments under ASC 815, which are initially recorded in other comprehensive income in the accompanying Condensed Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023.

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			Three Months Ended September 30,				Nine Months Ended September 30,				Three Months Ended March 31,			
(in thousands)	(in thousands)	Financial Statements Location	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Derivative instruments not designated as hedging instruments:	Derivative instruments not designated as hedging instruments:													
Derivative instruments not designated as hedging instruments:														
Derivative instruments not designated as hedging instruments:														
Futures														
Futures														



		Trading				
Futures	Futures	income, net	\$84,911	\$ 9,760	\$204,928	\$205,561
Currency	Currency	Trading				
forwards	forwards	income, net	(45,165)	21,276	(91,352)	(14,478)
Currency forwards						
Currency forwards						
Options						
Options						
		Trading				
Options	Options	income, net	5,737	4,367	6,882	3,430
Interest rate	Interest rate					
swap on term	swap on term					
loan	loan	Other, net	(474)	(474)	(1,406)	(1,406)
Interest rate swap on term						
loan						
Interest rate swap on term						
loan						
Terminated interest rate						
swaps						
Terminated interest rate						
swaps						
Terminated interest rate						
swaps						
			—			
			\$			
			\$			
			—			
			\$			
			\$45,009	\$34,929	\$119,052	\$193,107
Derivative instruments						
designated as hedging						
instruments:						
Derivative instruments						
designated as hedging						
instruments:						
Derivative	Derivative					
instruments	instruments					
designated	designated					
as hedging	as hedging					
instruments:	instruments:					
Interest rate	Interest rate	Other				
swaps (1)	swaps (1)	comprehensive				
		income	\$ (8,859)	\$35,852	\$ (14,738)	\$108,427
Interest rate swaps (1)						
Interest rate swaps (1)						
			—			
			\$			
			\$ (8,859)	\$35,852	\$ (14,738)	\$108,427
			\$			
			\$			

(1) The Company entered into a five-year \$1,000 million floating-to-fixed interest rate swap agreement in the first quarter of 2020 and a five-year \$525 million floating-to-fixed interest rate swap agreement in the fourth quarter of 2019. These two interest rate swaps met the criteria to be considered qualifying cash flow hedges under ASC 815 in the first quarter of 2020, and as such, the mark-to-market gains (losses) on the instruments were deferred within Other comprehensive income on the Condensed Consolidated Statements of Comprehensive Income beginning in the first quarter of 2020. The two interest rate swaps were terminated and dedesignated as cash flow hedges in December 2023. The Company entered into a two-year \$1,525 million floating-to-fixed interest rate agreement in December 2023. The two-year interest rate swap met the criteria to be considered as a qualifying cash flow hedge under ASC 815 as of December 2023, and the mark-to-market gains (losses) on the instrument was deferred within Other comprehensive income on the Condensed Consolidated Statements of Comprehensive Income.

## 11. Variable Interest Entities

A variable interest entity ("VIE") is an entity that lacks one or more of the following characteristics: (i) the total equity investment at risk is sufficient to enable the entity to finance its activities independently and (ii) the equity holders have the power to direct the activities of the entity that most significantly impact its economic performance, the obligation to absorb the losses of the entity and the right to receive the residual returns of the entity.

The Company will be considered to have a controlling financial interest and will consolidate a VIE if it has both (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company has interests in two joint ventures ("JV") that build and maintain microwave communication networks in the U.S., Europe, and Asia. The Company and its JV partners each pay monthly fees for the use of the microwave communication networks in connection with their respective trading activities, and the JVs may sell excess bandwidth that is not utilized by the JV members to third parties. As of **September 30, 2023** **March 31, 2024**, the Company held noncontrolling interests of 12.5% and 50.0%, respectively, in these JVs.

The Company has an interest in a JV that offers derivatives trading technology and execution services to broker-dealers, professional traders and select hedge funds. As of **September 30, 2023** **March 31, 2024**, the Company held approximately a 9.8% noncontrolling interest in this JV.

The Company has an interest in a JV that operates a member-owned equities exchange with the goal of increasing competition and transparency, while reducing fixed costs and simplifying execution of equity trading in the U.S. As of **September 30, 2023** **March 31, 2024**, the Company held approximately a 13.5% noncontrolling interest in this JV.

In the second quarter of 2022, the Company invested in a JV that was formed for the purpose of developing and operating a cryptocurrency trading platform with the goal of increasing competition and transparency, while improving trading performance and reducing operational risk. As of **September 30, 2023** **March 31, 2024**, the Company held approximately a **9.3%** **6.9%** noncontrolling interest in this JV.

The Company's five JVs noted above meet the criteria to be considered VIEs, which it does not consolidate. The Company records its interest in each JV under the equity method of accounting and records its investment in the JVs within Other assets and its amounts payable for communication services provided by the applicable JVs within Accounts payable, accrued expenses and other liabilities on the Statements of Financial Condition. The Company records its pro-rata share of each

JV's earnings or losses within Other, net and fees related to the use of communication services provided by the JVs within Communications and data processing on the Condensed Consolidated Statements of Comprehensive Income.

The Company's exposure to the obligations of these VIEs is generally limited to its interests in each respective JV, which is the carrying value of the equity investment in each JV.

**32** The following table presents the Company's nonconsolidated VIEs at **March 31, 2024**:

(in thousands)	Carrying Amount		Maximum Exposure to	
	Asset	Liability	Loss	VIEs' assets
Equity investment	\$ 60,010	\$ —	\$ 60,010	\$ 296,280

The following table presents the Company's nonconsolidated VIEs at **September 30, 2023**:

(in thousands)	Carrying Amount		Maximum Exposure to	
	Asset	Liability	Loss	VIEs' assets
Equity investment	\$ 57,561	\$ —	\$ 57,561	\$ 289,322

The following table presents the Company's nonconsolidated VIEs at **December 31, 2022** **December 31, 2023**:

		Carrying Amount		Maximum Exposure to	
		Asset	Liability	Loss	VIEs' assets
(in thousands)	(in thousands)	Asset	Liability	Maximum Exposure to Loss	VIEs' assets
Equity investment	Equity investment	\$43,589	\$ —	to Loss	VIEs' assets

During the second quarter of 2022, the Company formed a JV to support the growth and expansion of a multi-asset request-for-quote communication platform. As of **September 30, 2023** **March 31, 2024**, the Company held a 51% controlling interest in this entity. This JV meets the criteria to be considered a VIE, and based on the standard for control set forth above, the Company consolidates this entity and records the interest that the Company does not own as noncontrolling interest in the Condensed Consolidated Financial Statements.

## 12. Revenues from Contracts with Customers

For more information on revenue recognition and the nature of services provided, see Note 2 "Summary of Significant Accounting Policies" and Note 13 12 "Revenues from Contracts with Customers" to the Consolidated Financial Statements of the Company's 2022 2023 Annual Report on Form 10-K.

### Disaggregation of Revenues

The following tables present the Company's revenue from contracts with customers disaggregated by service, and timing of revenue recognition, reconciled to the Company's segments, for the three and nine months ended September 30, 2023, March 31, 2024 and 2022: 2023:

(in thousands)	Three Months Ended September 30, 2023			
	Market Making	Execution Services	Corporate	Total
<b>Revenues from contracts with customers:</b>				
Commissions, net	\$ 6,343	\$ 73,121	\$ —	\$ 79,464
Workflow technology	—	21,526	—	21,526
Analytics	—	9,286	—	9,286
Total revenue from contracts with customers	6,343	103,933	—	110,276
Other sources of revenue	511,008	8,520	360	519,888
Total revenues	\$ 517,351	\$ 112,453	\$ 360	\$ 630,164
<b>Timing of revenue recognition:</b>				
Services transferred at a point in time	\$ 517,351	\$ 94,152	\$ 360	\$ 611,863
Services transferred over time	—	18,301	—	18,301
Total revenues	\$ 517,351	\$ 112,453	\$ 360	\$ 630,164

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Three Months Ended September 30, 2022						Three Months Ended March 31, 2024				
						Three Months Ended March 31, 2024				
						Three Months Ended March 31, 2024				
						Three Months Ended March 31, 2024				
(in thousands)	(in thousands)	Market Making	Execution Services	Corporate	Total	(in thousands)	Market Making	Execution Services	Corporate	Total
Revenues from contracts with customers:	Revenues from contracts with customers:									
Commissions, net	Commissions, net	\$ 10,687	\$ 78,506	\$ —	\$ 89,193					
Commissions, net										
Commissions, net										
Workflow technology	Workflow technology	—	21,968	—	21,968					
Workflow technology										
Workflow technology										
Analytics	Analytics	—	9,825	—	9,825					
Total revenue from contracts with customers	Total revenue from contracts with customers	10,687	110,299	—	120,986					

Other sources of revenue	Other sources of revenue	437,199	9,300	(6,441)	440,058
Other sources of revenue					
Other sources of revenue					
Total revenues					
Total revenues					
Total revenues	Total revenues	\$ 447,886	\$ 119,599	\$ (6,441)	\$ 561,044
Timing of revenue recognition:	Timing of revenue recognition:				
Timing of revenue recognition:					
Timing of revenue recognition:					
Services transferred at a point in time					
Services transferred at a point in time					
Services transferred at a point in time	Services transferred at a point in time	\$ 447,886	\$ 101,621	\$ (6,441)	\$ 543,066
Services transferred over time	Services transferred over time	—	17,978	—	17,978
Total revenues	Total revenues	\$ 447,886	\$ 119,599	\$ (6,441)	\$ 561,044

	Nine Months Ended September 30, 2023							
(in thousands)	Market Making		Execution Services		Corporate	Total		
Revenues from contracts with customers:								
Commissions, net	\$	22,677	\$	220,372	\$	—	\$	243,049
Workflow technology		—		69,058		—		69,058
Analytics		—		29,116		—		29,116
Total revenue from contracts with customers		22,677		318,546		—		341,223
Other sources of revenue		1,398,845		21,499		(4,171)		1,416,173
Total revenues	\$	1,421,522	\$	340,045	\$	(4,171)	\$	1,757,396
Timing of revenue recognition:								
Services transferred at a point in time	\$	1,421,522	\$	285,570	\$	(4,171)	\$	1,702,921
Services transferred over time		—		54,475		—		54,475
Total revenues	\$	1,421,522	\$	340,045	\$	(4,171)	\$	1,757,396

	Nine Months Ended September 30, 2022				
(in thousands)	Market Making	Execution Services	Corporate	Total	
Revenues from contracts with customers:					
Commissions, net	\$ 30,881	\$ 277,693	\$ —	\$	308,574
Workflow technology	—	73,238	—		73,238
Analytics	—	30,169			30,169
Total revenue from contracts with customers	30,881	381,100	—		411,981

Other sources of revenue	1,396,163	21,240	37,660	1,455,063
Total revenues	<u>\$ 1,427,044</u>	<u>\$ 402,340</u>	<u>\$ 37,660</u>	<u>\$ 1,867,044</u>
<b>Timing of revenue recognition:</b>				
Services transferred at a point in time	\$ 1,427,044	\$ 347,934	\$ 37,660	\$ 1,812,638
Services transferred over time	—	54,406	—	54,406
Total revenues	<u>\$ 1,427,044</u>	<u>\$ 402,340</u>	<u>\$ 37,660</u>	<u>\$ 1,867,044</u>

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(in thousands)	Three Months Ended March 31, 2023			
	Market Making	Execution Services	Corporate	Total
<b>Revenues from contracts with customers:</b>				
Commissions, net	\$ 9,701	\$ 77,257	\$ —	\$ 86,958
Workflow technology	—	24,957	—	24,957
Analytics	—	9,529	—	9,529
Total revenue from contracts with customers	9,701	111,743	—	121,444
Other sources of revenue	489,220	6,735	2,981	498,936
Total revenues	<u>\$ 498,921</u>	<u>\$ 118,478</u>	<u>\$ 2,981</u>	<u>\$ 620,380</u>
<b>Timing of revenue recognition:</b>				
Services transferred at a point in time	\$ 498,921	\$ 100,480	\$ 2,981	\$ 602,382
Services transferred over time	—	17,998	—	17,998
Total revenues	<u>\$ 498,921</u>	<u>\$ 118,478</u>	<u>\$ 2,981</u>	<u>\$ 620,380</u>

#### Remaining Performance Obligations and Revenue Recognized from Past Performance Obligations

As of **September 30, 2023** **March 31, 2024** and **2022** **2023**, the aggregate amount of the transaction price allocated to the performance obligations relating to workflow technology and analytics revenues that are unsatisfied (or partially unsatisfied) was not material.

#### Contract Assets and Contract Liabilities

The timing of the revenue recognition may differ from the timing of payment from customers. The Company records a receivable when revenue is recognized prior to payment, and when the Company has an unconditional right to payment. The Company records a contract liability when payment is received prior to the time at which the satisfaction of the service obligation occurs.

Receivables related to revenues from contracts with customers amounted to **\$52.7 million** **\$57.6 million** and **\$56.1 million** **\$56.4 million** as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**, respectively. The Company did not identify any contract assets. There were no impairment losses on receivables as of **September 30, 2023** **March 31, 2024**.

Deferred revenue primarily relates to deferred commissions allocated to analytics products and subscription fees billed in advance of satisfying the performance obligations. Deferred revenue related to contracts with customers was **\$8.8 million** **\$9.5 million** and **\$9.6 million** **\$8.4 million** as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**, respectively. The Company recognized the full amount of revenue during the **nine three** months ended **September 30, 2023** **March 31, 2024** and **2022** **2023**, that had been recorded as deferred revenue in the respective prior year.

The Company has not identified any costs to obtain or fulfill its contracts under ASC 606.

#### 13. Income Taxes

The Company is subject to U.S. federal, state and local income tax at the rate applicable to corporations less the rate attributable to the noncontrolling interest in Virtu Financial. These noncontrolling interests are subject to U.S. taxation as partnerships. Accordingly, for the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, the income attributable to these noncontrolling interests was reported in the Condensed Consolidated Statements of Comprehensive Income, but the related U.S. income tax expense attributable to these noncontrolling interests was not reported by the Company as it is the obligation of the individual partners. The Company's non-U.S. subsidiaries are subject to foreign income taxes in the jurisdictions in which they operate. The Company's provisions for income taxes and effective tax rates were \$20.5 million \$28.5 million, and 14.9% 20.4%, and \$21.7 million \$24.7 million, and 21.4% 18.3% for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively and \$51.1 million, and 16.6%, and \$88.4 million, and 17.1% for the nine months ended September 30, 2023 and 2022, 2023, respectively. Income tax expense is also affected by the differing effective tax rates in foreign, state and local jurisdictions where certain of the Company's subsidiaries are subject to corporate taxation.

Included in Other assets on the Condensed Consolidated Statements of Financial Condition at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 are current income tax receivables of \$45.9 million \$54.7 million and \$54.1 million \$44.3 million, respectively. The balances at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 primarily comprised income tax benefits due to the Company from federal, state, local, and foreign tax jurisdictions based on income before taxes. Included in Accounts payable, accrued expenses and other liabilities on the Condensed Consolidated Statements of Financial Condition at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 are current tax liabilities of \$7.5 million \$10.6 million and \$13.4 million \$6.8 million, respectively. The balances at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 primarily comprise income taxes owed to federal, state and local, and foreign tax jurisdictions based on income before taxes.

Deferred income taxes arise primarily due to the amortization of the deferred tax assets recognized in connection with the IPO (see Note 4 "Tax" "Tax Receivable Agreements" "Agreements"), the Acquisition of KCG, and the ITG Acquisition, differences in the valuation of financial assets and liabilities, and other temporary differences arising from the deductibility of compensation, depreciation, and other expenses in different time periods for book and income tax return purposes.

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There are no expiration dates on the deferred tax assets. The provisions of ASC 740 require that carrying amounts of deferred tax assets be reduced by a valuation allowance if, based on the available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Accordingly, the need to establish valuation allowances for deferred tax assets is assessed periodically with appropriate consideration given to all positive and negative evidence related to the realization of the deferred tax assets. At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company did not have any U.S. federal, state or local net operating loss carryforwards and therefore the Company did not record a deferred tax asset related to any federal net operating loss carryforwards. At September 30, 2023 and December 31, 2022, the Company recorded deferred income taxes related to state and local net operating losses of \$0.4 million. These net operating losses will begin to expire in 2039. The Company did not record a valuation allowance against this deferred tax asset.

As a result of the acquisitions of ITG Acquisition, and KCG, the Company had has non-U.S. net operating losses at March 31, 2024 and December 31, 2023, of \$65.4 million \$303.4 million and \$64.6 million at September 30, 2023 and December 31, 2022 \$304.5 million, respectively, and has recorded a related deferred tax asset assets of \$12.3 million \$56.9 million and \$12.4 million \$57.1 million, respectively. A full valuation allowance of \$12.3 million and \$12.4 million was recorded against this these deferred tax asset assets at September 30, 2023 March 31, 2024 and December 31, 2022, respectively December 31, 2023 as it is more likely than not that a substantial portion of this these deferred tax asset assets will not be realized. As a result of the Acquisition of KCG, the Company had non-U.S. net operating losses at September 30, 2023 and December 31, 2022 of \$239.3 million, and recorded a related deferred tax asset of \$44.9 million in both years. A full valuation allowance was also recorded against this deferred tax asset at both September 30, 2023 and December 31, 2022 as it is more likely than not that this deferred tax asset will not be realized.

No valuation allowance against the remaining deferred taxes was recorded as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 because it is more likely than not that these deferred tax assets will be fully realized.

The Company is subject to taxation in U.S. federal, state, local and foreign jurisdictions. As of September 30, 2023 March 31, 2024, the Company's tax years for 2015 through 2022 and 2016 through 2022 were subject to examination by U.S. and non-U.S. tax authorities, respectively. As a result of the ITG Acquisition and the Acquisition of KCG, the Company assumed any ITG and KCG tax exposures. In addition, the Company is subject to state and local income tax examinations in various jurisdictions for the tax years 2013 through 2022. The final outcome of these examinations is not yet determinable. However, the Company anticipates that adjustments related to these examinations, if any, will not result in a material change to its financial condition, results of operations and cash flows.

The Company's policy for recording interest and penalties associated with audits is to record such items as a component of income or loss before income taxes and noncontrolling interest. Penalties, if any, are recorded in Operations and administrative expense and interest received or paid is recorded in Other, net or Operations and administrative expense in the Condensed Consolidated Statements of Comprehensive Income, respectively.

The Company had \$7.0 million \$7.6 million of unrecognized tax benefits as of September 30, 2023 March 31, 2024, all of which would affect the Company's effective tax rate if recognized. The Company has determined that there are no uncertain tax positions that would have a material impact on the Company's financial position as of September 30, 2023 March 31, 2024.

#### 14. Commitments, Contingencies and Guarantees

##### Legal and Regulatory Proceedings

In the ordinary course of business, the nature of the Company's business subjects it to claims, lawsuits, regulatory examinations or investigations and other proceedings, any of which could result in the imposition of fines, penalties or other sanctions against the Company. The Company and its subsidiaries are subject to several of these matters at the present time. As previously disclosed, the U.S. Securities and Exchange Commission undertook an investigation of aspects of the Company's internal information access barriers. The Company cooperated with this civil investigation and engaged in settlement discussions but has been unable to reach a settlement. In September 2023, the SEC filed an action against the Company alleging violations of federal securities laws with respect to the Company's information barriers policies and procedures for a specified time period in and around January 2018 to April 2019 and related statements made by the Company during such period. The Company believes it has meritorious defenses and **intends to defend itself vigorously**. Specifically, the Company **plans to assert, is asserting**, among other defenses, that it maintained reasonable policies, procedures and controls to protect data during the period consistent with applicable law, that related statements made to clients and investors were true and accurate, and that the statute of limitations has expired with respect to certain claims.

In **a matter matters** related to the SEC investigation noted above, **on May 19, 2023**, the Company and certain of its current and former executive officers were named as defendants **on May 19, 2023** in *Hiebert v. Virtu Financial, Inc.*, No. **23-cv-03770**. **23-cv-03770** and **on October 31, 2023** in *City of Birmingham Retirement and Relief System v. Virtu Financial, Inc.*, No. **23-cv-08123**. The **complaint was complaints were each** filed by **a purported stockholder stockholders** in the Eastern District of New York on behalf of a putative class and **asserts assert** that the Company made materially false and misleading statements and omissions in its public filings in violation of federal securities **laws, laws**. The **complaints were subsequently consolidated and is expected to be amended and restated by the newly appointed lead plaintiff**, recaptioned in *re Virtu Financial, Inc. Securities Litigation*, No. **23-cv-03770**. The Company also **has received a request requests** for information **related to the SEC investigation** pursuant to Section 220 of the Delaware General Corporation Law from counsel for **a purported stockholder, stockholders**. The Company believes it has meritorious defenses against pending or contemplated claims that its public disclosures **in relation to the SEC investigation** were inadequate or misleading. The Company maintains that such disclosures were true and accurate and compliant with applicable law and will defend itself vigorously.

On November 30, 2020, the Company was named as a defendant in *In re United States Oil Fund, LP Securities Litigation*, No. 20-cv-4740. The consolidated amended complaint was filed in federal district court in New York on behalf of a putative class, and asserts claims against the Company and numerous other financial institutions under Section 11 of the Securities Act of 1933 in connection with trading in United States Oil Fund, LP, a crude oil ETF. The complaint also names the ETF, its sponsor, and related individuals as defendants. The complaint did not specify the amount of alleged damages. Defendants moved to dismiss the consolidated amended complaint on January 29, 2021; the motion is fully briefed and pending before the court. The Company believes that the claims are without merit and is defending itself vigorously.

On March 7, 2022, the Company was named as a defendant in *Iron Workers Local No. 55 Pension Fund v. Virtu Financial, Inc.*, No. 2022-0211-PAF pending in the Court of Chancery of the State of Delaware. The complaint, filed by a purported stockholder, seeks to compel the inspection of certain Company books and records pursuant to Section 220 of the Delaware General Corporation Law. The complaint alleges that the stockholder seeks Company information to investigate (a) whether wrongdoing or mismanagement occurred in connection with distributions made to the partners of Virtu Financial pursuant to the Company's Up-C corporate structure; (b) the independence and disinterestedness of the Company's directors and/or officers and whether the directors breached their fiduciary duties; and (c) potential damages relating thereto. The Company has made substantial productions of documents and other information in response to plaintiff's requests. Though no substantive claim has been brought, the Company believes that any potential allegations of wrongdoing are without merit and is defending itself vigorously.

On October 17, 2022, the Company's subsidiary, along with several other parties, was named as a defendant in *Mallinckrodt PLC, et al. (Reorganized Debtors); Opioid Master Disbursement Trust II v. Argos Capital Appreciation Master Fund LP et al* No. 20-12522. The complaint alleges that Mallinckrodt PLC engaged in a share repurchase program from 2015 through 2018 pursuant to which it repurchased its own shares in various open market transactions, a period during which it was allegedly insolvent. The plaintiff is seeking to unwind the transactions consummated under the program, alleging such transactions constituted fraudulent transfers by the debtor. The Company believes it has meritorious defenses against any unwinding of transactions, which it has asserted, and will continue to defend itself vigorously.

On December 1, 2022, the Company's subsidiary, along with several other parties, was named as a defendant in *Northwest orthwest Biotherapeutics, Inc. v. Canaccord Genuity LLC, et al* No. 1:22-cv-10185. The **initial complaint alleges alleged** that defendants engaged in market manipulation in the plaintiff's stock during a period from 2018 to 2022. **A first amended complaint was filed on April 10, 2023, bringing substantially the same allegations as the initial complaint. The first amended complaint did not was dismissed with leave to amend on February 14, 2024. Plaintiff filed a second amended complaint on March 18, 2024. Neither the operative complaint nor prior iterations** specify the amount of alleged damages. The Company believes that the claims are without merit and is defending itself vigorously.

Given the inherent difficulty of predicting the outcome of litigation and regulatory matters, particularly in regulatory examinations or investigations or other proceedings in which substantial or indeterminate judgments, settlements, disgorgements, restitution, penalties, injunctions, damages or fines are sought, or where such matters are in the early stages, the Company cannot estimate losses or ranges of losses for such matters where there is only a reasonable possibility that a loss may be incurred, and utilizes its judgment in accordance with applicable accounting standards in booking any associated estimated liability. It is not presently possible to determine the ultimate exposure to these matters and it is possible that the resolution of the outstanding matters will significantly exceed any estimated liabilities accrued by the Company. In addition, there are numerous factors that result in a greater degree of complexity in class-action lawsuits as compared to other types of litigation. There can be no assurance that these various legal proceedings will not significantly exceed any estimated liability accrued by the Company or have a material adverse effect on the Company's results of operations in any future period, and a material judgment, fine or sanction could have a material adverse impact on the Company's financial condition, results of operations and cash flows. However, it is the opinion of management, after consultation with legal counsel that, based on information currently available, the ultimate outcome of these matters will not have a material adverse impact on the business, financial condition or operating results of the Company, although they might be material to the operating results for any particular reporting period. The Company carries directors' and officers' liability insurance coverage and other insurance coverage for potential claims, including securities actions, against the Company and its respective directors and officers.

## Other Legal and Regulatory Matters

The Company owns subsidiaries including regulated entities that are subject to extensive oversight under federal, state and applicable international laws as well as self-regulatory organization ("SRO") rules. Changes in market structure and the need to remain competitive require constant changes to the Company's systems, order routing and order handling procedures. The Company makes these changes while continuously endeavoring to comply with many complex laws and rules. Compliance, surveillance and trading issues common in the securities industry are monitored by, reported to, and/or reviewed in the ordinary course of business by the Company's regulators in the U.S. and abroad. As a major order flow execution destination, the Company is named from time to time in, or is asked to respond to a number of regulatory matters brought by U.S. regulators, foreign regulators, SROs, as well as actions brought by private plaintiffs, which arise from its business activities. There has recently been an increased focus by regulators on Anti-Money Laundering and sanctions compliance by broker-dealers and similar entities, as well as an enhanced interest on suspicious activity reporting and transactions involving microcap and low-priced securities. In addition, there has been increased regulatory, congressional and media scrutiny of U.S. equities market structure, the retail trading environment in the U.S., wholesale market making and the relationships between retail broker-dealers and market making firms including, but not limited to, payment for order flow arrangements, other remuneration arrangements such as profit-sharing relationships and exchange fee and rebate structures, alternative trading systems and off-exchange trading more generally, high frequency trading, short selling, market fragmentation, colocation, and access to market data feeds. Specifically, in 2022 the SEC proposed several rule changes focused on equity market structure reform. These proposals include, but are not limited to, (i) Proposed Rule 615 of Regulation NMS, which proposes to dramatically change U.S. equities market structure, the routing, handling and potentially the amount, character and cost of retail order flow, (ii) Regulation Best Execution, which would impose best execution requirements on broker-dealers which would be distinct from, but overlapping with, FINRA's existing best execution rule (Rule 5310), (iii) proposed rule amendments to minimum pricing increments under Rule 612 of Regulation NMS, access fee caps under Rule 610 of Regulation NMS, acceleration of the implementation of certain Market Data Infrastructure Rules, and amendment to the odd-lot information definition adopted under the MDI rules (collectively referred to as the "tick size, access fees and infrastructure rule proposals"), and (iv) amendments to Rule 605 of Regulation NMS, along with a series of amendments to the definition of Exchange and Alternative Trading Systems (ATS), which would expand the scope of exchange and ATS registration and compliance requirements. Further, in 2023, the SEC proposed amendments to expand and update Regulation Systems Compliance and Integrity (SCI) and to restrict volume based tiered pricing by equity exchanges in certain cases, approved an amendment to adopt a revised funding model for the Consolidated Audit Trail (CAT), and has indicated that additional rule proposals may be forthcoming. **If Additionally, rules to amend the definitions of "dealer" and "government securities dealer" within the Exchange Act were recently adopted, and are expected to broaden the scope of these registrant categories. These pending or other potential rule changes, to the extent adopted, could adversely affect the Company's business or the Company's industry.** As indicated above, from time to time, the Company is the subject of requests for information and documents from the SEC, the Financial Industry Regulatory Authority ("FINRA" ("FINRA")), state attorneys general, and other regulators and governmental authorities. It is the Company's practice to cooperate and comply with the requests for information and documents. Additional information regarding legal and regulatory risks is described within the "Risk Factors" section under the sub header of "Legal and Regulatory Risks" in the Company's Annual Report on Form 10-K for the year ended **December 31, 2022, as filed with the Securities and Exchange Commission ("SEC") on February 17, 2023 (the "2022 Form 10-K") December 31, 2023.**

As indicated above, the Company is currently the subject of various regulatory reviews and investigations by state, federal and foreign regulators and SROs, including the SEC and FINRA. In some instances, these matters may result in a disciplinary action and/or a civil or administrative action.

## Representations and Warranties; Indemnification Arrangements

In the normal course of its operations, the Company enters into contracts that contain a variety of representations and warranties in addition to indemnification obligations, including indemnification obligations in connection with the Acquisition of KCG and the ITG Acquisition. The Company's maximum exposure under these arrangements is currently unknown, as any such exposure could relate to claims not yet brought or events which have not yet occurred. **For example, in November 2013, KCG sold Urban Financial of America, LLC ("Urban"), the reverse mortgage origination and securitization business previously owned by Knight Capital Group, Inc., to an investor group now known as Finance of America Reverse, LLC ("FAR"). Pursuant to the terms of the Stock Purchase Agreement between KCG and FAR, Virtu has certain continuing obligations related to KCG's prior ownership of Urban.**

Consistent with standard business practices in the normal course of business, the Company enters into contracts that contain a variety of representations and warranties and general indemnifications. The Company has also provided general indemnifications to its managers, officers, directors, employees, and agents against expenses, legal fees, judgments, fines, settlements, and other amounts actually and reasonably incurred by such persons under certain circumstances as more fully disclosed in its operating agreement. The overall maximum amount of the obligations (if any) cannot reasonably be estimated as it will depend on the facts and circumstances that give rise to any future claims.

## 15. Leases

The Company primarily enters into lessee arrangements for corporate office space, data centers, and technology equipment. For more information on lease accounting, see Note 2 "Summary of Significant Accounting Policies" and Note **16 15** "Leases" to the Consolidated Financial Statements of the Company's **2022 2023** Annual Report on Form 10-K.

Lease assets and liabilities are summarized as follows:



(in thousands)	(in thousands)	Financial Statement Location	September 30, 2023	December 31, 2022	(in thousands)	Financial Statement Location	March 31, 2024	December 31, 2023
Operating leases	Operating leases							
Operating lease right-of-use assets	Operating lease right-of-use assets	Operating lease right-of-use assets	\$ 161,811	\$ 187,442				
Operating lease right-of-use assets								
Operating lease right-of-use assets								
Operating lease liabilities	Operating lease liabilities	Operating lease liabilities	211,249	239,202				
Finance leases	Finance leases							
Finance leases								
Finance leases								
Property and equipment, at cost								
Property and equipment, at cost								
Property and equipment, at cost	Property and equipment, at cost	Property, equipment, and capitalized software, net	30,612	27,908				
Accumulated depreciation	Accumulated depreciation	Property, equipment, and capitalized software, net	(9,523)	(12,736)				
Finance lease liabilities	Finance lease liabilities	Accounts payable, accrued expenses, and other liabilities	21,505	15,323				

Weighted average remaining lease term and discount rate are as follows:

		September 30, 2023	December 31, 2022		
	March 31, 2024			March 31, 2024	December 31, 2023
Weighted average remaining lease term	Weighted average remaining lease term				
Operating leases					
Operating leases					

Operating leases	Operating leases	6.10 years	6.21 years		5.12 years		5.25 years
Finance leases	Finance leases	3.3 years	2.84 years	Finance leases	3.33 years		3.50 years
Weighted average discount rate	Weighted average discount rate						
Operating leases	Operating leases	5.54 %	5.43 %				
Operating leases	Operating leases				6.37 %		6.40 %
Finance leases	Finance leases	4.85 %	3.92 %	Finance leases	5.58 %		5.51 %

The components of lease expense are as follows:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating lease cost:				
Fixed	\$ 18,794	\$ 18,183	\$ 57,159	\$ 54,677
Variable	1,430	1,251	4,486	4,495
Total Operating lease cost	\$ 20,224	\$ 19,434	\$ 61,645	\$ 59,172
Sublease income	4,917	4,917	14,724	14,763
Finance lease cost:				
Amortization of ROU Asset	\$ 2,269	\$ 1,855	\$ 6,821	\$ 5,748
Interest on lease liabilities	290	90	810	264
Total Finance lease cost	\$ 2,559	\$ 1,945	\$ 7,631	\$ 6,012

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(in thousands)	Three Months Ended March 31,	
	2024	2023
Operating lease cost:		
Fixed	\$ 18,431	\$ 18,878
Variable	1,508	1,764
Total Operating lease cost	\$ 19,939	\$ 20,642
Sublease income	4,692	4,889
Finance lease cost:		
Amortization of ROU Asset	\$ 2,579	\$ 2,124
Interest on lease liabilities	412	208
Total Finance lease cost	\$ 2,991	\$ 2,332

Future minimum lease payments under operating and finance leases with non-cancelable lease terms, as of September 30, 2023 March 31, 2024, are as follows:

(in thousands)	(in thousands)	Operating Leases	Finance Leases
2023		\$ 18,088	\$ 2,139

(in thousands)

(in thousands)		Operating Leases		Finance Leases	
2024	2024	46,565	8,385		
2025	2025	39,210	4,798		
2026	2026	35,292	4,020		
2027	2027	30,092	3,930		
2028 and thereafter		82,494	490		
2028					
2029 and thereafter					
Total lease payments	Total lease payments	\$251,741	\$23,762		
Less imputed interest	Less imputed interest	(40,492)	(2,257)		
Total lease liability	Total lease liability	\$211,249	\$21,505		

## 16. Cash

The following table provides a reconciliation of cash and cash equivalents together with restricted or segregated cash as reported within the Condensed Consolidated Statements of Financial Condition to the sum of the same such amounts shown in the Condensed Consolidated Statements of Cash Flows.

(in thousands)	(in thousands)	September 30, 2023	December 31, 2022	(in thousands)	March 31, 2024	December 31, 2023
Cash and cash equivalents	Cash and cash equivalents	\$ 688,790	\$ 981,580			
Cash restricted or segregated under regulations and other	Cash restricted or segregated under regulations and other	37,565	56,662			
Total cash, cash equivalents and restricted cash shown in the statement of cash flows	Total cash, cash equivalents and restricted cash shown in the statement of cash flows	\$ 726,355	\$ 1,038,242			

## 17. Capital Structure

The Company has four classes of authorized common stock. The Class A Common Stock and the Class C Common Stock have one vote per share. The Class B Common Stock and the Class D Common Stock have 10 votes per share. Shares of the Company's common stock generally vote together as a single class on all matters submitted to a vote of the Company's stockholders. The Founder Member controls approximately 86.2% 86.5% of the combined voting power of our common stock as a result of its ownership of our Class A, Class C and Class D Common Stock. The Company holds approximately a 58.4% 57.8% interest in Virtu Financial at September 30, 2023 March 31, 2024.

During the period prior to the Company's IPO and certain reorganization transactions consummated in connection with the IPO, Class A-2 profits interests and Class B interests in Virtu Financial were issued to Employee Holdco (as defined below) on behalf of certain key employees and stakeholders. In connection with these reorganization transactions, all Class A-2 profits interests and Class B interests were reclassified into Virtu Financial Units. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there were 4,040,772 and 4,462,840 4,040,772 Virtu Financial Units outstanding held by Employee Holdco (as defined below), respectively, and 422,068 none and 828,999 173,535 of such Virtu Financial Units and corresponding Class C Common Stock were exchanged into Class A Common Stock, forfeited or repurchased during the nine three months ended September 30, 2023, March 31, 2024 and 2022, 2023, respectively.

## Amended and Restated 2015 Management Incentive Plan

The Company's Board of Directors and stockholders adopted the 2015 Management Incentive Plan, which became effective upon consummation of the IPO, and was subsequently amended and restated following receipt of approval from the Company's stockholders on June 30, 2017, June 5, 2020 and June 2, 2022. The Amended and Restated 2015 Management Incentive Plan provides for the grant of stock options, restricted stock units, and other awards based on an aggregate of 26,000,000 shares of Class A Common Stock, subject to additional sublimits, including limits on the total option grant to any one participant in a single year and the total performance award to any one participant in a single year.

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On November 13, 2020, the Company amended its form award agreement for the issuance of RSUs to provide for the continued vesting of outstanding RSU awards upon the occurrence of a qualified retirement (the "RSU Amendment" "RSU Amendment"). A qualified retirement generally means a voluntary resignation by the participant (i) after five years of service, (ii) the participant attaining the age of 50 and (iii) the sum of the participant's age and service at the time of termination equaling or exceeding 65. Continued vesting is subject to the participant entering into a 2 year non-compete. The RSU Amendment was authorized and approved by the Compensation Committee of the Company's Board of Directors. As a result of the RSU Amendment, currently issued and outstanding RSUs held by the Company's employees, including its executive officers, shall be deemed to be subject to the amended terms of the form award agreement, and any future RSU awards shall also be governed by such amended terms.

## Amended and Restated Investment Technology Group, Inc. 2007 Omnibus Equity Compensation Plan

On the ITG Closing Date, the Company assumed the Amended and Restated ITG 2007 Equity Plan and the Assumed Awards. As of the ITG Closing Date, the aggregate number of shares of Class A Common Stock subject to such Assumed Awards was 2,497,028 and the aggregate number of shares of Class A Common Stock that remained issuable pursuant to the Amended and Restated ITG 2007 Equity Plan was 1,230,406.

## Share Repurchase Program

On November 6, 2020, the Company's Board of Directors authorized a share repurchase program of up to \$100.0 million in Class A common stock and Virtu Financial Units by December 31, 2021. On February 11, 2021, the Company's Board of Directors authorized the expansion of the program by an additional \$70 million in Class A Common Stock and Virtu Financial Units. On May 4, 2021, the Company's Board of Directors authorized the expansion of the Company's share repurchase program, increasing the total authorized amount by an additional \$300 million in Class A Common Stock and Virtu Financial Units and extending the duration of the program through May 4, 2022. On November 3, 2021 the Company's Board of Directors authorized another expansion of the program by an additional \$750 million to \$1,220 million and extending the duration of the program through November 3, 2023, which was subsequently extended through December 31, 2024. The share repurchase program authorizes the Company to repurchase shares from time to time in open market transactions, privately negotiated transactions or by other means. Repurchases are also permitted to be made under Rule 10b5-1 plans. The timing and amount of repurchase transactions are determined by the Company's management based on its evaluation of market conditions, share price, cash sources, legal requirements and other factors. From the inception of the program through September 30, 2023 March 31, 2024, the Company repurchased approximately 41.2 million 45.6 million shares of Class A Common Stock and Virtu Financial Units for approximately \$1,065.6 \$1,145.4 million. As of September 30, 2023 March 31, 2024, the Company has approximately \$154.4 \$74.6 million remaining capacity for future purchases of shares of Class A Common Stock and Virtu Financial Units under the program.

## Employee Exchanges

During the nine three months ended September 30, 2023, March 31, 2024 and 2022, 2023, pursuant to the exchange agreement by and among the Company, Virtu Financial and holders of Virtu Financial Units, certain current and former employees elected to exchange 186,394, none and 92,930 152,037 units, respectively in Virtu Financial held directly or on their behalf by Virtu Employee Holdco LLC ("Employee Holdco") on a one-for-one basis for shares of Class A Common Stock.

## Warrant Issuance

On March 20, 2020, in connection with and in consideration of the Founder Member's commitments under the Founder Member Loan Facility (as described in Note 8 "Borrowings"), the Company delivered to the Founder Member a warrant (the "Warrant") to purchase shares of the Company's Class A Common Stock. Pursuant to the Warrant, the Founder Member was entitled to purchase up to 3,000,000 shares of Class A Common Stock on or after May 22, 2020 up to and including January 15, 2022. The Founder Member Loan Facility Term expired on September 20, 2020 without the Company having borrowed any Founder Member Loans thereunder (as described in Note 8 "Borrowings"). The exercise price per share of the Class A Common Stock issuable pursuant to the Warrant was \$22.98, which in accordance with the terms of the Warrant, is equal to the average of the volume weighted average prices of the Class A Common Stock for the ten (10) trading days following May 7, 2020, the date on which the Company publicly announced its earnings results for the first quarter of 2020. On December 17, 2021, the Founder Member exercised in full the Warrant to purchase 3,000,000 shares of the Company's Class A Common Stock. The Warrant and Class A Common Stock issued pursuant to the Warrant were offered, issued and sold, in reliance on the exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), set forth under Section 4(a)(2) of the Securities Act relating to sales by an issuer not involving any public offering.

Upon issuance, the fair value of the Warrant was determined using a Black-Scholes-Merton model, and was recorded as a debt issuance cost within Other assets on the Condensed Consolidated Statements of Financial Condition and as an increase

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to Additional paid-in capital on the Condensed Consolidated Statements of Changes in Equity. The balance was amortized on a straight-line basis from March 20, 2020 through September 20, 2020, the date on which the Founder Member Loan Facility expired, and recorded as expense within Debt issue cost related to debt refinancing, prepayment and commitment fees in the Condensed Consolidated Statements of Comprehensive Income.

Accumulated Other Comprehensive Income

The following table presents the changes in Other Comprehensive Income for the three and nine months ended September 30, 2023, March 31, 2024 and 2022: 2023:

Three Months Ended September 30, 2023				
(in thousands)	AOCI Beginning Balance	Amounts recorded		AOCI Ending Balance
		in AOCI	Amounts reclassified from AOCI to income	
Net change in unrealized cash flow hedges gains (losses) (1)	\$ 41,970	\$ 3,733	\$ (8,199)	\$ 37,504
Foreign exchange translation adjustment	(10,838)	(2,339)	—	(13,177)
Total	\$ 31,132	\$ 1,394	\$ (8,199)	\$ 24,327
(1) Amounts reclassified from AOCI to income are included within Financing interest expense on long-term borrowings on the Condensed Consolidated Statements of Comprehensive Income. As of September 30, 2023, the Company expects approximately \$32.8 million to be reclassified from AOCI into earnings over the next 12 months. The timing of the reclassification is based on the interest payment schedule of the long-term borrowings.				
Three Months Ended September 30, 2022				
(in thousands)	AOCI Beginning Balance	Amounts recorded		AOCI Ending Balance
		in AOCI	Amounts reclassified from AOCI to income	
Net change in unrealized cash flow hedges gains (losses) (1)	\$ 27,486	\$ 19,579	\$ (1,066)	\$ 45,999
Foreign exchange translation adjustment	(13,660)	(11,161)	—	(24,821)
Total	\$ 13,826	\$ 8,418	\$ (1,066)	\$ 21,178
(1) Amounts reclassified from AOCI to income are included within Financing interest expense on long-term borrowings on the Consolidated Statements of Comprehensive Income.				

Nine Months Ended September 30, 2023											Three Months Ended March 31, 2024
											Three Months Ended March 31, 2024
Three Months Ended March 31, 2024											Three Months Ended March 31, 2024
		Amounts							Amounts		
(in thousands)	(in thousands)	AOCI Beginning Balance	Amounts recorded in AOCI	reclassified from AOCI to income	AOCI Ending Balance	(in thousands)	AOCI Beginning Balance	Amounts recorded in AOCI	reclassified from AOCI to income	AOCI Ending Balance	
Net change in unrealized cash flow hedges gains (losses) (1)	Net change in unrealized cash flow hedges gains (losses) (1)	\$ 44,925	\$ 14,635	\$ (22,056)	\$37,504						
Foreign exchange translation adjustment	Foreign exchange translation adjustment	(13,321)	144	—	(13,177)						
Total	Total	\$ 31,604	\$ 14,779	\$ (22,056)	\$24,327						
(1) Amounts reclassified from AOCI to income are included within Financing interest expense on long-term borrowings on the Consolidated Statements of Comprehensive Income. As of September 30, 2023, the Company expects approximately \$32.8 million to be reclassified from AOCI into earnings over the next 12 months. The timing of the reclassification is based on the interest payment schedule of the long-term borrowings.											

(1) Amounts reclassified from AOCI to income are included within Financing interest expense on long-term borrowings on the Consolidated Statements of Comprehensive Income. As of March 31, 2024, the Company expects approximately \$28.4 million to be reclassified from AOCI into earnings over the next 12 months. The timing of the reclassification is based on the interest payment schedule of the long-term borrowings.

(1) Amounts reclassified from AOCI to income are included within Financing interest expense on long-term borrowings on the Consolidated Statements of Comprehensive Income. As of March 31, 2024, the Company expects approximately \$28.4 million to be reclassified from AOCI into earnings over the next 12 months. The timing of the reclassification is based on the interest payment schedule of the long-term borrowings.

		Nine Months Ended September 30, 2022								
		Three Months Ended March 31, 2023								
		Three Months Ended March 31, 2023								
		Three Months Ended March 31, 2023								
		Amounts								
(in thousands)	(in thousands)	AOCI Beginning Balance	Amounts recorded in AOCI	Amounts reclassified from AOCI to income	AOCI Ending Balance	(in thousands)	AOCI Beginning Balance	Amounts recorded in AOCI	Amounts reclassified from AOCI to income	AOCI Ending Balance
Net change in unrealized cash flow hedges gains	Net change in unrealized cash flow hedges gains									
(losses) (1)	(losses) (1)	\$ (10,481)	\$ 52,442	\$ 4,038	\$45,999					
Foreign exchange translation adjustment	Foreign exchange translation adjustment									
		285	(25,106)	—	(24,821)					
Total	Total	\$ (10,196)	\$ 27,336	\$ 4,038	\$21,178					

(1) Amounts reclassified from AOCI to income are included within Financing interest expense on long-term borrowings on the Consolidated Statements of Comprehensive Income.

18. Share-based Compensation

Pursuant to the Amended and Restated 2015 Management Incentive Plan as described in Note 17 "Capital Structure" "Capital Structure", and in connection with the IPO, non-qualified stock options to purchase shares of Class A Common Stock were granted, each of which vests in equal annual installments over a period of four years from grant date and expires not later than 10 years from the date of grant.

The following table summarizes activity related to stock options for the nine three months ended September 30, 2023 March 31, 2024 and 2022: 2023:

Options Outstanding	Options Exercisable	Options Outstanding	Options Exercisable
---------------------	---------------------	---------------------	---------------------

	Weighted Average			Weighted Average		Number of Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life	Number of Options	Weighted Average Exercise Price Per Share
	Number of Options	Exercise Price Per Share	Remaining Contractual Life	Number of Options	Price Per Share					
At December 31, 2021	1,795,655	\$ 19.00	3.24	1,795,655	\$ 19.00					
Granted	—	—	—	—	—					
Exercised	(268,879)	19.00	—	(268,879)	19.00					
Forfeited or expired	(5,000)	—	—	(5,000)	—					
At September 30, 2022	1,521,776	\$ 19.00	2.49	1,521,776	\$ 19.00					
At December 31, 2022										
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The expected life was determined based on an average of vesting and contractual period. The risk-free interest rate was determined based on the yields available on U.S. Treasury zero-coupon issues. The expected stock price volatility was determined based on historical volatilities of comparable companies. The expected dividend yield was determined based on estimated future dividend payments divided by the IPO stock price.

#### Amended and Restated Investment Technology Group, Inc. 2007 Omnibus Equity Compensation Plan

On the ITG Closing Date, the Company assumed the Amended and Restated ITG 2007 Equity Plan and certain stock option awards, restricted stock unit awards, deferred stock unit awards and performance stock unit awards granted thereunder ("the Assumed Awards"). The Assumed Awards are subject to the same terms and conditions that were applicable to them under the Amended and Restated ITG 2007 Equity Plan, except that (i) the Assumed Awards relate to shares of the Company's Class A Common Stock, (ii) the number of shares of Class A Common Stock subject to the Assumed Awards was the result of an adjustment based upon an Exchange Ratio (as defined in the ITG Merger Agreement) and (iii) the performance share unit awards were converted into service-based vesting restricted stock unit awards that were no longer subject to any performance based vesting conditions.

#### Class A Common Stock, Restricted Stock Units and Restricted Stock Awards

Pursuant to the Amended and Restated 2015 Management Incentive Plan as described in Note 17 "Capital Structure" "Capital Structure", subsequent to the IPO, shares of immediately vested Class A Common Stock, restricted stock units ("RSUs" ("RSUs")) and restricted stock awards ("RSAs" ("RSAs")) were granted, with RSUs and RSAs vesting over a period of up to 4 years. The fair value of the Class A Common Stock and RSUs was determined based on a volume weighted average price and the expense is recognized on a straight-line basis over the vesting period. The fair value of the RSAs was determined based on the closing price as of the date of grant and the expense is recognized from the date that achievement of the performance target becomes probable through the remainder of the vesting period. Performance targets are based on the Company's adjusted EBITDA for certain future periods. For the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively, there were 868,315, 878,091 and 580,710 868,315 shares of immediately vested Class A Common Stock granted as part of year-end compensation. In addition, the Company accrued compensation expense of \$5.9 million \$4.9 million and \$8.9 million \$5.9 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and \$17.9 million, and \$24.4 million for the nine months ended

September 30, 2023 and 2022, 2023, respectively, related to immediately vested Class A Common Stock expected to be awarded as part of year-end incentive compensation, which was included in Employee compensation and payroll taxes on the Condensed Consolidated Statements of Comprehensive Income and Accounts payable, accrued expenses and other liabilities on the Condensed Consolidated Statements of Financial Condition.

The following table summarizes activity related to RSUs (including the Assumed Awards) and RSAs for the nine three months ended September 30, 2023, March 31, 2024 and 2022: 2023:

Number of RSUs and RSAs		Number of RSUs and RSAs		Weighted Average Fair Value
	Weighted Number of RSUs and RSAs		Average Fair Value	
At December 31, 2022				
At December 31, 2021	3,224,447		\$ 24.30	
Granted	3,027,148		29.88	
Forfeited	(363,744)		25.60	
Vested	(1,800,922)		25.14	
At September 30, 2022	4,086,929		\$ 27.94	
At December 31, 2022				
At December 31, 2022	At December 31, 2022	3,954,833	\$ 28.13	
Granted (1)	Granted (1)	3,763,217	19.28	
Forfeited	Forfeited	(184,381)	26.55	
Vested	Vested	(2,558,333)	23.63	
At September 30, 2023		4,975,336	\$ 23.81	
(1) Excluded in the number of RSUs and RSAs are 37,500 participating RSAs where the grant date has not been achieved because the performance conditions have not been met.				
At March 31, 2023				
At December 31, 2023				
At December 31, 2023				
At December 31, 2023				
Granted (1)				
Forfeited				
Vested				
At March 31, 2024				



(1) Excluded in the number of RSUs and RSAs are 487,500 and 37,500 participating RSAs for March 31, 2024 and 2023, respectively, where the grant date has not been achieved because the performance conditions have not been met.

(1) Excluded in the number of RSUs and RSAs are 487,500 and 37,500 participating RSAs for March 31, 2024 and 2023, respectively, where the grant date has not been achieved because the performance conditions have not been met.

The Company recognized \$9.7 million \$10.2 million and \$9.2 million \$10.1 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and \$29.8 million, and \$27.3 million for the nine months ended September 30, 2023 and 2022, 2023, respectively, of compensation expense in relation to RSUs. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, total unrecognized share-based compensation expense related to unvested RSUs was \$67.2 million \$67.0 million and \$54.6 million \$55.2 million, respectively, and this amount is to be recognized over a weighted average period of 1.1 1.4 years and 0.9 years, respectively. Awards in which the specific performance conditions have not been met are not included in unrecognized share-based compensation expense.

On November 13, 2020, the Company adopted the Virtu Financial, Inc. Deferred Compensation Plan (the "DCP" "DCP"). The DCP permits eligible executive officers and other employees to defer cash or equity-based compensation beginning in the calendar year ending December 31, 2021, subject to certain limitations and restrictions. Deferrals of cash compensation may also be directed to notional investments in certain of the employee investment opportunities.

19. Regulatory Requirement

U.S. Subsidiary

The Company's U.S. broker-dealer subsidiaries VAL and RFQ-Hub Americas LLC ("RAL" ("RAL"), are subject to the SEC Uniform Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital as detailed in the table below. RAL became a U.S. broker-dealer in June 2023. Pursuant to New York Stock Exchange ("NYSE" ("NYSE") rules, VAL was also required to maintain \$1.0 million of capital in connection with the operation of its designated market maker ("DMM") business as of September 30, 2023 March 31, 2024. The required amount is determined under the exchange rules as the greater of (i) \$1 million \$1.0 million or (ii) \$75,000 for every 0.1% of NYSE transaction dollar volume in each of the securities for which the Company is registered as the DMM.

The regulatory capital and regulatory capital requirements of the Company's U.S. subsidiaries as of September 30, 2023 March 31, 2024 was as follows:

(in thousands)	(in thousands)	Regulatory Capital	Regulatory Requirement	Excess Regulatory Capital	(in thousands)	Regulatory Capital	Regulatory Capital Requirement	Excess Regulatory Capital
Virtu Americas LLC	Virtu Americas LLC	\$ 457,258	\$ 1,641	\$ 455,617				
RFQ-Hub Americas LLC	RFQ-Hub Americas LLC	1,858	5	1,853				

As of September 30, 2023 March 31, 2024, VAL had \$31.3 million \$23.4 million of cash in special reserve bank accounts for the benefit of customers pursuant to SEC Rule 15c3-3, Computation for Determination of Reserve Requirements, and \$6.0 million \$6.2 million of cash in reserve bank accounts for the benefit of proprietary accounts of brokers. The balances are included within Cash restricted or segregated under regulations and other on the Condensed Consolidated Statements of Financial Condition.

The regulatory capital and regulatory capital requirements of the Company's U.S. subsidiaries as of December 31, 2022 December 31, 2023 was as follows:

(in thousands)	(in thousands)	Regulatory Capital	Regulatory Requirement	Excess Regulatory Capital	(in thousands)	Regulatory Capital	Regulatory Capital Requirement	Excess Regulatory Capital
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Virtu Americas LLC	Virtu Americas LLC	\$ 554,550	\$ 1,000	\$ 553,550
RFQ-Hub Americas LLC				

As of **December 31, 2022** **December 31, 2023**, VAL had **\$50.2 million** **\$28.7 million** of cash in special reserve bank accounts for the benefit of customers pursuant to SEC Rule 15c3-3, *Computation for Determination of Reserve Requirements*, and **\$5.8 million** **\$6.1 million** of cash in reserve bank accounts for the benefit of proprietary accounts of brokers.

#### Foreign Subsidiaries

The Company's foreign subsidiaries are subject to regulatory capital requirements set by local regulatory bodies, including the Canadian Investment Regulatory Organization ("**CIRO**" ("**CIRO**"), the Central Bank of Ireland ("**CBI**" ("**CBI**"), the Financial Conduct Authority ("**FCA**" ("**FCA**") in the United Kingdom, the Australian Securities and Investments Commission ("**ASIC**" ("**ASIC**"), the Securities and Futures Commission in Hong Kong ("**SFC**" ("**SFC**"), and the Monetary Authority of Singapore ("**MAS**" ("**MAS**").

The regulatory net capital balances and regulatory capital requirements applicable to the Company's foreign subsidiaries as of **September 30, 2023** **March 31, 2024** were as follows:

(in thousands)	(in thousands)	Regulatory Capital	Regulatory Requirement	Excess Regulatory Capital	(in thousands)	Regulatory Capital	Regulatory Capital Requirement	Excess Regulatory Capital
<b>Canada</b>	<b>Canada</b>							
Virtu Canada Corp		\$ 12,209	\$ 184	\$ 12,025				
Virtu Canada Corp (1)								
Virtu Canada Corp (1)								
Virtu Canada Corp (1)								
<b>Virtu Financial Canada ULC</b>	<b>Virtu Financial Canada ULC</b>	2,677	184	2,493				
Virtu Financial Canada ULC								
Virtu Financial Canada ULC								
<b>Ireland</b>	<b>Ireland</b>							
Virtu Europe Trading Limited (1)								
Virtu Europe Trading Limited (1)								
<b>Virtu Europe Trading Limited (1)</b>	<b>Virtu Europe Trading Limited (1)</b>	84,246	26,981	57,265				
Virtu Financial Ireland Limited (1)								
Virtu Financial Ireland Limited (1)								
<b>United Kingdom</b>	<b>United Kingdom</b>							
Virtu ITG UK Limited (1)								
Virtu ITG UK Limited (1)								
<b>Virtu ITG UK Limited (1)</b>	<b>Virtu ITG UK Limited (1)</b>	3,419	915	2,504				

Virtu ITG UK Limited (1)				
Asia Pacific	Asia Pacific			
Virtu ITG Australia Limited				
Virtu ITG Australia Limited				
Virtu ITG Australia Limited	Virtu ITG Australia Limited	22,855	10,760	12,095
Virtu ITG Hong Kong Limited	Virtu ITG Hong Kong Limited	3,190	460	2,730
Virtu ITG Singapore Pte Limited	Virtu ITG Singapore Pte Limited	677	96	581
Virtu Financial Singapore Pte. Ltd.	Virtu Financial Singapore Pte. Ltd.	128,827	64,385	64,442
(1)	(1)			
Preliminary	Preliminary			

As of September 30, 2023 March 31, 2024, Virtu Europe Trading Limited had \$0.1 million \$40 thousand of segregated funds on deposit for trade clearing and settlement activity, and Virtu ITG Hong Kong Ltd. had \$30 thousand of segregated balances under a collateral account control agreement for the benefit of certain customers.

The regulatory net capital balances and regulatory capital requirements applicable to the Company's foreign subsidiaries as of December 31, 2022 December 31, 2023 were as follows:

(in thousands)	(in thousands)	Regulatory Capital	Regulatory Capital Requirement	Excess Regulatory Capital	(in thousands)	Regulatory Capital	Regulatory Capital Requirement	Excess Regulatory Capital
Canada	Canada							
Virtu ITG Canada Corp	Virtu ITG Canada Corp	\$ 14,248	\$ 184	\$ 14,064				
Virtu ITG Canada Corp								
Virtu ITG Canada Corp								
Virtu Financial Canada ULC	Virtu Financial Canada ULC	2,663	184	2,479				
Ireland	Ireland							
Virtu Europe Trading Limited								
Virtu Europe Trading Limited								
Virtu Europe Trading Limited	Virtu Europe Trading Limited	78,834	28,502	50,332				
Virtu Financial Ireland Limited	Virtu Financial Ireland Limited	89,853	39,768	50,085				



United States									
United States	United States	\$	537,574	\$	469,023	\$	1,475,541	\$	1,504,216
Ireland	Ireland		52,181		43,711		153,633		179,741
Singapore			22,950		28,901		77,247		106,221
Canada			8,785		12,551		25,283		51,262
Australia			8,049		6,324		21,904		22,592
Ireland									
Ireland									
Others									
Others									
Others	Others		625		534		3,788		3,012
Total revenues	Total revenues	\$	630,164	\$	561,044	\$	1,757,396	\$	1,867,044
Total revenues									
Total revenues									

The Company has two operating segments: (i) Market Making and (ii) Execution Services; and one non-operating segment: Corporate.

The Market Making segment principally consists of market making in the cash, futures, and options markets across global equities, fixed income, currencies, and commodities. As a market maker, the Company commits capital on a principal basis by offering to buy securities from, or sell securities to, broker-dealers, banks and institutions. The Company engages in principal trading in the Market Making segment direct to clients as well as in a supplemental capacity on exchanges, Electronic Communications Networks ("ECNs" ("ECNs")) and alternative trading systems ("ATs" ("ATs")). The Company is an active participant on all major global equity and futures exchanges and also trades on substantially all domestic electronic options exchanges. As a complement to electronic market making, the cash trading business handles specialized orders and also transacts on the OTC Link ATS operated by OTC Markets Group Inc.

The Execution Services segment comprises client-based trading and trading venues, offering execution services in global equities, options, futures and fixed income on behalf of institutions, banks and broker-dealers. The Company earns commissions and commission equivalents as an agent on behalf of clients as well as between principals to transactions; in addition, the Company will commit capital on behalf of clients as needed. Client-based, execution-only trading in the segment is done primarily through a variety of access points including: (i) algorithmic trading and order routing in global equities and options; (ii) institutional sales traders who offer portfolio trading and single stock sales trading which provides execution expertise for program, block and riskless principal trades in global equities and ETFs; and (iii) matching of client conditional orders in POSIT Alert and client orders in the Company's ATs, including Virtu MatchIt, and POSIT. The Execution Services segment also includes revenues derived from providing (a) proprietary risk management and trading infrastructure technology to select third parties for a service fee, (b) workflow technology, the Company's integrated, broker-neutral trading tools delivered across the globe including trade order and execution management and order management software applications and network connectivity and (c) trading analytics, including (1) tools enabling portfolio managers and traders to improve pre-trade, real-time and post-trade execution performance, (2) portfolio construction and optimization decisions and (3) securities valuation. The segment also includes the results of the Company's capital markets business, in which the Company acts as an agent for issuers in connection with at-the-market offerings and buyback programs.

The Corporate segment contains the Company's investments, principally in strategic trading-related opportunities and maintains corporate overhead expenses and all other income and expenses that are not attributable to the Company's other segments.

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Management evaluates the performance of its segments on a pre-tax basis. Segment assets and liabilities are not used for evaluating segment performance or in deciding how to allocate resources to segments. The Company's total revenues and income before income taxes and noncontrolling interest ("Pre-tax earnings") by segment for the three months ended September 30, 2023, March 31, 2024 and 2022 2023 are summarized in the following table:

(in thousands)	Market Making	Execution Services	Corporate	Consolidated Total
<b>2023:</b>				
Total revenue	\$ 517,351	\$ 112,453	\$ 360	\$ 630,164
Income before income taxes and noncontrolling interest	130,252	7,814	39	138,105
<b>2022:</b>				
Total revenue	447,886	119,599	(6,441)	561,044
Income (loss) before income taxes and noncontrolling interest	99,276	8,993	(6,663)	101,606

The Company's Pre-tax earnings by segment for the nine months ended September 30, 2023, and 2022 are summarized in the following table:

	(in thousands)	Market Making	Execution Services	Corporate	Consolidated Total	(in thousands)	Market Making	Execution Services	Corporate	Consolidated Total
2024										
Total revenue										
Total revenue										
Total revenue										
Income (loss) before income taxes and noncontrolling interest										
2023										
2023										
2023	2023									
Total revenue	Total revenue	\$ 1,421,522	\$ 340,045	\$ (4,171)	\$ 1,757,396					
Income before income taxes and noncontrolling interest		298,104	16,711	(6,478)	308,337					
2022										
Total revenue	Total revenue	1,427,044	402,340	37,660	1,867,044					
Income before income taxes and noncontrolling interest		448,943	32,005	36,155	517,103					
Total revenue										
Income (loss) before income taxes and noncontrolling interest										

## 21. Related Party Transactions

The Company incurs expenses and maintains balances with its affiliates in the ordinary course of business. As of September 30, 2023, March 31, 2024 and December 31, 2022 December 31, 2023 the Company had net payables to its affiliates of \$3.0 million \$1.8 million and receivables from payables to its affiliates of \$0.5 million \$1.5 million, respectively.

The Company has held a minority interest in JNX since 2016 (see Note 9 "Financial Assets and Liabilities" Liabilities). The Company pays exchange fees to JNX for the trading activities conducted on its proprietary trading system. The Company paid \$2.4 million \$2.2 million and \$3.2 million \$2.5 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and \$8.4 million and \$10.7 million for the nine months ended September 30, 2023 and 2022, 2023, respectively, to JNX for these trading activities.

The Company pays monthly use fees to two JVs in which it holds interests (see Note 11 "Variable Interest Entities" Entities). These monthly fees are for the use of microwave communication networks operated by each of these JVs and are recorded within Communications and data processing on the Condensed Consolidated Statements of Comprehensive Income. The Company made payments to these JVs of \$12.6 million \$7.4 million and \$10.5 million \$6.3 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and \$25.2 million and \$21.4 million for the nine months ended September 30, 2023 and 2022, 2023, respectively.

The Company has an interest in Members Exchange, a member-owned equities exchange. The Company pays regulatory and transaction fees and receives rebates from trading activities. The Company made payments of \$2.2 million \$1.5 million and received rebates of \$2.3 million \$0.1 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and the Company made payments of \$2.4 million and received rebates of \$15.1 million for the nine months ended September 30, 2023 and 2022, 2023, respectively.

In the second quarter of 2022, the Company formed a JV to support the growth and expansion of a multi-asset request-for-quote communication platform. The Company consolidates this JV, and recorded noncontrolling interest of \$39.2 million in the condensed consolidated statement of changes in equity as of September 30, 2022. Refer to Note 11 "Variable Interest Entities" for further details.

## 22. Subsequent Events

The Company has evaluated subsequent events for adjustment to or disclosure in its Condensed Consolidated Financial Statements through the date of this report, and has not identified any recordable or disclosable events, not otherwise reported in these Condensed Consolidated Financial Statements or the notes thereto, except for the following:

On November 2, 2023 April 19, 2024, the Company entered into an agreement to sell a 49% interest in the multi-asset request-for-quote communication platform JV previously formed in 2022 and referenced in Note 11 "Variable Interest Entities". The sale is subject to various closing conditions including the receipt of certain regulatory approvals. Upon the closing of the sale, the Company will retain a minority stake in the JV.

On April 24, 2024, the Company's Board of Directors declared a dividend of \$0.24 per share of Class A Common Stock and Class B Common Stock and per participating Restricted Stock Unit and Restricted Stock Award that will be paid on December 15, 2023 June 15, 2024 to holders of record as of December 1, 2023 June 1, 2024.

On April 24, 2024, the Company's Board of Directors authorized the expansion of the Company's current share repurchase program, increasing the total authorized amount by \$500 million to \$1,720 million and extended the duration through April 24, 2026. Since the inception of the Company's share repurchase program through December 31, 2024 April 19, 2024, the Company repurchased approximately 45.9 million shares of Class A Common Stock and Virtu Financial Units for approximately \$1,151.4 million. Including the additional \$500 million authorization by its Board, the Company has approximately \$568.6 million remaining capacity for future purchase of shares of Class A Common Stock and Virtu Financial Units under the program.

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## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis covers the three and nine months ended September 30, 2023 March 31, 2024, and 2022 2023 should be read in conjunction with the Condensed Consolidated Financial Statements and accompanying notes for the period ended September 30, 2023 March 31, 2024, which are included in Part 1, Item 1 of this Quarterly Report on Form 10-Q, and the audited consolidated financial statements and accompanying notes and MD&A for the year ended December 31, 2022 December 31, 2023, which are included in Items Item 8 and 7 respectively, of the Company's Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023. This management's management's discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Unless otherwise stated, all amounts are presented in thousands of dollars.

### Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. You should not place undue reliance on forward-looking statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "may," "will," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate," "project" or, in each case, their negative, or other variations or comparable terminology and expressions. These statements are based on assumptions that we have made in light of our experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. As you read and consider this Quarterly Report on Form 10-Q, you should understand that forward-looking statements are not guarantees of performance or results and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Quarterly Report on Form 10-Q. By their nature, forward-looking statements involve known and unknown risks and uncertainties, including those described under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, as filed with the Securities and Exchange Commission ("SEC" ("SEC") on February 17, 2023 February 16, 2024 (the "2022" "2023 Form 10-K" "10-K"), because they relate to events and depend on circumstances that may or may not occur in the future. Although we believe that the forward-looking statements contained in this Quarterly Report on Form 10-Q are based on reasonable assumptions, you should be aware that many factors, including those described under the heading "Risk Factors" in our 2022 2023 Form 10-K, could affect our actual financial results or results of operations and cash flows, and could cause actual results to differ materially from those in such forward-looking statements, including but not limited to:

- volatility in levels of overall trading activity;
- dependence upon trading counterparties, clients and clearing houses performing their obligations to us;
- failures of our customized trading platform;
- risks inherent to the electronic market making business and trading generally;
- recent SEC proposals focused on equity markets which may, if adopted, materially change U.S. equity market structure, including by reducing overall trading volumes, reducing off-exchange trading and market making opportunities, requiring additional tools, platforms and services to register as an ATS or exchange, and generally increasing the implicit and explicit cost as well as the complexity of the U.S. equities eco-system for all participants;
- additionally, enhanced regulatory, congressional, and media scrutiny, including attention to electronic trading, wholesale market making and off-exchange trading, payment for order flow, and other market structure topics may result in additional potential changes in regulation or law which could have an adverse effect on our business as well as adversely impact the public's perception of us or of companies in our industry;
- increased competition in market making activities and execution services;
- dependence on continued access to sources of liquidity;
- risks associated with self-clearing and other operational elements of our business, including but limited to risks related to funding and liquidity;

- obligations to comply with applicable regulatory capital requirements;
- litigation or other legal and regulatory-based liabilities;

- changes in laws, rules or regulations, including proposed legislation that would impose taxes on certain financial transactions in the European Union, the U.S. (and certain states therein) and other jurisdictions and other potential changes which could increase our corporate or other tax obligations in one or more jurisdictions;
- obligations to comply with laws and regulations applicable to our operations in the U.S. and abroad;
- need to maintain and continue developing proprietary technologies;
- capacity constraints, system failures, and delays;
- dependence on third-party infrastructure or systems;
- use of open source software;
- failure to protect or enforce our intellectual property rights in our proprietary technology;
- failure to protect confidential and proprietary information;
- failure to protect our systems from internal or external cyber threats that could result in damage to our computer systems, business interruption, loss of data, monetary payment demands or other consequences;
- risks associated with international operations and expansion, including failed acquisitions or dispositions;
- the effects of and changes in economic conditions (such as volatility in the financial markets, increased inflation, monetary conditions and foreign currency and continued or exacerbated exchange rate fluctuations, foreign currency controls and/or government mandated pricing controls, as well as in trade, monetary, fiscal and tax policies in international markets), political conditions (such as military actions and terrorist activities), and other global events such as fires, geopolitical conflicts, natural disasters, pandemics or extreme weather;
- the continuing impacts of COVID-19 and the governmental and other responses thereto, including but not limited to the risk of employees and executives contracting COVID-19 and the deployment of our business continuity plan pursuant to which a significant number of our employees may work remotely and our return to office plan, each of which may increase operational risk, as well as increases in market, counterparty and other forms of operational risk;
- risks associated with potential growth and associated corporate actions;
- risks associated with new and emerging asset classes and eco-systems in which we may participate, including digital assets, including risks related to volatility in the underlying assets, regulatory uncertainty, evolving industry practices and standards around custody, clearing and settlement, and other risks inherent in a new and evolving asset class;
- inability to access, or delay in accessing, the capital markets to sell shares or raise additional capital;
- loss of key executives and failure to recruit and retain qualified personnel; and
- risks associated with losing access to a significant exchange or other trading venue.

Our forward-looking statements made herein are made only as of the date of this Quarterly Report on Form 10-Q. We expressly disclaim any intent, obligation or undertaking to update or revise any forward-looking statements made herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in this Quarterly Report on Form 10-Q.

Unless the context otherwise requires, the terms "we," "us," "our," "Virtu" "we," "us," "our," "Virtu" and the "Company" "Company" refer to Virtu Financial, Inc., a Delaware corporation, and its consolidated subsidiaries and the term "Virtu Financial" "Virtu Financial" refers to Virtu Financial LLC, a Delaware limited liability company and a consolidated subsidiary of ours.

## Overview

We are a leading financial services firm that leverages cutting edge technology to deliver liquidity to the global markets and innovative, transparent trading solutions to our clients. Leveraging our global market structure expertise and scaled, multi-asset technology infrastructure, we provide our clients with a robust product suite including offerings in execution, liquidity sourcing, analytics and broker-neutral, multi-dealer platforms in workflow technology. Our product offerings allow our clients to trade on hundreds of venues across over 50 countries and in multiple asset classes, including global equities, ETFs, options, foreign exchange, futures, fixed income, cryptocurrencies and other commodities. Our integrated, multi-asset analytics platform provides a range of pre- and post-trade services, data products and compliance tools that our clients rely upon to invest, trade and manage risk across global markets. We believe that our broad diversification, in combination with our proprietary technology platform and low-cost structure gives us the scale



necessary to grow our business around the globe as we service clients and facilitate risk transfer between global capital markets participants by providing liquidity, while at the same time earning attractive margins and returns.

Technology and operational efficiency are at the core of our business, and our focus on technology is a key element of our success. We have developed a proprietary, multi-asset, multi-currency technology platform that is highly reliable, scalable and modular, and we integrate directly with exchanges, liquidity centers, and our clients. Our market data, order routing, transaction processing, risk management and market surveillance technology modules manage our market making and execution services activities in an efficient manner and enable us to scale our activities globally across additional securities and other financial instruments and asset classes without significant incremental costs or third-party licensing or processing fees.

We believe that technology-enabled market makers and execution services providers like Virtu serve an important role in maintaining and enhancing the overall health and efficiency of the global capital markets by ensuring that market participants have an efficient means to invest, transfer risk and analyze the quality of executions. We believe that market participants benefit from the increased liquidity, lower overall trading costs and execution transparency that Virtu provides.

Our execution services and client solutions products are designed to be transparent, because we believe transparency makes markets more efficient and helps investors make better, more informed decisions. We use the latest technology to create and deliver liquidity to global markets and innovative trading solutions and analytics tools to our clients. We interact directly with hundreds of retail brokers, Registered Investment Advisors, private client networks, sell-side brokers, and buy-side institutions.

We have two operating segments: Market Making and Execution Services, and one non-operating segment: Corporate. Our management allocates resources, assesses performance and manages our business according to these segments.

### **Market Making**

We leverage cutting edge technology to provide competitive and deep liquidity that helps to create more efficient markets around the world. As a market maker and liquidity provider, we stand ready, at any time, to buy or sell a broad range of securities and other financial instruments, and we generate profits by buying and selling large volumes of securities and other financial instruments and earning small bid/ask spreads. Our market structure expertise, broad diversification, and scalable execution technology enable us to provide competitive bids and offers in over 25,000 securities and other financial instruments, on over 235 venues, in 36 countries worldwide. We use the latest technology to create and deliver liquidity to the global markets and automate our market making, risk controls, and post-trade processes. As a market maker, we interact directly with hundreds of retail brokers, Registered Investment Advisors, private client networks, sell-side brokers, and buy-side institutions.

We believe the overall level of volumes and realized volatility as well as the attractiveness of the order flow we interact with and the level of retail participation in the various markets we serve have the greatest impact on the financial performance of our market making businesses. Increases in market volatility can cause bid/ask spreads to widen as market participants are more willing to pay market makers like us to transact immediately and as a result, market makers' capture rate per notional amount transacted may increase.

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### **Execution Services**

We offer client execution services and trading venues that provide transparent trading in global equities, ETFs, fixed income, currencies, and commodities to institutions, banks and broker-dealers. We generally earn commissions when transacting as an agent for our clients. Client-based, execution-only trading within this segment is done through a variety of access points including: (a) algorithmic trading and order routing; (b) institutional sales traders who offer portfolio trading and single stock sales trading which provides execution expertise for program, block and riskless principal trades in global equities and ETFs; and (c) matching of client conditional orders in POSIT Alert and in our ATSS, including Virtu MatchIt and POSIT. We also earn revenues (a) by providing our proprietary technology and infrastructure to select third parties for a service fee, (b) through workflow technology and our integrated, broker-neutral trading tools delivered across the globe, including order and execution management systems and order management software applications and network connectivity and (c) through trading analytics, including (1) tools enabling portfolio managers and traders to improve pre-trade, real-time and post-trade execution performance, (2) portfolio construction and optimization decisions and (3) securities valuation. The segment also includes the results of our capital markets business, in which we act as an agent for issuers in connection with at-the-market offerings and buyback programs.

### **Corporate**

Our Corporate segment contains investments principally in strategic financial services-oriented opportunities and maintains corporate overhead expenses and all other income and expenses that are not attributable to our other segments.

### **Acquisition of ITG Credit Agreement**

On March 1, 2019, the "ITG" ("ITG Closing Date" "Date"), we announced the completed acquisition of Investment Technology Group, Inc. and its subsidiaries ("ITG" ("ITG")) in an all-cash transaction (the "ITG Acquisition" ("ITG Acquisition")). In connection with the ITG Acquisition, Virtu Financial, VFH Parent LLC, a Delaware limited liability company and a subsidiary of Virtu Financial ("VFH" ("VFH")), and Impala Borrower LLC (the "Acquisition Borrower" ("Acquisition Borrower")), a subsidiary of the Company, entered into a credit agreement, with the lenders party thereto, Jefferies Finance LLC, as administrative agent and Jefferies Finance LLC and RBC Capital Markets, as joint lead arrangers and joint bookrunners (the "Acquisition" "Acquisition Credit Agreement" "Agreement"). The Acquisition Credit Agreement provided (i) a senior secured first lien term loan (together with the Acquisition Incremental Term Loans, as defined below; the "Acquisition" "Acquisition First Lien Term Loan Facility" "Facility") in an aggregate principal amount of \$1,500.0 million, drawn in its entirety on the ITG Closing Date, of which approximately \$404.5 million was borrowed by VFH to repay all amounts outstanding under a previous term loan facility and the remaining approximately \$1,095.0 million borrowed by the Acquisition Borrower to finance the consideration and fees and expenses paid in connection with the ITG Acquisition,

and (ii) a \$50.0 million senior secured first lien revolving facility to VFH (the "Acquisition "Acquisition First Lien Revolving Facility" Facility"), with a \$5.0 million letter of credit subfacility and a \$5.0 million swingline subfacility. After the ITG Closing Date, VFH assumed the obligations of the Acquisition Borrower in respect of the acquisition term loans. On October 9, 2019, VFH entered into an amendment ("Amendment No. 1"), which amended the Acquisition Credit Agreement dated as of March 1, 2019, to, among other things, provide for \$525.0 million in aggregate principal amount of incremental term loans (the "Acquisition Incremental Term Loans"), and amend the related collateral agreement. On March 2, 2020, VFH entered into a second amendment ("Amendment No. 2"), which further amended the Acquisition Credit Agreement to, among other things, reduce the interest rate spread over adjusted London Interbank Offered Rate ("LIBOR" ("LIBOR")) or the alternate base rate by 0.50% per annum and eliminated any step-down in the spread based on VFH's VFH's first lien leverage ratio.

On January 13, 2022 (the "Credit "Credit Agreement Closing Date" Date"), VFH and Virtu Financial entered into a credit agreement, with the lenders party thereto, JPMorgan Chase Bank, N.A. as administrative agent and JPMorgan Chase bank, N.A., Goldman Sachs Bank USA, RBC Capital Markets, Barclays Bank plc, Jefferies Finance LLC, BMO Capital Markets Corp., and CIBC World Markets Corp., as joint lead arrangers and bookrunners (the "Credit Agreement"). The Credit Agreement provides (i) a senior secured first lien term loan in an aggregate principal amount of \$1,800.0 million, drawn in its entirety on the Credit Agreement Closing Date, the proceeds of which were used by VFH to repay all amounts outstanding under the Acquisition Credit Agreement, to pay fees and expenses in connection therewith, to fund share repurchases under the Company's repurchase program and for general corporate purposes, and (ii) a \$250.0 million senior secured first lien revolving facility to VFH, with a \$20.0 million letter of credit subfacility and a \$20.0 million swingline subfacility.

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#### Amended and Restated 2015 Management Incentive Plan

The Company's Board of Directors and stockholders adopted the 2015 Management Incentive Plan, which became effective upon consummation of the Company's Company's IPO and was subsequently amended and restated following receipt of approval from the Company's stockholders on June 30, 2017 (the "Amended and Restated 2015 Management Incentive Plan"). The Amended and Restated 2015 Management Incentive Plan provides for the grant of stock options, restricted stock units, and other awards based on an aggregate of 16,000,000 shares of Class A Common Stock, par value \$0.00001 per share (the "Class A Common Stock"), subject to additional sublimits, including limits on the total option grant to any one participant in a single year and the total performance award to any one participant in a single year. On April 23, 2020, the Company's Board of Directors adopted an amendment to the Company's Amended and Restated 2015 Management Incentive Plan in order to increase the number of shares of the Company's Class A Common Stock reserved for issuance, and in respect of which awards may be granted under the Amended and Restated 2015 Plan from 16,000,000 to an aggregate of 21,000,000 shares of Class A Common Stock. On April 22, 2022, the Company's Board of Directors adopted another amendment to the Company's Amended and Restated 2015 Management Incentive Plan to increase the number of shares to an aggregate of 26,000,000 shares of Class A Common Stock and the amendment was approved by the Company's shareholders at the Company's annual meeting of shareholders on June 2, 2022.

In connection with the IPO, non-qualified stock options to purchase 9,228,000 shares were granted at the IPO per share price, each of which vested in equal annual installments over a period of four years from the grant date and expire not later than 10 years from the grant date. Subsequent to the IPO and through September 30, 2023 March 31, 2024, options to purchase 1,643,750 shares in the aggregate were forfeited and 6,072,474 options were exercised. The fair value of the stock option grants was determined through the application of the Black-Scholes-Merton model and was recognized on a straight-line basis over the vesting period.

#### Amended and Restated Investment Technology Group, Inc. 2007 Omnibus Equity Compensation Plan

On the ITG Closing Date, the Company assumed the Amended and Restated ITG 2007 Omnibus Equity Compensation Plan, dated as of June 8, 2017 (the "Amended and Restated ITG 2007 Equity Plan") and certain stock option awards, restricted stock unit awards, deferred stock unit awards and performance stock unit awards granted under the Amended and Restated ITG 2007 Equity Plan (the "Assumed Awards"). The Assumed Awards are subject to the same terms and conditions that were applicable to them under the Amended and Restated ITG 2007 Equity Plan, except that (i) the Assumed Awards relate to shares of the Company's Class A Common Stock, (ii) the number of shares of Class A Common Stock subject to the Assumed Awards was the result of an adjustment based upon an Exchange Ratio (as defined in the Agreement and Plan of Merger by and between the Company, Impala Merger Sub, Inc., a Delaware corporation and an indirect wholly owned subsidiary of the Company, and ITG, dated as of November 6, 2018, the "ITG Merger Agreement") and (iii) the performance share unit awards were converted into service-based vesting restricted stock unit awards that were no longer subject to any performance based vesting conditions.

#### Parent Company Financial Information

There are no material differences between our condensed consolidated financial statements and the financial statements of Virtu Financial except as follows: (i) cash and cash equivalents reflected on our Condensed Consolidated Statements of Financial Condition as of September 30, 2023 March 31, 2024 in the amount of \$58.9 million \$5.6 million; (ii) deferred tax assets reflected on our Condensed Consolidated Statements of Financial Condition as of September 30, 2023 March 31, 2024 in the amount of \$127.0 million \$125.2 million and tax receivable agreement obligation in the amount of \$215.5 million \$196.3 million, in each case as described in greater detail in Note 4 "Tax "Tax Receivable Agreements" Agreements" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q; (iii) a portion of the member's member's equity of Virtu Financial is represented as noncontrolling interest on our Condensed Consolidated Statements of Financial Condition as of September 30, 2023 March 31, 2024; and (iv) provision for corporate income tax in the amount of \$15.9 million and \$34.9 million \$19.2 million reflected on our Condensed Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2023, respectively, March 31, 2024.

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## Components of Our Results of Operations

The following table shows our i) Total revenue, ii) Total operating expenses, and iii) Income before income taxes and noncontrolling interest by segment for the three and nine months ended September 30, 2023, March 31, 2024 and 2022: 2023:

(in thousands)					
(in thousands)					
(in thousands)	(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
Market Making	Market Making	2023	2022	2023	2022
Total revenue	Total revenue	\$ 517,351	\$ 447,886	\$ 1,421,522	\$ 1,427,044
Total revenue					
Total revenue					
Total operating expenses					
Total operating expenses					
Total operating expenses	Total operating expenses	387,099	348,610	1,123,418	978,101
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest	130,252	99,276	298,104	448,943
Income before income taxes and noncontrolling interest					
Income before income taxes and noncontrolling interest					
<b>Execution Services</b>					
<b>Execution Services</b>					
Execution Services	Execution Services				
Total revenue	Total revenue	112,453	119,599	340,045	402,340
Total revenue					
Total revenue					
Total operating expenses					
Total operating expenses					
Total operating expenses	Total operating expenses	104,639	110,606	323,334	370,335
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest	7,814	8,993	16,711	32,005
Income before income taxes and noncontrolling interest					
Income before income taxes and noncontrolling interest					
<b>Corporate</b>					
<b>Corporate</b>					
Corporate	Corporate				
Total revenue	Total revenue	360	(6,441)	(4,171)	37,660
Total revenue					
Total revenue					
Total operating expenses					
Total operating expenses					
Total operating expenses	Total operating expenses	321	222	2,307	1,505

Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest	39	(6,663)	(6,478)	36,155
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest				
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest				
Consolidated	Consolidated				
Consolidated	Consolidated				
Consolidated	Consolidated				
Total revenue	Total revenue	630,164	561,044	1,757,396	1,867,044
Total revenue	Total revenue				
Total revenue	Total revenue				
Total operating expenses	Total operating expenses				
Total operating expenses	Total operating expenses				
Total operating expenses	Total operating expenses	492,059	459,438	1,449,059	1,349,941
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest	\$ 138,105	\$ 101,606	\$ 308,337	\$ 517,103
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest				
Income before income taxes and noncontrolling interest	Income before income taxes and noncontrolling interest				

The following table shows our results of operations for the three and nine months ended September 30, 2023, March 31, 2024 and 2022: 2023:

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		Three Months Ended September 30,		Nine Months Ended September 30,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
(in thousands)	(in thousands)	2023	2022	2023	2022
Revenues:	Revenues:				
Revenues:	Revenues:				
Revenues:	Revenues:				
Trading income, net	Trading income, net				
Trading income, net	Trading income, net				
Trading income, net	Trading income, net	\$ 316,085	\$ 397,383	\$ 1,034,764	\$ 1,315,618
Interest and dividends income	Interest and dividends income	127,693	43,631	307,916	95,435
Interest and dividends income	Interest and dividends income				
Commissions, net and technology services	Commissions, net and technology services				
Commissions, net and technology services	Commissions, net and technology services				
Commissions, net and technology services	Commissions, net and technology services	110,276	120,986	341,223	411,981
Other, net	Other, net	76,110	(956)	73,493	44,010
Other, net	Other, net				

Other, net					
Total revenue					
Total revenue					
Total revenue	Total revenue	630,164	561,044	1,757,396	1,867,044
Operating Expenses:	Operating Expenses:				
Operating Expenses:					
Operating Expenses:					
Brokerage, exchange, clearance fees and payments for order flow, net					
Brokerage, exchange, clearance fees and payments for order flow, net					
Brokerage, exchange, clearance fees and payments for order flow, net	Brokerage, exchange, clearance fees and payments for order flow, net	123,245	168,869	391,238	476,235
Communication and data processing	Communication and data processing	57,066	52,907	170,837	164,441
Communication and data processing					
Communication and data processing					
Employee compensation and payroll taxes					
Employee compensation and payroll taxes					
Employee compensation and payroll taxes	Employee compensation and payroll taxes	97,221	103,254	296,214	305,338
Interest and dividends expense	Interest and dividends expense	132,802	61,989	342,896	153,243
Interest and dividends expense					
Interest and dividends expense					
Operations and administrative					
Operations and administrative					
Operations and administrative	Operations and administrative	22,416	14,319	72,204	53,110
Depreciation and amortization	Depreciation and amortization	15,815	16,658	47,076	50,470
Depreciation and amortization					
Depreciation and amortization					
Amortization of purchased intangibles and acquired capitalized software					
Amortization of purchased intangibles and acquired capitalized software					
Amortization of purchased intangibles and acquired capitalized software	Amortization of purchased intangibles and acquired capitalized software	15,967	16,060	48,007	48,817
Termination of office leases	Termination of office leases	364	361	314	1,744
Termination of office leases					
Termination of office leases					
Debt issue cost related to debt refinancing, prepayment and commitment fees	Debt issue cost related to debt refinancing, prepayment and commitment fees	1,796	1,404	5,744	28,525
Debt issue cost related to debt refinancing, prepayment and commitment fees					

(1) Calculated by dividing Net income by Total revenue.

Net income available to stockholders and basic and diluted earnings per share are presented below:

Net income

Net income					
Noncontrolling interest					
Noncontrolling interest					
Noncontrolling interest	Noncontrolling interest	(55,678)	(39,867)	(120,722)	(191,264)
Net income available for common stockholders	Net income available for common stockholders	\$ 61,915	\$ 40,007	\$ 136,498	\$ 237,434
Net income available for common stockholders					
Net income available for common stockholders					
Earnings per share					
Earnings per share					
Earnings per share	Earnings per share				
Basic	Basic	\$ 0.63	\$ 0.38	\$ 1.36	\$ 2.17
Basic					
Basic					
Diluted					
Diluted					
Diluted	Diluted	\$ 0.63	\$ 0.37	\$ 1.36	\$ 2.16
Weighted average common shares outstanding	Weighted average common shares outstanding				
Weighted average common shares outstanding					
Weighted average common shares outstanding					
Basic	Basic	93,408,537	102,289,172	95,376,590	105,500,700
Basic					
Basic					
Diluted					
Diluted					
Diluted	Diluted	93,408,537	102,550,852	95,376,590	106,004,393

#### Total Revenues

Revenues are generated through market marking activities, commissions and fees on execution services activities, which include recurring subscriptions on workflow technology and analytic products. The majority of our revenues are generated through market making activities, which are recorded as Trading income, net and Interest and dividends income. Commissions and fees are derived from commissions charged for trade executions in client execution services. We earn commissions and commission equivalents, as well as, in certain cases, contingent fees based on client revenues, which represent variable consideration. The services offered under these contracts have the same pattern of transfer; accordingly, they are being measured and recognized as a single performance obligation. The performance obligation is satisfied over time, and accordingly, revenue is recognized as time passes. Variable consideration has not been included in the transaction price as the amount of consideration is contingent on factors outside our control.

Recurring revenues are primarily derived from workflow technology connectivity fees generated for matching client orders, and analytics services to select third parties. Revenues from connectivity fees are recognized and billed to clients on a monthly basis. Revenues from commissions attributable to analytic products under bundled arrangements are recognized over the course of the year as the performance obligations for those analytics products are satisfied.

**Trading income, net.** Trading income, net represents revenue earned from bid/ask spreads. Trading income is generated in the normal course of our market making activities and is typically proportional to the level of trading activity, or volumes, and bid/ask spreads in the asset classes we serve. Our trading income is highly diversified by asset class and geography and comprises small amounts earned on millions of trades on various exchanges. Our trading income, net, results from gains and losses associated with trading strategies, which are designed to capture small bid/ask spreads, while hedging risks. Trading income, net, accounted for **59%** **63%** and **70%** **66%** of our total revenues for the **nine** **three** months ended **September 30, 2023** **March 31, 2024** and **2022** **2023**, respectively.

**Interest and dividends income.** Our market making activities require us to hold securities on a regular basis, and we generate revenues in the form of interest and dividends income from these securities. Interest is also earned on securities borrowed from other market participants pursuant to collateralized financing arrangements and on cash

held by brokers. Dividends income arises from holding market making positions over dates on which dividends are paid to shareholders of record.

**Commissions, net and technology services.** We earn revenues on transactions for which we charge explicit commissions or commission equivalents, which include the majority of our institutional client orders. Commissions and fees are primarily affected by changes in our equities, fixed income and futures transaction volumes with institutional clients, which vary based on client relationships; changes in commission rates; client experience on the various platforms; level of volume-based fees from providing liquidity to other trading venues; and the level of our soft dollar and commission recapture activity. Client commission fees are charged for client trades executed by us on behalf of third-party broker-dealers and other financial institutions. Revenue is recognized on a trade date basis, which is the point at which the performance obligation to the customer is satisfied, based on the trade being executed. In addition, we offer workflow technology and analytics services to select third

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parties. Revenues are derived from fees generated by matching sell-side and buy-side clients orders, and from analytic products delivered to the clients.

**Other, net.** We have interests in multiple strategic investments and telecommunications joint ventures ("JVs"). We record our pro-rata share of each JV's earnings or losses within Other, net, while fees related to the use of communication services provided by the JVs are recorded within Communications and data processing.

We have a noncontrolling investment (the "JNX Investment") in Japannext Co., Ltd. ("JNX"), a proprietary trading system based in Tokyo. In connection with the investment, we issued bonds to certain affiliates of JNX and used the proceeds to partially finance the transaction. Revenues or losses are recognized due to the changes in fair value of the investment or fluctuations in Japanese Yen conversion rates within Other, net.

Other, net can also include gains on sales of strategic investments and businesses, as well as revenues from service agreements related to the sale of businesses.

### Operating Expenses

**Brokerage, exchange, clearance fees and payments for order flow, net.** Brokerage, exchange, clearance fees and payments for order flow are our most significant expenses, which include the direct expenses of executing and clearing transactions that we consummate in the course of our market making activities. Brokerage, exchange, clearance fees and payments for order flow primarily consist of fees charged by third parties for executing, processing and settling trades. These fees generally increase and decrease in direct correlation with the level of our trading activity. Execution fees are paid primarily to exchanges and venues where we trade. Clearance fees are paid to clearing houses and clearing agents. Payments for order flow represent payments to broker-dealer clients, in the normal course of business, for directing their order flow in U.S. equities to the Company. Rebates based on volume discounts, credits or payments received from exchanges or other marketplaces are netted against brokerage, exchange, clearance fees and payments for order flow.

**Communication and data processing.** Communication and data processing represent primarily fixed expenses for data center co-location, network lines and connectivity for our trading centers and co-location facilities. Communications expense consists primarily of the cost of voice and data telecommunication lines supporting our business, including connectivity to data centers, exchanges, markets and liquidity pools around the world, and data processing expense consists primarily of market data subscription fees that we pay to third parties to receive price quotes and related information.

**Employee compensation and payroll taxes.** Employee compensation and payroll taxes include employee salaries, cash and non-cash incentive compensation, employee benefits, payroll taxes, severance and other employee related costs. Employee compensation and payroll taxes also includes non-cash compensation expenses with respect to restricted stock units and restricted stock awards pursuant to the Amended and Restated 2015 Management Incentive Plan and Class A Common Stock underlying certain awards assumed pursuant to the Amended and Restated ITG 2007 Equity Plan.

**Interest and dividends expense.** We incur interest expense from loaning certain equity securities in the general course of our market making activities pursuant to collateralized lending transactions. Typically, dividend dividends expense is incurred when a dividend is paid on securities sold short.

**Operations and administrative.** Operations and administrative expense represents occupancy, recruiting, travel and related expense, professional fees and other expenses.

**Depreciation and amortization.** Depreciation and amortization expense results from the depreciation of fixed assets and leased equipment, such as computing and communications hardware, as well as amortization of leasehold improvements and capitalized in-house software development. We depreciate our computer hardware and related software, office hardware and furniture and fixtures on a straight-line basis over a period of 3 to 7 years based on the estimated useful life of the underlying asset, and we amortize our capitalized software development costs on a straight-line basis over a period of 1.5 to 3 years, which represents the estimated useful lives of the underlying software. We amortize leasehold improvements on a straight-line basis over the lesser of the life of the improvement or the term of the lease.

**Amortization of purchased intangibles and acquired capitalized software.** Amortization of purchased intangibles and acquired capitalized software represents the amortization of finite lived intangible assets acquired in connection with the Acquisition of KCG and the ITG Acquisition. These assets are amortized over their useful lives, ranging from 1 to 15 years, except for certain assets which were categorized as having indefinite useful lives.

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**Termination of office leases.** Termination of office leases represents the write-off expense related to certain office space we ceased use of as part of the effort to integrate and consolidate office space. The aggregate write-off amount includes the impairment of operating lease right-of-use assets, leasehold improvements and fixed assets, and dilapidation charges.

**Debt issue cost related to debt refinancing, prepayment and commitment fees.** As a result of the refinancing or early termination of our long-term borrowings, we accelerate the capitalized debt issue cost and the discount on the term loan that would otherwise be amortized or accreted over the life of the term loan. Premium paid in connection with retiring outstanding bonds, and commitment fees paid for lines of credit are also included in this category.

**Transaction advisory fees and expenses.** Transaction advisory fees and expenses primarily reflect professional fees incurred by us in connection with one or more acquisitions or dispositions.

**Financing interest expense on long-term borrowings.** Financing interest expense reflects interest accrued on outstanding indebtedness under our long-term borrowing arrangements.

#### **Provision for income taxes**

We are subject to U.S. federal, state and local income tax at the rate applicable to corporations less the rate attributable to the noncontrolling interest in Virtu Financial. Our non-U.S. operations are also subject to foreign income tax at the applicable corporate rates.

Our effective tax rate is subject to significant variation due to several factors, including variability in our pre-tax and taxable income and loss and the jurisdictions to which they relate, changes in how we do business, acquisitions and investments, audit-related developments, tax law developments (including changes in statutes, regulations, case law, and administrative practices), and relative changes of expenses or losses for which tax benefits are not recognized. Additionally, our effective tax rate can be more or less volatile based on the amount of pre-tax income or loss. For example, the impact of discrete items and non-deductible expenses on our effective tax rate is greater when our pre-tax income is lower. Our effective tax rate may also be impacted by changes in the portion of income that is attributable to the noncontrolling interest.

We regularly assess whether it is more likely than not that we will realize our deferred tax assets in each taxing jurisdiction in which we operate. In performing this assessment with respect to each jurisdiction, we review all available evidence, including actual and expected future earnings, capital gains, and investment in such jurisdiction, the carry-forward periods available to us for tax reporting purposes, and other relevant factors. See Note 13 "Income Taxes" "Income Taxes" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q for additional information.

#### **Non-GAAP Financial Measures and Other Items**

To supplement our Condensed Consolidated Financial Statements presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"), we use the following non-U.S. GAAP ("Non-GAAP") financial measures of financial performance:

- "Adjusted Net Trading Income", which is the amount of revenue we generate from our market making activities, or Trading income, net, plus Commissions, net and technology services, plus Interest and dividends income, less direct costs associated with those revenues, including Brokerage, exchange, clearance fees and payments for order flow, net, and Interest and dividends expense. We also disclose Adjusted Net Trading Income by segment, including daily averages. Management believes that Adjusted Net Trading Income is useful for comparing general operating performance from period to period. Although we use Adjusted Net Trading Income as a financial measure to assess the performance of our business, the use of Adjusted Net Trading Income is limited because it does not include certain material costs that are necessary to operate our business. Our presentation of Adjusted Net Trading Income should not be construed as an indication that our future results will be unaffected by revenues or expenses that are not directly associated with our core business activities.
- "EBITDA", which measures our operating performance by adjusting net income Net Income to exclude Financing interest expense on long-term borrowings, Debt issue cost related to debt refinancing, prepayment, and commitment fees, Depreciation and amortization, Amortization of purchased intangibles and acquired capitalized software, and Income tax expense, and "Adjusted EBITDA", which measures our operating performance by further adjusting EBITDA to exclude severance, transaction advisory fees and expenses, termination of office leases, charges related to share-based compensation and other expenses, which includes reserves for legal matters, and Other, net, which includes gains and losses from strategic investments, and the sales of businesses, businesses, and other income.
- "Normalized Adjusted Net Income", "Normalized Adjusted Net Income before income taxes", "Normalized provision for income taxes", and "Normalized Adjusted EPS", which we calculate by adjusting Net Income to exclude certain items, and other non-cash items, assuming that all vested and unvested Virtu Financial Units have been exchanged for Class A Common Stock, and applying an effective tax rate, which was approximately 24%.
- Operating Margins, which are calculated by dividing net income, EBITDA, and Adjusted EBITDA by Adjusted Net Trading Income.

Adjusted Net Trading Income, EBITDA, Adjusted EBITDA, Normalized Adjusted Net Income, Normalized Adjusted Net Income before income taxes, Normalized provision for income taxes, Normalized Adjusted EPS, and Operating Margins (collectively, the "Company's Non-GAAP Measures") are non-GAAP financial measures used by management in evaluating operating performance and in making strategic decisions. In addition, the Company's Non-GAAP Measures or similar non-GAAP financial measures are used by research analysts, investment bankers and lenders to assess our operating performance. Management believes that the presentation of the Company's Non-GAAP Measures

provides useful information to investors regarding our results of operations and cash flows because they assist both investors and management in analyzing and benchmarking the performance and value of our business. The Company's Non-GAAP Measures provide indicators of general economic performance that are not affected by fluctuations in certain costs or other items. Accordingly, management believes that these measurements are useful for comparing general operating performance from period to period. Furthermore, our Credit Agreement contains covenants and other tests based on metrics similar to Adjusted EBITDA. Other companies may define Adjusted Net Trading Income, Adjusted EBITDA, Normalized Adjusted Net Income, Normalized Adjusted Net Income before income taxes, Normalized provision for income taxes, Normalized Adjusted EPS, and Operating Margins differently, and as a result the Company's Non-GAAP Measures may not be directly comparable to those of other companies. Although we use the Company's Non-GAAP Measures as financial measures to assess the performance of our business, such use is limited because they do not include certain material costs necessary to operate our business.

The Company's Non-GAAP Measures should be considered in addition to, and not as a substitute for, Net Income in accordance with U.S. GAAP as a measure of performance. Our presentation of the Company's Non-GAAP Measures should not be construed as an indication that our future results will be unaffected by unusual or nonrecurring items. The Company's Non-GAAP Measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under U.S. GAAP. Some of these limitations are:

- they do not reflect every cash expenditure, future requirements for capital expenditures or contractual commitments;
- our EBITDA-based measures do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payment on our debt;

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced or require improvements in the future, and our EBITDA-based measures do not reflect any cash requirement for such replacements or improvements;
- they are not adjusted for all non-cash income or expense items that are reflected in our consolidated statements of cash flows;
- they do not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations; and
- they do not reflect limitations on our costs related to transferring earnings from our subsidiaries to us.

Because of these limitations, the Company's Non-GAAP Measures are not intended as alternatives to Net Income as indicators of our operating performance and should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations. We compensate for these limitations by using the Company's Non-GAAP Measures along with other comparative tools, together with U.S. GAAP measurements, to assist in the evaluation of operating performance. These U.S. GAAP measurements include operating Net Income, cash flows from operations and cash flow data. See below a reconciliation of each of the Company's Non-GAAP Measures to the most directly comparable U.S. GAAP measure.

The following table reconciles the Condensed Consolidated Statements of Comprehensive Income to arrive at Adjusted Net Trading Income, EBITDA, Adjusted EBITDA, and Non-GAAP Operating Margins for the three and nine months ended September 30, 2023, March 31, 2024 and 2022, 2023.

		Three Months Ended September 30,		Nine Months Ended September 30,	
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
(in thousands)	(in thousands)	2023	2022	2023	2022
Reconciliation of Trading income, net to Adjusted Net Trading Income	Reconciliation of Trading income, net to Adjusted Net Trading Income				
Reconciliation of Trading income, net to Adjusted Net Trading Income					
Reconciliation of Trading income, net to Adjusted Net Trading Income					
Trading income, net					
Trading income, net					

Trading income, net	Trading income, net	\$ 316,085	\$ 397,383	\$ 1,034,764	\$ 1,315,618
Interest and dividends income	Interest and dividends income	127,693	43,631	307,916	95,435
Interest and dividends income					
Interest and dividends income					
Commissions, net and technology services					
Commissions, net and technology services					
Commissions, net and technology services	Commissions, net and technology services	110,276	120,986	341,223	411,981
Brokerage, exchange, clearance fees and payments for order flow, net	Brokerage, exchange, clearance fees and payments for order flow, net	(123,245)	(168,869)	(391,238)	(476,235)
Brokerage, exchange, clearance fees and payments for order flow, net					
Brokerage, exchange, clearance fees and payments for order flow, net					
Interest and dividends expense	Interest and dividends expense	(132,802)	(61,989)	(342,896)	(153,243)
Interest and dividends expense					
Interest and dividends expense					
Adjusted Net Trading Income					
Adjusted Net Trading Income					
Adjusted Net Trading Income	Adjusted Net Trading Income	\$ 298,007	\$ 331,142	\$ 949,769	\$ 1,193,556
Reconciliation of Net Income to EBITDA and Adjusted EBITDA					
Reconciliation of Net Income to EBITDA and Adjusted EBITDA					
Reconciliation of Net Income to EBITDA and Adjusted EBITDA					
Reconciliation of Net Income to EBITDA and Adjusted EBITDA					
Net income					
Net income					
Net income	Net income	\$ 117,593	\$ 79,874	\$ 257,220	\$ 428,698

Financing interest expense on long-term borrowings	Financing interest expense on long-term borrowings	25,361	23,483	74,499	66,905
Financing interest expense on long-term borrowings					
Financing interest expense on long-term borrowings					
Debt issue cost related to debt refinancing, prepayment, and commitment fees					
Debt issue cost related to debt refinancing, prepayment, and commitment fees					
Debt issue cost related to debt refinancing, prepayment, and commitment fees	Debt issue cost related to debt refinancing, prepayment, and commitment fees	1,796	1,404	5,744	28,525
Depreciation and amortization	Depreciation and amortization	15,815	16,658	47,076	50,470
Depreciation and amortization					
Depreciation and amortization					
Amortization of purchased intangibles and acquired capitalized software					
Amortization of purchased intangibles and acquired capitalized software					
Amortization of purchased intangibles and acquired capitalized software	Amortization of purchased intangibles and acquired capitalized software	15,967	16,060	48,007	48,817
Provision for income taxes	Provision for income taxes	20,512	21,732	51,117	88,405
Provision for income taxes					
Provision for income taxes					
EBITDA	EBITDA	\$197,044	\$159,211	\$ 483,663	\$ 711,820
EBITDA					
EBITDA					
Severance					
Severance					
Severance	Severance	1,346	1,250	5,256	4,009
Transaction advisory fees and expenses	Transaction advisory fees and expenses	6	134	30	1,113
Transaction advisory fees and expenses					

Transaction advisory fees and expenses					
Termination of office leases					
Termination of office leases					
Termination of office leases	Termination of office leases	364	361	314	1,744
Other	Other	(74,599)	1,556	(67,396)	(35,813)
Other					
Other					
Share based compensation					
Share based compensation					
Share based compensation	Share based compensation	15,353	18,133	47,108	50,841
Adjusted EBITDA	Adjusted EBITDA	\$ 139,514	\$ 180,645	\$ 468,975	\$ 733,714
Adjusted EBITDA					
Adjusted EBITDA					
Selected Operating Margins					
Selected Operating Margins					
Selected Operating Margins	Selected Operating Margins				
GAAP Net income Margin (1)	GAAP Net income Margin (1)	18.7 %	14.2 %	14.6 %	23.0 %
GAAP Net income Margin (1)					
GAAP Net income Margin (1)					
Non-GAAP Net income Margin (2)					
Non-GAAP Net income Margin (2)					
Non-GAAP Net income Margin (2)	Non-GAAP Net income Margin (2)	39.5 %	24.1 %	27.1 %	35.9 %
EBITDA Margin (3)	EBITDA Margin (3)	66.1 %	48.1 %	50.9 %	59.6 %
EBITDA Margin (3)					
EBITDA Margin (3)					
Adjusted EBITDA Margin (4)	Adjusted EBITDA Margin (4)	46.8 %	54.6 %	49.4 %	61.5 %
Adjusted EBITDA Margin (4)					
Adjusted EBITDA Margin (4)					
(1) Calculated by dividing Net income Income by Total revenue. Revenue.					
(2) Calculated by dividing Net income Income by Adjusted Net Trading Income.					
(3) Calculated by dividing EBITDA by Adjusted Net Trading Income.					
(4) Calculated by dividing Adjusted EBITDA by Adjusted Net Trading Income.					

The following table reconciles Net income Income to arrive at Normalized Adjusted Net Income before income taxes, Normalized provision for income taxes, Normalized Adjusted Net Income and Normalized Adjusted EPS for the three and nine months ended September 30, 2023, March 31, 2024 and 2022; 2023:

		Three Months Ended September 30,		Nine Months Ended September 30,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
(in thousands, except share and per share data)	(in thousands, except share and per share data)	2023	2022	2023	2022
Reconciliation of Net Income to Normalized Adjusted Net Income	Reconciliation of Net Income to Normalized Adjusted Net Income				
Reconciliation of Net Income to Normalized Adjusted Net Income	Reconciliation of Net Income to Normalized Adjusted Net Income				
Net income	Net income				
Net income	Net income				
Net income	Net income	\$ 117,593	\$ 79,874	\$ 257,220	\$ 428,698
Provision for income taxes	Provision for income taxes	20,512	21,732	51,117	88,405
Provision for income taxes	Provision for income taxes				
Provision for income taxes	Provision for income taxes				
Income before income taxes	Income before income taxes	138,105	101,606	308,337	517,103
Income before income taxes	Income before income taxes				
Income before income taxes	Income before income taxes				
Amortization of purchased intangibles and acquired capitalized software	Amortization of purchased intangibles and acquired capitalized software				
Amortization of purchased intangibles and acquired capitalized software	Amortization of purchased intangibles and acquired capitalized software				
Amortization of purchased intangibles and acquired capitalized software	Amortization of purchased intangibles and acquired capitalized software	15,967	16,060	48,007	48,817
Debt issue cost related to debt refinancing, prepayment, and commitment fees	Debt issue cost related to debt refinancing, prepayment, and commitment fees	1,796	1,404	5,744	28,525
Debt issue cost related to debt refinancing, prepayment, and commitment fees	Debt issue cost related to debt refinancing, prepayment, and commitment fees				
Debt issue cost related to debt refinancing, prepayment, and commitment fees	Debt issue cost related to debt refinancing, prepayment, and commitment fees				
Severance	Severance				
Severance	Severance				
Severance	Severance	1,346	1,250	5,256	4,009
Transaction advisory fees and expenses	Transaction advisory fees and expenses	6	134	30	1,113
Transaction advisory fees and expenses	Transaction advisory fees and expenses				
Transaction advisory fees and expenses	Transaction advisory fees and expenses				
Termination of office leases	Termination of office leases				
Termination of office leases	Termination of office leases				
Termination of office leases	Termination of office leases	364	361	314	1,744

Other	Other	(74,599)	1,556	(67,396)	(35,813)
Other					
Other					
Share based compensation					
Share based compensation					
Share based compensation	Share based compensation	15,353	18,133	47,108	50,841
Normalized Adjusted Net Income before income taxes	Normalized Adjusted Net Income before income taxes	98,338	140,504	347,400	616,339
Normalized Adjusted Net Income before income taxes					
Normalized Adjusted Net Income before income taxes					
Normalized provision for income taxes (1)	Normalized provision for income taxes (1)	23,601	33,702	83,374	147,922
Normalized provision for income taxes (1)					
Normalized provision for income taxes (1)					
Normalized Adjusted Net Income					
Normalized Adjusted Net Income					
Normalized Adjusted Net Income	Normalized Adjusted Net Income	\$ 74,737	\$ 106,802	\$ 264,026	\$ 468,417
Weighted Average Adjusted shares outstanding (2)	Weighted Average Adjusted shares outstanding (2)	167,164,049	175,893,027	169,101,067	179,290,742
Weighted Average Adjusted shares outstanding (2)					
Weighted Average Adjusted shares outstanding (2)					
Basic earnings per share					
Basic earnings per share					
Basic earnings per share	Basic earnings per share	\$ 0.63	\$ 0.38	\$ 1.36	\$ 2.17
Normalized Adjusted EPS	Normalized Adjusted EPS	\$ 0.45	\$ 0.61	\$ 1.56	\$ 2.61
Normalized Adjusted EPS					
Normalized Adjusted EPS					

- (1) Reflects U.S. federal, state, and local income tax rate applicable to corporations of approximately 24% for all periods presented.
- (2) Assumes that (1) holders of all vested and unvested non-vesting Virtu Financial Units (together with corresponding shares of the Company's Class C common stock, par value \$0.00001 per share (the "Class C Common Stock")) have exercised their right to exchange such Virtu Financial Units for shares of Class A Common Stock on a one-for-one basis, (2) holders of all Virtu Financial Units (together with corresponding shares of the Company's Class D common stock, par value \$0.00001 per share (the "Class D Common Stock")) have exercised their right to exchange such Virtu Financial Units for shares of the Company's Class B common stock, par value \$0.00001 per share (the "Class B Common Stock") on a one-for-one basis, and subsequently exercised their right to convert the shares of Class B Common Stock into shares of Class A Common Stock on a one-for-one basis. Includes additional shares from the dilutive impact of options, restricted stock units and restricted stock awards outstanding under the Amended and Restated 2015 Management Incentive Plan and the Amended and Restated ITG 2007 Equity Plan during the three and nine months ended September 30, 2023, March 31, 2024 and 2022, 2023.

The following tables reconcile Trading income, net to Adjusted Net Trading Income by segment for the three and nine months ended September 30, 2023, March 31, 2024 and 2022:

(in thousands)	Three Months Ended September 30, 2023			
	Market Making	Execution Services	Corporate	Total

Trading income, net	\$ 310,523	\$ 5,562	\$ —	\$ 316,085
Commissions, net and technology services	6,343	103,933	—	110,276
Interest and dividends income	124,803	2,890	—	127,693
Brokerage, exchange, clearance fees and payments for order flow, net	(101,077)	(22,168)	—	(123,245)
Interest and dividends expense	(132,523)	(279)	—	(132,802)
Adjusted Net Trading Income	\$ 208,069	\$ 89,938	\$ —	\$ 298,007

Three Months Ended September 30, 2022				
(in thousands)	Market Making	Execution Services	Corporate	Total
Trading income, net	\$ 392,496	\$ 4,887	\$ —	\$ 397,383
Commissions, net and technology services	10,687	110,299	—	120,986
Interest and dividends income	43,446	185	—	43,631
Brokerage, exchange, clearance fees and payments for order flow, net	(147,346)	(21,523)	—	(168,869)
Interest and dividends expense	(61,019)	(970)	—	(61,989)
Adjusted Net Trading Income	\$ 238,264	\$ 92,878	\$ —	\$ 331,142

Nine Months Ended September 30, 2023				
(in thousands)	Market Making	Execution Services	Corporate	Total
Trading income, net	\$ 1,021,179	\$ 13,585	\$ —	\$ 1,034,764
Commissions, net and technology services	22,677	318,546	—	341,223
Interest and dividends income	300,086	7,830	—	307,916
Brokerage, exchange, clearance fees and payments for order flow, net	(323,868)	(67,370)	—	(391,238)
Interest and dividends expense	(340,954)	(1,942)	—	(342,896)
Adjusted Net Trading Income	\$ 679,120	\$ 270,649	\$ —	\$ 949,769

Nine Months Ended September 30, 2022				
(in thousands)	Market Making	Execution Services	Corporate	Total
Trading income, net	\$ 1,299,117	\$ 16,501	\$ —	\$ 1,315,618
Commissions, net and technology services	30,881	381,100	—	411,981
Interest and dividends income	95,221	214	—	95,435
Brokerage, exchange, clearance fees and payments for order flow, net	(401,982)	(74,253)	—	(476,235)
Interest and dividends expense	(149,401)	(3,842)	—	(153,243)
Adjusted Net Trading Income	\$ 873,836	\$ 319,720	\$ —	\$ 1,193,556

2023:

Three Months Ended March 31, 2024				
(in thousands)	Market Making	Execution Services	Corporate	Total
Trading income, net	\$ 403,698	\$ 4,397	\$ —	\$ 408,095
Commissions, net and technology services	7,202	111,409	—	118,611
Interest and dividends income	103,802	2,190	—	105,992
Brokerage, exchange, clearance fees and payments for order flow, net	(115,866)	(23,933)	—	(139,799)
Interest and dividends expense	(125,158)	(870)	—	(126,028)
Adjusted Net Trading Income	\$ 273,678	\$ 93,193	\$ —	\$ 366,871

Three Months Ended March 31, 2023				
(in thousands)	Market Making	Execution Services	Corporate	Total
Trading income, net	\$ 408,343	\$ 4,168	\$ —	\$ 412,511
Commissions, net and technology services	9,701	111,743	—	121,444
Interest and dividends income	79,687	2,557	—	82,244
Brokerage, exchange, clearance fees and payments for order flow, net	(122,950)	(22,573)	—	(145,523)
Interest and dividends expense	(96,924)	(677)	—	(97,601)



Adjusted Net Trading Income	\$	277,857	\$	95,218	\$	—	\$	373,075
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The following table shows our Adjusted Net Trading Income and average daily Adjusted Net Trading Income by segment for the three and nine months ended September 30, 2023, March 31, 2024 and 2022:

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Three Months Ended September 30,			
Adjusted Net Trading Income by Segment (in thousands):	2023	2022	% Change
Market Making	\$ 208,069	\$ 238,264	(12.7)%
Execution Services	89,938	92,878	(3.2)%
Adjusted Net Trading Income	\$ 298,007	\$ 331,142	(10.0)%
Three Months Ended September 30,			
Average Daily Adjusted Net Trading Income by Segment (in thousands):	2023	2022	% Change
Market Making	\$ 3,303	\$ 3,723	(11.3)%
Execution Services	1,428	1,451	(1.6)%
Average Daily Adjusted Net Trading Income	\$ 4,731	\$ 5,174	(9.6)%
Nine Months Ended September 30,			
Adjusted Net Trading Income by Segment (in thousands):	2023	2022	% Change
Market Making	\$ 679,120	\$ 873,836	(22.3)%
Execution Services	270,649	319,720	(15.3)%
Adjusted Net Trading Income	\$ 949,769	\$ 1,193,556	(20.4)%
Nine Months Ended September 30,			
Average Daily Adjusted Net Trading Income by Segment (in thousands):	2023	2022	% Change
Market Making	\$ 3,632	\$ 4,648	(21.9)%
Execution Services	1,447	1,701	(14.9)%
Average Daily Adjusted Net Trading Income	\$ 5,079	\$ 6,349	(19.0)%

2023:

(in thousands, except %)	2024			2023		
Adjusted Net Trading Income by Segment:	Total	Average Daily	%	Total	Average Daily	%
Market Making:						
Market Making	\$ 273,678	\$ 4,487	74.6 %	\$ 277,857	\$ 4,482	74.5 %
Execution Services	93,193	1,528	25.4 %	95,218	1,536	25.5 %
Corporate	—	—	— %	—	—	— %
Adjusted Net Trading Income	\$ 366,871	\$ 6,015	100.0 %	\$ 373,075	\$ 6,018	100.0 %

Three Months Ended September 30, 2023 March 31, 2024 Compared to Three Months Ended September 30, 2022 March 31, 2023

Total Revenues

Our total revenues increased \$69.2 million \$22.4 million, or 12.3% 3.6%, to \$630.2 million \$642.8 million for the three months ended September 30, 2023 March 31, 2024, compared to \$561.0 million \$620.4 million for the three months ended September 30, 2022 March 31, 2023. The increase was primarily driven by an increase in Other, net as a result of gains recorded from settlement fund recoveries received in Interest and dividends income due to higher interest rates during the three months ended September 30, 2023, March 31, 2024 compared to the same period in 2023.

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The following table shows total revenues by segment for the three months ended September 30, 2023 March 31, 2024 and 2022 2023.

Three Months Ended September 30,		Three Months Ended March 31,			Three Months Ended March 31,				
(in thousands, except for percentage)	(in thousands, except for percentage)	2023	2022	% Change	(in thousands, except for percentage)	2024		2023	% Change
<b>Market Making</b>									
Trading income, net									
Trading income, net									
Trading income, net	Trading income, net	\$310,523	\$392,496	(20.9)%		\$403,698	\$	\$408,343	(1.1)%
Interest and dividends income	Interest and dividends income	124,803	43,446	187.3%	Interest and dividends income	103,802	79,687	79,687	30.3%
Commissions, net and technology services	Commissions, net and technology services	6,343	10,687	(40.6)%	Commissions, net and technology services	7,202	9,701	9,701	(25.8)%
Other, net	Other, net	75,682	1,257	NM	Other, net	6,306	1,190	1,190	429.9%
Total revenues from Market Making	Total revenues from Market Making	\$517,351	\$447,886	15.5%	Total revenues from Market Making	\$521,008	\$	\$498,921	4.4%
<b>Execution Services</b>									
Trading income, net									
Trading income, net									
Trading income, net	Trading income, net	\$5,562	\$4,887	13.8%		\$4,397	\$	\$4,168	5.5%
Interest and dividends income	Interest and dividends income	2,890	185	NM	Interest and dividends income	2,190	2,557	2,557	(14.4)%
Commissions, net and technology services	Commissions, net and technology services	103,933	110,299	(5.8)%	Commissions, net and technology services	111,409	111,743	111,743	(0.3)%
Other, net	Other, net	68	4,228	(98.4)%	Other, net	(208)	10	10	NM
Total revenues from Execution Services	Total revenues from Execution Services	\$112,453	\$119,599	(6.0)%	Total revenues from Execution Services	\$117,788	\$	\$118,478	(0.6)%
<b>Corporate</b>									
Corporate									

Corporate									
Other, net									
Other, net									
Other, net	Other, net	\$ 360	\$ (6,441)	NM		\$ 4,043	\$	\$ 2,981	35.6%
Total revenues from Corporate									
Total revenues from Corporate	Total revenues from Corporate	\$ 360	\$ (6,441)	NM		\$ 4,043	\$	\$ 2,981	35.6%
Consolidated									
Consolidated									
Consolidated									
Trading income, net									
Trading income, net									
Trading income, net	Trading income, net	\$316,085	\$397,383	(20.5)%		\$408,095	\$	\$412,511	(1.1)%
Interest and dividends income									
Interest and dividends income	Interest and dividends income	127,693	43,631	192.7%		105,992	82,244	82,244	28.9%
Commissions, net and technology services									
Commissions, net and technology services	Commissions, net and technology services	110,276	120,986	(8.9)%		118,611	121,444	121,444	(2.3)%
Other, net									
Other, net	Other, net	76,110	(956)	NM		10,141	4,181	4,181	142.5%
Total revenues									
Total revenues	Total revenues	\$630,164	\$561,044	12.3%		\$642,839	\$	\$620,380	3.6%

**Trading income, net.** Trading income, net was primarily earned by our Market Making segment. Trading income, net decreased **\$81.3 million** **\$4.4 million**, or **20.5%** **1.1%** to **\$316.1 million** **\$408.1 million** for the three months ended **September 30, 2023** **March 31, 2024**, compared to **\$397.4 million** **\$412.5 million** for the three months ended **September 30, 2022** **March 31, 2023**. The decrease was largely a result of **lower market volumes and lower volatility across global markets and decreased opportunity** **one fewer trading day during the three months ended March 31, 2024 compared to the same period in our customer market making trading as a result of lower spread opportunity and decreased quality of the order flow with which we interacted, 2023**. Rather than analyzing trading income, net, in isolation, we evaluate it in the broader context of our Adjusted Net Trading Income, together with Interest and dividends income, Interest and dividends expense, Commissions, net and technology services and Brokerage, exchange, clearance fees and payments for order flow, net, each of which is described below.

**Interest and dividends income.** Interest and dividends income was primarily earned by our Market Making segment. Interest and dividends income increased **\$84.1 million** **\$23.8 million**, or **192.9%** **29.0%**, to **\$127.7 million** **\$106.0 million** for the three months ended **September 30, 2023** **March 31, 2024**, compared to **\$43.6 million** **\$82.2 million** for the three months ended **September 30, 2022** **March 31, 2023**. This increase was primarily attributable to an increase in interest income earned on cash collateral posted as part of securities borrowing transactions and interest earned on balances maintained at banks and prime brokers, and higher dividends earned on market making trading assets held over periods when dividends are paid, both of which benefited from higher interest rates for the period compared to the same period during the prior year. As indicated above, rather than analyzing interest and dividends income in isolation, we evaluate it in the broader context of our Adjusted Net Trading Income.

**Commissions, net and technology services.** Commissions, net and technology services revenues were primarily earned by our Execution Services segment. Commissions, net and technology services revenues decreased **\$10.7 million** **\$2.8 million**, or **8.8%** **2.3%**, to **\$110.3 million** **\$118.6 million** for the three months ended **September 30, 2023** **March 31, 2024**, compared to **\$121.0 million** **\$121.4 million** for the three months ended **September 30, 2022** **March 31, 2023**. This decrease was driven by **slightly lower market volumes, a reduction of institutional investors' commissions available, and declining institutional engagement**. As indicated above, rather than analyzing interest and dividends income in isolation, we evaluate it in the broader context of our Adjusted Net Trading Income.

**Other, net.** Other, net increased **\$77.1 million** **\$5.9 million**, to **\$76.1 million** **\$10.1 million** for the three months ended **September 30, 2023** **March 31, 2024**, compared to **\$(1.0) million** **\$4.2 million** for the three months ended **September 30, 2022** **March 31, 2023**. **Other, net** comprises **changes in the valuation on our level 3 investment, as well as other miscellaneous income including various nonrecurring gains and losses**. The three months ended **September 30, 2023** **March 31, 2024** included gains on settlement fund recoveries in which we are eligible to participate based on

our transactions in the applicable products. Refer to Note 9 "Financial Assets and Liabilities" in Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q for more details on our level 3 investment.

### Adjusted Net Trading Income

Adjusted Net Trading Income, which is a non-GAAP measure, decreased \$33.1 million \$6.2 million, or 10.0% 1.7%, to \$298.0 million \$366.9 million for the three months ended September 30, 2023 March 31, 2024, compared to \$331.1 million \$373.1 million for the three months ended September 30, 2022 March 31, 2023. This decrease was primarily attributable to lower Trading income, net in the Market Making segment due to one fewer trading day during the three months ended September 30, 2023 March 31, 2024 compared to the same period in 2022, 2023, as noted above. Average daily Adjusted Net Trading Income per day decreased \$0.5 million, or 9.6%, to \$4.7 million remained consistent at \$6.0 million for the three months ended September 30, 2023, compared to \$5.2 million for the three months ended September 30, 2022. March 31, 2024 and 2023. For a full description of Adjusted Net Trading Income and a reconciliation of Adjusted Net Trading Income to trading income, net, see "Non-GAAP Financial Measures and Other Items" in this Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations".

### Operating Expenses

Our operating expenses increased \$32.7 million \$17.4 million, or 7.1% 3.6%, to \$492.1 million \$503.0 million for the three months ended September 30, 2023 March 31, 2024, compared to \$459.4 million \$485.6 million for the three months ended September 30, 2022 March 31, 2023. The increase in operating expenses is primarily due to an increase in Interest and dividends expense, partially offset by a decline in Brokerage, exchange, clearance fees and payments for order flow, net, described in more detail below.

**Brokerage, exchange, clearance fees and payments for order flow, net.** Brokerage exchange, clearance fees and payments for order flow, net, decreased \$45.7 million \$5.7 million, or 27.1% 3.9%, to \$123.2 million \$139.8 million for the three months ended September 30, 2023 March 31, 2024, compared to \$168.9 million \$145.5 million for the three months ended September 30, 2022 March 31, 2023. These costs vary period to period based upon the level and composition of our trading activities. We evaluate this category representing direct costs associated with transacting business, in the broader context of our Adjusted Net Trading Income.

**Communication and data processing.** Communication and data processing expense increased \$4.2 million \$1.4 million, or 7.9% 2.5%, to \$57.1 million \$58.2 million for the three months ended September 30, 2023 March 31, 2024, compared to \$52.9 million \$56.8 million for the three months ended September 30, 2022 March 31, 2023. This increase was primarily due to increased connectivity spending on colocation, access, ports, and gateways, subscription and microwave communication networks maintained by our joint ventures.

**Employee compensation and payroll taxes.** Employee compensation and payroll taxes decreased \$6.1 million \$2.6 million, or 5.9% 2.5% to \$97.2 million \$100.8 million for the three months ended September 30, 2023 March 31, 2024, compared to \$103.3 million \$103.4 million for the three months ended September 30, 2022 March 31, 2023. The decrease in compensation levels was primarily attributable to a decrease in accrued incentive compensation, which is recorded at management's discretion and is generally accrued in connection with the overall level of profitability on a year-to-date basis, as well as the anticipated mix of cash and stock-based awards.

We have capitalized and therefore excluded employee compensation and benefits related to software development of \$9.7 million \$10.2 million and \$8.4 million for the three months ended September 30, 2023 March 31, 2024, and 2022, 2023, respectively.

**Interest and dividends expense.** Interest and dividends expense increased \$70.8 million \$28.4 million or 114.2% 29.1% to \$132.8 million \$126.0 million for the three months ended September 30, 2023 March 31, 2024, compared to \$62.0 million \$97.6 million for the three months ended September 30, 2022 March 31, 2023. This increase was primarily attributable to increased usage of broker-dealer credit facilities, as well as higher interest expense incurred on cash collateral received as part of securities lending transactions and higher financing costs with respect to trading assets driven by higher interest rates, and higher dividend dividends expense with respect to securities sold, not yet purchased. As indicated above, rather than analyzing interest and dividends expense in isolation, we evaluate it in the broader context of our Adjusted Net Trading Income.

**Operations and administrative.** Operations and administrative expense increased \$8.1 million decreased \$2.0 million or 56.6% 8.2% to \$22.4 million \$22.3 million for the three months ended September 30, 2023 March 31, 2024, compared to \$14.3 million \$24.3 million for the three months ended September 30, 2022 March 31, 2023. This increase decrease was primarily driven by a decrease in recruiting expenses and favorable foreign exchange rate movements in the prior year period. movements.

**Depreciation and amortization.** Depreciation and amortization decreased \$0.9 million increased \$0.8 million, or 5.4% 5.2% to \$15.8 million \$16.1 million for the three months ended September 30, 2023 March 31, 2024, compared to \$16.7 million \$15.3 million for the three months ended September 30, 2022 March 31, 2023. The decrease increase is driven primarily by decreased increased depreciation on computer equipment and amortization of capitalized software compared to the prior period, same period in 2023.

**Amortization of purchased intangibles and acquired capitalized software.** Amortization of purchased intangibles and acquired capitalized software decreased \$0.1 million \$1.3 million, or 0.6% 8.1%, to \$14.7 million for the three months ended March 31, 2024, compared to \$16.0 million for the three months ended September 30, 2023,

compared to \$16.1 million for the three months ended September 30, 2022 March 31, 2023. This decrease was due to certain intangible assets being fully amortized during 2022, 2023.

**Termination of office leases.** Termination of office leases was \$0.4 million insignificant for the three months ended September 30, 2023, March 31, 2024 and September 30, 2022 March 31, 2023. These expenses are related to the impairment of lease right-of-use assets, leasehold improvements and fixed assets for certain abandoned or vacated office space. There were no significant lease terminations in either period.

**Debt issue cost related to debt refinancing, prepayment and commitment fees.** Expense from debt issue cost related to debt refinancing, prepayment and commitment fees increased decreased to \$1.8 million \$1.7 million for the three months ended September 30, 2023 March 31, 2024, compared to \$1.4 million \$2.2 million for the three months ended September 30, 2022 March 31, 2023. The increase decrease was primarily driven by costs incurred related to amending VAL's lower commitment fees as a result of increased usage of broker-dealer credit facility, facilities during the three months ended March 31, 2024. Refer to Note 8 "Borrowings" "Borrowings" in Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q for more details on our borrowing arrangements.

**Transaction advisory fees and expenses.** Transaction advisory fees and expenses were insignificant for both the three months ended September 30, 2023 March 31, 2024, and September 30, 2022 March 31, 2023. These expenses are primarily incurred in relation to our strategic investment portfolio.

**Financing interest expense on long-term borrowings.** Financing interest expense on long-term borrowings increased \$1.9 million decreased \$1.1 million or 8.1% 4.5% to \$25.4 million \$23.2 million for the three months ended September 30, 2023 March 31, 2024, compared to \$23.5 million \$24.3 million for the three months ended September 30, 2022 March 31, 2023. The increase decrease was attributable to the decrease in outstanding principal as a result of the voluntary prepayment in December 2023 and the amortization of the amounts in AOCI related to the interest rate swaps terminated in December 2023. The decrease is partially offset by the effect of higher interest rates applied on our outstanding principal.

#### Provision for income taxes

We incur corporate tax at the U.S. federal income tax rate on our taxable income, as adjusted for noncontrolling interest in Virtu Financial. Our income tax expense reflects such U.S. federal income tax as well as taxes payable by certain of our non-U.S. subsidiaries. Our provision for income taxes and effective tax rates were \$20.5 million \$28.5 million and 14.9% 20.4% for the three months ended September 30, 2023 March 31, 2024, compared to \$21.7 million \$24.7 million and 21.4% 18.3% for the three months ended September 30, 2022 March 31, 2023.

#### Nine Months Ended September 30, 2023 Compared to Nine Months Ended September 30, 2022

##### Total Revenues

Our total revenues decreased \$109.6 million, or 5.9%, to \$1,757.4 million for the nine months ended September 30, 2023, compared to \$1,867.0 million for the nine months ended September 30, 2022. This decrease was primarily attributable to a decrease of \$280.8 million in Trading income, net, during the nine months ended September 30, 2023 compared to the prior period, partially offset by an increase of \$212.5 million in Interest and dividends income, which is largely driven by the level of trading assets held over periods when dividends are paid, and the levels of stock borrowing and trading asset financing during the nine months ended September 30, 2023 compared to the same period in 2022.

The following table shows the total revenues by segment for the nine months ended September 30, 2023 and 2022.

(in thousands, except for percentage)	Nine Months Ended September 30,		
	2023	2022	% Change
<b>Market Making</b>			
Trading income, net	\$ 1,021,179	\$ 1,299,117	(21.4)%
Interest and dividends income	300,086	95,221	215.1%
Commissions, net and technology services	22,677	30,881	(26.6)%
Other, net	77,580	1,825	NM
Total revenues from Market Making	<u>\$ 1,421,522</u>	<u>\$ 1,427,044</u>	(0.4)%
<b>Execution Services</b>			
Trading income, net	\$ 13,585	\$ 16,501	(17.7)%
Interest and dividends income	7,830	214	NM
Commissions, net and technology services	318,546	381,100	(16.4)%
Other, net	84	4,525	(98)%
Total revenues from Execution Services	<u>\$ 340,045</u>	<u>\$ 402,340</u>	(15.5)%

<b>Corporate</b>			
Other, net	\$ (4,171)	\$ 37,660	NM
Total revenues from Corporate	\$ (4,171)	\$ 37,660	NM
<b>Consolidated</b>			
Trading income, net	\$ 1,034,764	\$ 1,315,618	(21.3)%
Interest and dividends income	307,916	95,435	222.6%
Commissions, net and technology services	341,223	411,981	(17.2)%
Other, net	73,493	44,010	67.0%
Total revenues	\$ 1,757,396	\$ 1,867,044	(5.9)%

**Trading income, net.** Trading income, net was primarily earned by our Market Making segment. Trading income, net, decreased \$280.8 million, or 21.3%, to \$1,034.8 million for the nine months ended September 30, 2023, compared to \$1,315.6 million for the nine months ended September 30, 2022. The decrease was largely a result of the decreased opportunity in our customer market making trading as a result of lower spread opportunity and decreased quality of the order flow with which we interact. Rather than analyzing Trading income, net, in isolation, we evaluate it in the broader context of our Adjusted Net Trading Income, together with Interest and dividends income, Interest and dividends expense, Commissions, net and technology services and Brokerage, exchange, clearance fees and payments for order flow, net, each of which are described below.

**Interest and dividends income.** Interest and dividends income was primarily earned by our Market Making segment. Interest and dividends income increased \$212.5 million, or 222.7%, to \$307.9 million for the nine months ended September 30, 2023, compared to \$95.4 million for the nine months ended September 30, 2022. This increase was primarily attributable to an increase in interest income earned on cash collateral posted as part of securities borrowed transactions, and higher dividends earned on market making trading assets held over periods when dividends are paid, both of which benefited from higher interest rates for the period compared to the prior period. As indicated above, rather than analyzing interest and dividends income in isolation, we evaluate it in the broader context of our Adjusted Net Trading Income.

**Commissions, net and technology services.** Commissions, net and technology services revenues were primarily earned by our Execution Services segment. Commissions, net and technology services revenues decreased \$70.8 million, or 17.2%, to \$341.2 million for the nine months ended September 30, 2023, compared to \$412.0 million for the nine months ended September 30, 2022. This decrease was driven by the reduction of institutional investors commissions available, and declining institutional engagement, both of which result in lower commission income. As indicated above, rather than analyzing commission income in isolation, we evaluate it in the broader context of our Adjusted Net Trading Income.

**Other, net.** Other, net increased \$29.5 million, or 67.0%, to \$73.5 million for the nine months ended September 30, 2023, compared to \$44.0 million for the nine months ended September 30, 2022. The income for the nine months ended September 30, 2023 primarily related to gains on settlement fund recoveries in which we are eligible to participate based on our

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transactions in the applicable products. The income in 2022 was primarily due to gains recognized from sales of investments in our strategic investments portfolio.

#### Adjusted Net Trading Income

Adjusted Net Trading Income, which is a non-GAAP measure, decreased \$243.8 million, or 20.4%, to \$949.8 million for the nine months ended September 30, 2023, compared to \$1,193.6 million for the nine months ended September 30, 2022. This decrease was primarily attributable to lower Trading income, net as noted above, partially offset by an increase in Interest and dividends income, as described above, and lower Brokerage, exchange, clearance fees and payments for order flow, net as described below. Adjusted Net Trading Income per day decreased \$1.2 million, or 19.0%, to \$5.1 million for the nine months ended September 30, 2023, compared to \$6.3 million for the nine months ended September 30, 2022. The number of trading days was 187 days for the nine months ended September 30, 2023, compared to 188 days for the nine months ended September 30, 2022. For a full description of Adjusted Net Trading Income and a reconciliation of Adjusted Net Trading Income to trading income, net, see "Non-GAAP Financial Measures and Other Items" in this "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations".

#### Operating Expenses

Our operating expenses increased \$99.2 million, or 7.3%, to \$1,449.1 million for the nine months ended September 30, 2023, compared to \$1,349.9 million for the nine months ended September 30, 2022. The increase was primarily driven by increased Interest and dividends expense, offset in part, by lower Brokerage, exchange, clearance fees and payments for order flow, net, and lower Debt issue cost related to debt refinancing, prepayment and commitment fees.

**Brokerage, exchange, clearance fees and payments for order flow, net.** Brokerage, exchange, clearance fees and payments for order flow, net, decreased \$85.0 million, or 17.8%, to \$391.2 million for the nine months ended September 30, 2023, compared to \$476.2 million for the nine months ended September 30, 2022. These costs vary

period to period based upon the level and composition of our trading activities. We evaluate this category, representing direct costs associated with transacting our business, in the broader context of our Adjusted Net Trading Income.

**Communication and data processing.** Communication and data processing expense increased \$6.4 million, or 3.9%, to \$170.8 million for the nine months ended September 30, 2023, compared to \$164.4 million for the nine months ended September 30, 2022. This increase was primarily attributable to increased connectivity spending on colocation, access ports and gateways, and microwave communication networks maintained by our joint ventures.

**Employee compensation and payroll taxes.** Employee compensation and payroll taxes decreased \$9.1 million, or 3.0%, to \$296.2 million for the nine months ended September 30, 2023, compared to \$305.3 million for the nine months ended September 30, 2022. The decrease in compensation levels was primarily attributable to a decrease in accrued incentive compensation, which is recorded at management's discretion and is generally accrued in connection with the overall level of profitability on a year-to-date basis, as well as the anticipated mix of cash and stock-based awards.

We have capitalized and therefore excluded employee compensation and benefits related to software development of \$29.5 million and \$25.1 million for the nine months ended September 30, 2023 and 2022, respectively.

**Interest and dividends expense.** Interest and dividends expense increased \$189.7 million, or 123.8%, to \$342.9 million for the nine months ended September 30, 2023, compared to \$153.2 million for the nine months ended September 30, 2022. This increase was primarily attributable to higher interest expense incurred on cash collateral received driven by higher interest rates, as well as an increase in securities lending transactions and higher dividend expense with respect to securities sold, not yet purchased for the period compared to the same period during the prior year. As indicated above, rather than analyzing interest and dividends expense in isolation, we generally evaluate it in the broader context of our Adjusted Net Trading Income.

**Operations and administrative.** Operations and administrative expense increased \$19.1 million, or 36.0%, to \$72.2 million for the nine months ended September 30, 2023, compared to \$53.1 million for the nine months ended September 30, 2022. The increase was primarily driven by the beneficial effect of a strong U.S. dollar on foreign exchange translation gains during the prior year period.

**Depreciation and amortization.** Depreciation and amortization decreased \$3.4 million, or 6.7%, to \$47.1 million for the nine months ended September 30, 2023, compared to \$50.5 million for the nine months ended September 30, 2022. This decrease is driven primarily by decreased depreciation of computer equipment, and amortization of capitalized software compared to the prior period.

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**Amortization of purchased intangibles and acquired capitalized software.** Amortization of purchased intangibles and acquired capitalized software decreased \$0.8 million, or 1.6%, to \$48.0 million for the nine months ended September 30, 2023, compared to \$48.8 million for the nine months ended September 30, 2022. This decrease was primarily attributable to certain intangible assets being fully amortized in 2022.

**Termination of office leases.** Termination of office leases was \$0.3 million for the nine months ended September 30, 2023, compared to \$1.7 million for the nine months ended September 30, 2022. These expenses in the prior period are related to the impairment of lease right-of-use assets, leasehold improvements and fixed assets for certain abandoned or vacated office space.

**Debt issue cost related to debt refinancing, prepayment and commitment fees.** Expense from debt issue cost related to debt refinancing, prepayment and commitment fees decreased \$22.8 million, or 80.0%, to \$5.7 million for the nine months ended September 30, 2023, compared to \$28.5 million for the nine months ended September 30, 2022. The decrease was primarily driven by the acceleration of deferred debt issuance costs as a result of refinancing our long-term debt transaction in January 2022. See Note 8 "Borrowings" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q for additional details.

**Transaction advisory fees and expenses.** Transaction advisory fees and expenses were immaterial for the nine months ended September 30, 2023, compared to \$1.1 million for the nine months ended September 30, 2022. These expenses were primarily incurred in relation to our strategic investment portfolio.

**Financing interest expense on long term borrowings.** Financing interest expense on long-term borrowings increased \$7.6 million, or 11.4%, to \$74.5 million for the nine months ended September 30, 2023, compared to \$66.9 million for the nine months ended September 30, 2022. This increase was attributable to the increase in outstanding principal as a result of refinancing our long-term debt in January 2022, as described in further detail below, and the effect of higher interest rates.

#### **Provision for income taxes**

We incur corporate tax at the U.S. federal income tax rate on our taxable income, as adjusted for noncontrolling interest in Virtu Financial. Our income tax expense reflects such U.S. federal income tax as well as taxes payable by certain of our non-U.S. subsidiaries. Our provision for income taxes and effective tax rate was \$51.1 million and 16.6% for the nine months ended September 30, 2023, compared to a provision for income taxes and effective tax rate of \$88.4 million and 17.1% for the nine months ended September 30, 2022.



## Liquidity and Capital Resources

### General

As of September 30, 2023 March 31, 2024, we had \$688.8 million \$399.6 million in Cash and cash equivalents. This balance is maintained primarily to support operating activities, for capital expenditures and for short-term access to liquidity, and for other general corporate purposes. As of September 30, 2023 March 31, 2024, we had borrowings under our prime brokerage credit facilities of approximately \$93.6 million \$170.7 million, borrowings under our broker dealer facilities of \$100.0 million \$140.0 million, and long-term debt outstanding in an aggregate principal amount of approximately \$1,805.4 million \$1,750.1 million.

The majority of our trading assets consist of exchange-listed marketable securities, which are marked-to-market daily, and collateralized receivables from broker-dealers and clearing organizations arising from proprietary securities transactions. Collateralized receivables consist primarily of securities borrowed, receivables from clearing houses for settlement of securities transactions and, to a lesser extent, securities purchased under agreements to resell. We actively manage our liquidity, and we maintain significant borrowing facilities through the securities lending markets and with banks and prime brokers. We have continually received the benefit of uncommitted margin financing from our prime brokers globally. These margin facilities are secured by securities in accounts held at the prime brokers. For purposes of providing additional liquidity, we maintain a committed credit facility and an uncommitted credit facility for our wholly-owned U.S. broker-dealer subsidiary, as discussed in Note 8 "Borrowings" "Borrowings" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q.

### Short-term Liquidity and Capital Resources

Based on our current level of operations, we believe our cash flows from operations, available cash and cash equivalents, and available borrowings under our broker-dealer credit facilities will be adequate to meet our future liquidity

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needs for the next twelve months. We anticipate that our primary upcoming cash and liquidity needs will be increased due to margin requirements from increased trading activities in markets where we currently provide liquidity and in new markets into which we plan to expand. We manage and monitor our margin and liquidity needs on a real-time basis and can adjust our requirements both intra-day and inter-day, as required.

We expect our principal sources of future liquidity to come from cash flows provided by operating activities and financing activities. Certain of our cash balances are insured by the Federal Deposit Insurance Corporation, generally up to \$250,000 per account but without a cap under certain conditions. From time to time these cash balances may exceed insured limits, but we select financial institutions deemed highly credit worthy to minimize risk. We consider highly liquid investments with original maturities of less than three months, when acquired, to be cash equivalents.

### Long-term Liquidity and Capital Resources

Our principal demand for funds beyond the next twelve months will be payments on our long-term debt, operating lease payments, common stock repurchases under our share repurchase program, and dividend payments. Based on our current level of operations, we believe our cash flow from operations, and ability to raise funding, will be sufficient to fund capital demands.

### Tax Receivable Agreements

Generally, we are required under the tax receivable agreements entered into in connection with our IPO to make payments to certain direct or indirect equity holders of Virtu Financial that are generally equal to 85% of the applicable cash tax savings, if any, that we realize as a result of favorable tax attributes that are available to us as a result of the IPO and certain reorganization transactions undertaken in connection therewith, for exchanges of membership interests for Class A Common Stock or Class B Common Stock and payments made under the tax receivable agreements. We will retain the remaining 15% of any such cash tax savings. We expect that future payments to certain direct or indirect equity holders of Virtu Financial described in Note 4 "Tax "Tax Receivable Agreements" Agreements" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q are expected to range from approximately \$36.4 thousand \$0.1 million to \$22.0 million per year over the next 15 years. Such payments will occur only after we have filed our U.S. federal and state income tax returns and realized the cash tax savings from the favorable tax attributes. We made our first payment of \$7.0 million in February 2017, and subsequent payments of \$12.4 million in September 2018, \$13.3 million in March 2020, \$16.5 million in April 2021, \$21.3 million in March 2022, and \$23.3 million in April 2023, 2023, and \$20.2 million in March 2024. Future payments under the tax receivable agreements in respect of subsequent exchanges would be in addition to these amounts. We currently expect to fund these payments from realized cash tax savings from the favorable tax attributes.

Under the tax receivable agreements, as a result of certain types of transactions and other factors, including a transaction resulting in a change of control, we may also be required to make payments to certain direct or indirect equity holders of Virtu Financial in amounts equal to the present value of future payments we are obligated to make under the tax receivable agreements. We would expect any acceleration of these payments to be funded from the realized favorable tax attributes. However, if the payments under the tax receivable agreements are accelerated, we may be required to raise additional debt or equity to fund such payments. To the extent that we are unable to make payments under the tax receivable agreements for any reason (including because our Credit Agreement restricts the ability of our subsidiaries to make distributions to us) such payments will be deferred and will accrue interest until paid.

### Regulatory Capital Requirements



Our principal U.S. subsidiary, Virtu Americas LLC ("VAL" ("VAL")) is subject to separate regulation and capital requirements in the U.S. and other jurisdictions. VAL is a registered U.S. broker-dealer, and its primary regulators include the SEC and the Financial Industry Regulatory Authority ("FINRA" ("FINRA")). In June 2023 our U.S. subsidiary RFQ-Hub Americas LLC ("RAL" ("RAL")) became a registered U.S. broker-dealer and as such is subject to regulation and capital requirements from its primary regulators, the SEC and FINRA.

The SEC and FINRA impose rules that require notification when regulatory capital falls below certain pre-defined criteria. These rules also dictate the ratio of debt-to-equity in the regulatory capital composition of a broker-dealer and constrain the ability of a broker-dealer to expand its business under certain circumstances. If a firm fails to maintain the required regulatory capital, it may be subject to suspension or revocation of registration by the applicable regulatory agency, and suspension or expulsion by these regulators could ultimately lead to the firm's Company's liquidation. Additionally, certain applicable rules impose requirements that may have the effect of prohibiting a broker-dealer from distributing or withdrawing capital and requiring prior notice to and/or approval from the SEC and FINRA for certain capital withdrawals. VAL is also subject to

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rules set forth by NYSE and is required to maintain a certain level of capital in connection with the operation of its designated market maker business.

Our Canadian subsidiaries, Virtu Canada Corp (f/k/a Virtu ITG Canada Corp.) and Virtu Financial Canada ULC, are subject to regulatory capital requirements and periodic requirements to report their regulatory capital and submit other regulatory reports set forth by the Canadian Investment Regulatory Organization. Our Irish subsidiaries, Virtu Financial Ireland

Limited ("VFIL" ("VFIL")) and Virtu Europe Trading Limited ("VETL" ("VETL")) (f/k/a Virtu ITG Europe Limited) are regulated by the Central Bank of Ireland as Investment Firms and in accordance with European Union law are required to maintain a minimum amount of regulatory capital based upon their positions, financial conditions, and other factors. In addition to periodic requirements to report their regulatory capital and submit other regulatory reports, VFIL and VETL are required to obtain consent prior to receiving capital contributions or making capital distributions from their regulatory capital. Failure to comply with their regulatory capital requirements could result in regulatory sanction or revocation of their regulatory license. Virtu ITG UK Limited is regulated by the Financial Conduct Authority in the United Kingdom and is subject to similar prudential capital requirements. Virtu ITG Australia Limited, and Virtu ITG Hong Kong Limited are also subject to local regulatory capital requirements and are regulated by the Australian Securities and Investments Commission, the Securities and Futures Commission of Hong Kong, respectively. Virtu ITG Singapore Pte. Limited and Virtu Financial Singapore Pte. Ltd. have similar regulatory requirements and are regulated by the Monetary Authority of Singapore.

See Note 19 "Regulatory Requirement" "Regulatory Requirement" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q for a discussion of regulatory capital requirements of our regulated subsidiaries.

#### **Broker Dealer Credit Facilities, Short-Term Bank Loans, and Prime Brokerage Credit Facilities**

We maintain various broker-dealer facilities and short-term credit facilities as part of our daily trading operations. See Note 8 "Borrowings" "Borrowings" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q for details on our various credit facilities. As of September 30, 2023 March 31, 2024, there was an outstanding principal balance on our broker-dealer facilities of \$100.0 million \$140.0 million, and the outstanding aggregate short-term credit facilities with various prime brokers and other financial institutions from which the Company receives execution or clearing services was approximately \$93.6 million \$170.7 million, which was netted within Receivables from broker-dealers and clearing organizations on the Condensed Consolidated Statements of Financial Condition of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q.

On March 20, 2020, a broker-dealer subsidiary of the Company entered into a loan agreement (the "Founder Member Loan Facility") with TJMT Holdings LLC (the "Founder Member"), as lender and administrative agent, providing for unsecured term loans from time to time (the "Founder Member Loans") in an aggregate original principal amount not to exceed \$300 million. The Founder Member Loans were available to be borrowed in one or more borrowings on or after March 20, 2020 and prior to September 20, 2020, though no borrowings were made. The Founder Member is an affiliate of Mr. Vincent Viola, the Company's founder and Chairman Emeritus. Upon the execution of and in consideration for the Lender's commitments under the Founder Member Loan Facility, the Company delivered to the Founder Member a warrant to purchase shares of the Company's Class A Common Stock, as described below.

On March 20, 2020, in connection with and in consideration of the Founder Member's commitments under the Founder Member Loan Facility, the Company delivered to the Founder Member a warrant (the "Warrant") to purchase shares of the Company's Class A Common Stock. Pursuant to the Warrant, the Founder Member was entitled to purchase up to 3,000,000 shares of Class A Common Stock on or after May 22, 2020 and up to and including January 15, 2022 at a price of \$22.98. The Warrant was exercised on December 17, 2021 for 3,000,000 shares of the Company's Class A Common Stock. The Warrant and Class A Common Stock issued pursuant to the Warrant were offered, issued and sold, in reliance on the exemption from the registration requirements of the Securities Act, set forth under Section 4(a)(2) of the Securities Act relating to sales by an issuer not involving any public offering.

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#### **Credit Agreement**

On January 13, 2022 (the "Credit Agreement Closing Date"), Virtu Financial, VFH Parent LLC, a Delaware limited liability company and a subsidiary of Virtu Financial ("VFH"), entered into the Credit Agreement, with the lenders party thereto, JPMorgan Chase Bank, N.A. as administrative agent and JPMorgan Chase bank, N.A., Goldman Sachs Bank USA, RBC Capital Markets, Barclays Bank plc, Jefferies Finance LLC, BMO Capital Markets Corp., and CIBC World Markets Corp., as joint lead arrangers and bookrunners (the "Credit Agreement"). On the Credit Agreement Closing Date, VFH and Virtu Financial entered into the Credit Agreement. The Credit Agreement provides (i) a senior secured first lien term loan in an aggregate principal amount of \$1,800.0 million, drawn in its entirety on the Credit Agreement Closing Date, the proceeds of which were used by VFH to repay all amounts outstanding under the Acquisition Credit Agreement, to pay fees and expenses in connection therewith, to fund share repurchases under the Company's repurchase program and for general corporate purposes, and (ii) a \$250.0 million senior secured first lien revolving facility to VFH, with a \$20.0 million letter of credit subfacility and a \$20.0 million swingline subfacility.

The term loan borrowings and revolver borrowings under the Credit Agreement bear interest at a per annum rate equal to, at the Company's election, either (i) the greatest of (a) the prime rate in effect, (b) the greater of (1) the federal funds effective rate and (2) the overnight bank funding rate, in each case plus 0.50%, (c) an adjusted term Secured Overnight Financing Rate ("SOFR" ("SOFR") rate with an interest period of one month plus 1.00% and (d)(1) in the case of term loan borrowings, 1.50% and (2) in the case of revolver borrowings, 1.00%, plus, (x) in the case of term loan borrowings, 2.00% and (y) in the case of revolver borrowings, 1.50% or (ii) the greater of (a) an adjusted term SOFR rate for the interest period in effect and (b) (1) in the case of term loan borrowings, 0.50% and (2) in the case of revolver borrowings, 0.00%, plus, (x) in the case of term loan borrowings, 3.00% and (y) in the case of revolver borrowings, 2.50%. In addition, a commitment fee accrues at a rate of 0.50% per annum on the average daily unused amount of the revolving facility, with step-downs to 0.375% and 0.25% per annum based on VFH's first lien leverage ratio, and is payable quarterly in arrears.

The revolving facility under the Credit Agreement is subject to a springing net first lien leverage ratio which may spring into effect as of the last day of a fiscal quarter if usage of the aggregate revolving commitments exceeds a specified level as of such date. VFH is also subject to contingent principal prepayments based on excess cash flow and certain other triggering events. Borrowings under the Credit Agreement are guaranteed by Virtu Financial and VFH's material non-regulated domestic restricted subsidiaries and secured by substantially all of the assets of VFH and the guarantors, in each case, subject to certain exceptions.

The Credit Agreement contains certain customary covenants and events of default, including relating to a change of control. If an event of default occurs and is continuing, the lenders under the Credit Agreement will be entitled to take various actions, including the acceleration of amounts outstanding under the Credit Agreement and all actions permitted to be taken by a secured creditor in respect of the collateral securing the obligations under the Credit Agreement.

Under the Credit Agreement, the term loans will mature on January 13, 2029. The term loans amortize in annual installments equal to 1.0% of the original aggregate principal amount of the term loans. The revolving commitments will terminate on January 13, 2025. As of September 30, 2023 March 31, 2024, \$1,782.0 million \$1,727.0 million was outstanding under the term loans. We were in compliance with all applicable covenants under the Credit Agreement as of September 30, 2023 March 31, 2024.

In October 2019, the Company entered into a five-year \$525 million floating-to-fixed interest rate swap agreement. In January 2020, the Company entered into a five-year \$1,000.0 million floating-to-fixed interest rate swap agreement. These two interest rate swaps met the criteria to be considered and were designated as qualifying cash flow hedges under ASC 815 in the first quarter of 2020, and they effectively fixed interest payment obligations on \$525.0 million and \$1,000.0 million of principal under the Acquisition First Lien Term Loan Facility at rates of 4.3% and 4.4% through September 2024 and January 2025, respectively, based on the interest rates set forth in the Acquisition Credit Agreement. In April 2021, each of the swap agreements described above was novated to another counterparty and amended in connection with such novation. The amendments included certain changes to collateral posting obligations and also had the effect of increasing the effective fixed interest payment obligations to rates of 4.5%, with respect to the earlier maturing swap arrangement, and 4.6% with respect to the later maturing swap arrangement. In January 2022, in order to align the swap agreements with the Credit Agreement, the Company amended each of the swap agreements to align the floating rate term of such swap agreements to SOFR. The effective fixed interest payment obligations remained at 4.5%, with respect to the earlier maturing swap arrangement, and 4.6% with respect to the later maturing swap arrangement.

72 In December 2023, the Company terminated the two interest rate swap arrangements and received \$55.8 million in proceeds from the counterparty. The Company therefore dedesignated those cash flow hedges under ASC 815, and the amounts in AOCI related to the terminated swaps are to be amortized through interest expense. The Company simultaneously entered into a two-year \$1,525 million floating-to-fixed interest rate swap agreement with the same counterparty. The new interest rate swap met the criteria to be considered and was designated as a qualifying cash flow hedge under ASC 815 as of December 2023, and it effectively fixed interest payment obligations on \$1,525 million of principal under the First Lien Term Loan Facility at rate of 7.5% through November 2025, based on the interest rates set forth in the Credit Agreement.

## Cash Flows

Our main sources of liquidity are cash flow from the operations of our subsidiaries, our broker-dealer credit facilities (as described above), margin financing provided by our prime brokers and cash on hand.

The table below summarizes our primary sources and uses of cash for the nine three months ended September 30, 2023, March 31, 2024 and 2022, 2023.

		Nine Months Ended September 30,	
		Three Months Ended March 31,	
		Three Months Ended March 31,	
		Three Months Ended March 31,	
Net cash provided by (used in):	Net cash provided by (used in):	2023	
		2022	
Operating activities	Operating activities	\$ 143,691	\$ 290,462

Operating activities			
Operating activities			
Investing activities			
Investing activities			
Investing activities	Investing activities	(70,463)	(10,980)
Financing activities	Financing activities	(385,285)	(466,498)
Financing activities			
Financing activities			
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	170	(43,490)
Net decrease in cash and cash equivalents	\$	(311,887)	\$ (230,506)
Effect of exchange rate changes on cash and cash equivalents			
Effect of exchange rate changes on cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents			

#### Operating Activities

Net cash provided by used in operating activities was \$143.7 million \$395.4 million for the nine three months ended September 30, 2023 March 31, 2024, compared to net cash provided by used in operating activities of \$290.5 million \$148.4 million for the nine three months ended September 30, 2022 March 31, 2023. The change in net cash provided by used in operating activities was primarily attributable to lower net income, as well as decreases in noncash adjustments for the nine three months ended September 30, 2023 March 31, 2024 compared to the prior period.

#### Investing Activities

Net cash used in investing activities, which includes cash used with respect to capitalized software and cash used in the acquisition of property and equipment, was \$70.5 million \$27.5 million for the nine three months ended September 30, 2023 March 31, 2024, compared with net cash used in investing activities of \$11.0 million \$35.8 million for the nine three months ended September 30, 2022 March 31, 2023. Net The change in net cash used in investing activities for was primarily attributable to decreases in acquisition of property and equipment in the nine three months ended September 30, 2022 included cash proceeds from the sale of strategic investments, partially offsetting cash uses in the prior period. March 31, 2024.

#### Financing Activities

Net cash used in provided by financing activities was \$385.3 million \$0.4 million for the nine three months ended September 30, 2023 March 31, 2024, compared to \$466.5 million for the nine months ended September 30, 2022. The Net cash used in financing activities of \$46.5 million for the nine three months ended September 30, 2023 March 31, 2023. The cash provided by financing activities for the three months ended March 31, 2024 was primarily attributable to \$251.9 million \$140.0 million of net proceeds from short-term borrowings, offset by \$67.6 million in dividends to stockholders and distributions made to noncontrolling interests and \$184.4 million \$51.8 million in purchases of treasury stock. The cash used in financing activities of \$466.5 million \$46.5 million during the same period of 2022 2023 primarily reflects \$316.1 million \$52.0 million net dividends to stockholders and distributions to noncontrolling interests, and \$434.5 million \$93.2 million purchase of treasury stock, partially offset by \$164.4 million of net proceeds from long term borrowings, and an increase of \$104.9 million in \$121.1 million from short-term borrowings.

#### Share Repurchase Program

On November 6, 2020, the Company's Board of Directors authorized a new share repurchase program of up to \$100.0 million in Class A common stock and Virtu Financial Units by December 31, 2021. Subsequently, the Company's Board of Directors authorized expansions of the share repurchase program on February 11, 2021 to \$170.0 million, on May 4, 2021 to \$470.0 million (and extended the duration through May 4, 2022), and on November 3, 2021 to \$1,220.0 million (and extended the duration through November 3, 2023, and on November 2, 2023, further extended the program through December 31, 2024).

The share repurchase program authorizes the Company to repurchase shares from time to time in open market transactions, privately negotiated transactions or by other means. Repurchases are also permitted to be made under Rule 10b5-1 plans. The timing and amount of repurchase transactions are determined by the Company's management based on its evaluation of market conditions, share price, cash sources, legal requirements and other factors. From the inception of the program through September 30, 2023 March 31, 2024, the Company repurchased approximately 41.2 million 45.6 million shares of Class A Common Stock and Virtu Financial Units for approximately \$1,065.6 million \$1,145.4 million. As of September 30, 2023 March 31, 2024, the Company has approximately of \$154.4 million \$74.6 million remaining capacity for future purchases of shares of Class A Common Stock and Virtu Financial Units under the program.

## Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported amounts of revenue and expenses during the applicable reporting period. Critical accounting policies are those that are the most important portrayal of our financial condition, results of operations and cash flows, and that require our most difficult, subjective and complex judgments as a result of the need to make estimates about the effect of matters that are inherently uncertain.

While our significant accounting policies are described in more detail in the notes to our consolidated financial statements, our most critical accounting policies are discussed below. In applying such policies, we must use some amounts that are based upon our informed judgments and best estimates. Estimates, by their nature, are based upon judgments and available information. The estimates that we make are based upon historical factors, current circumstances and the experience and judgment of management. We evaluate our assumptions and estimates on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

### Valuation of Financial Instruments

Due to the nature of our operations, substantially all of our financial instrument assets, comprised of financial instruments owned, securities purchased under agreements to resell, and receivables from brokers, dealers and clearing organizations are carried at fair value based on published market prices and are marked to market daily, or are assets which are short-term in nature and are reflected at amounts approximating fair value. Similarly, all of our financial instrument liabilities that arise from financial instruments sold but not yet purchased, securities sold under agreements to repurchase, securities loaned, and payables to brokers, dealers and clearing organizations are short-term in nature and are reported at quoted market prices or at amounts approximating fair value.

Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. Financial instruments measured and reported at fair value are classified and disclosed in one of the following categories based on inputs:

- Level 1 — Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 — Quoted prices in markets that are not active and financial instruments for which all significant inputs are observable, either directly or indirectly; or
- Level 3 — Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

The fair values for substantially all of our financial instruments owned and financial instruments sold but not yet purchased are based on observable prices and inputs and are classified in levels 1 and 2 of the fair value hierarchy. Instruments categorized within level 3 of the fair value hierarchy are those which require one or more significant inputs that are not observable. Estimating the fair value of level 3 financial instruments requires judgments to be made. Due to the relative immateriality of our financial instruments classified as level 3, we do not believe that a significant change to the inputs underlying the fair value of our level 3 financial instruments would have a material impact on our Condensed Consolidated Financial Statements. See Note 9 "Financial Assets and Liabilities" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q for further information about fair value measurements.

### Revenue Recognition

#### Trading Income, Net

Trading income, net, consists of trading gains and losses that are recorded on a trade date basis and reported on a net basis. Trading income, net, is comprised of changes in fair value of financial instruments owned and financial instruments sold, not yet purchased assets and liabilities (i.e., unrealized gains and losses) and realized gains and losses on equities, fixed income securities, currencies and commodities.

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#### Interest and Dividends Income/Interest and Dividends Expense

Interest income and interest expense are accrued in accordance with contractual rates. Interest income consists of income earned on collateralized financing arrangements and on cash held by brokers and banks. Interest expense includes interest expense from collateralized transactions, margin and related short-term lending facilities. Dividends are recorded on the ex-dividend date, and interest is recognized on an accrual basis.

#### Commissions, net and Technology Services

Commissions, net, which primarily comprise commissions and commission equivalents earned on institutional client orders, are recorded on a trade date basis, which is the point at which the performance obligation to the customer is satisfied. Under a commission management program, we allow institutional clients to allocate a portion of their gross

commissions to pay for research and other services provided by third parties. As we act as an agent in these transactions, we record such expenses on a net basis within Commissions, net and technology services in the Condensed Consolidated Statements of Comprehensive Income.

Workflow technology revenues consist of order and trade execution management and order routing services we provide through our front-end workflow solutions and network capabilities.

We provide trade order routing from our execution management system ("EMS") to our execution services offerings, with each trade order routed through the EMS representing a separate performance obligation that is satisfied at a point in time. A portion of the commissions earned on the trade is then allocated to Workflow Technology based on the stand-alone selling price paid by third-party brokers for order routing. The remaining commission is allocated to **commissions**, **Commissions**, net using a residual allocation approach. Commissions earned are fixed and revenue is recognized on the trade date.

We participate in commission share arrangements, where trade orders are routed to third-party brokers from our EMS and our order management system ("OMS"). Commission share revenues from third-party brokers are generally fixed and revenue is recognized at a point in time on the trade date.

We also provide OMS and related software products and connectivity services to customers and recognize license fee revenues and monthly connectivity fees. License fee revenues, generated for the use of our OMS and other software products, are fixed and recognized at the point in time at which the customer is able to use and benefit from the license. Connectivity revenue is variable in nature, based on the number of live connections, and is recognized over time on a monthly basis using a time-based measure of progress.

Analytics revenues are earned from providing customers with analytics products and services, including trading and portfolio analytics tools. We provide analytics products and services to customers and recognize subscription fees, which are fixed for the contract term, based on when the products and services are delivered. Analytics services can be delivered either over time (when customers are provided with distinct ongoing access to analytics data) or at a point in time (when reports are only delivered to the customer on a periodic basis). Over time performance obligations are recognized using a time-based measure of progress on a monthly basis, since the analytics products and services are continually provided to the client. Point in time performance obligations are recognized when the analytics reports are delivered to the client.

Analytics products and services can also be paid for through variable bundled arrangements with trade execution services. Customers agree to pay for analytics products and services with commissions generated from trade execution services, and commissions are allocated to the analytics performance obligation(s) using:

- (i) the commission value for each customer for the products and services it receives, which is priced using the value for similar stand-alone subscription arrangements; and
- (ii) a calculated ratio of the commission value for the products and services relative to the total amount of commissions generated from the customer.

For these bundled commission arrangements, the allocated commissions to each analytics performance obligation are then recognized as revenue when the analytics product is delivered, either over time or at a point in time. These allocated commissions may be deferred if the allocated amount exceeds the amount recognizable based on delivery.

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## Share-Based Compensation

We account for share-based compensation transactions with employees under the provisions of the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") 718, Compensation: Stock Compensation. Share-based compensation transactions with employees are measured based on the fair value of equity instruments issued.

Share-based awards issued for compensation in connection with or subsequent to the Reorganization Transactions and the IPO pursuant to our Amended and Restated 2015 Management Incentive Plan, and assumed pursuant to the Amended and Restated ITG 2007 Equity Plan, were in the form of stock options, Class A Common Stock, restricted stock awards ("**RSAs**" ("**RSAs**") and restricted stock units ("**RSUs**" ("**RSUs**"). The fair value of the stock option grants is determined through the application of the Black-Scholes-Merton model. The fair value of the Class A Common Stock and RSUs is determined based on the volume weighted average price for the three days preceding the grant. With respect to the RSUs, we account for forfeitures as they occur. The fair value of RSAs is determined based on the closing price as of the date of grant. The fair value of share-based awards granted to employees is expensed based on the vesting conditions and is recognized on a straight-line basis over the vesting period, or, in the case of RSAs subject to performance conditions, from the date that achievement becomes probable through the remainder of the vesting period. The assessment of the performance condition becomes certain within the year of grant. At year end there is no future assessment that would affect grants with a performance condition. We record as treasury stock shares repurchased from employees for the purpose of settling tax liabilities incurred upon the issuance of common stock, the vesting of RSUs or the exercise of stock options.

## Income Taxes

We conduct our business globally through a number of separate legal entities. Consequently, our effective tax rate is dependent upon the geographic distribution of our earnings or losses and the tax laws and regulations of each legal jurisdiction in which we operate.

Certain of our wholly owned subsidiaries are subject to income taxes in foreign jurisdictions. The provision for income tax is comprised of current tax and deferred tax. Current tax represents the tax on current year tax returns, using tax rates enacted at the balance sheet date. A deferred tax asset is recognized only to the extent that it is probable

that future taxable income will be available against which the asset can be utilized.

We are currently subject to audit in various jurisdictions, and these jurisdictions may assess additional income tax liabilities against us. Developments in an audit, litigation, or the relevant laws, regulations, administrative practices, principles, and interpretations could have a material effect on our operating results or cash flows in the period or periods for which that development occurs, as well as for prior and subsequent periods. We recognize the tax benefit from an uncertain tax position in accordance with ASC 740, Income Taxes, only if it is more likely than not that the tax position will be sustained on examination by the applicable taxing authority, including resolution of the appeals or litigation processes, based on the technical merits of the position. The tax benefits recognized in the Condensed Consolidated Financial Statements from such a position are measured based on the largest benefit for each such position that has a greater than fifty percent likelihood of being realized upon ultimate resolution. Many factors are considered when evaluating and estimating the tax positions and tax benefits. Such estimates involve interpretations of regulations, rulings, case law, etc. and are inherently complex. Our estimates may require periodic adjustments and may not accurately anticipate actual outcomes as resolution of income tax treatments in individual jurisdictions typically would not be known for several years after completion of any fiscal year. We believe the judgments and estimates discussed above are reasonable. However, if actual results are not consistent with our estimates or assumptions, we may be exposed to losses or gains that could be material.

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### **Tax Receivable Agreements**

We are required under the tax receivable agreements entered into in connection with our IPO to make payments to certain direct or indirect equity holders of Virtu Financial that are generally equal to 85% of the applicable cash tax savings, if any, that we realize as a result of favorable tax attributes that are available to us as a result of the Reorganization Transactions, for exchanges of membership interests for Class A Common Stock or Class B Common Stock and payments made under the tax receivable agreements. An exchange of membership interests by the Virtu Members for Class A Common Stock or Class B Common Stock (an "Exchange") during the year will give rise to favorable tax attributes that may generate cash tax savings specific to the Exchange, to be realized over a specific period of time (generally 15 years). At each Exchange, we estimate the cumulative tax receivable agreement obligations to be reported on the consolidated financial statements. The tax attributes are computed as the difference between our basis in the partnership interest ("outside basis") as compared to our share of the adjusted tax basis of partnership property ("inside basis"), at the time of each Exchange. The computation of inside basis requires judgments in estimating the components included in the inside basis as of the date of the Exchange (such as, cash received on hypothetical sale of assets, allocation of gain/loss at the time of the Exchange taking into account complex partnership tax rules). In addition, we estimate the period of time that may generate cash tax savings of such tax attributes and the realizability of the tax attributes.

### **Goodwill and Intangible Assets**

Goodwill represents the excess of the purchase price over the underlying net tangible and intangible assets of our acquisitions. Goodwill is not amortized but is assessed for impairment on an annual basis and between annual assessments whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is assessed at the reporting unit level, which is defined as an operating segment or one level below the operating segment.

When assessing impairment, an entity may perform an initial qualitative assessment, under which it assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill.

An entity has an unconditional option to bypass this qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the goodwill impairment test. An entity may resume performing the qualitative assessment in any subsequent period.

We assess goodwill for impairment on an annual basis as of July 1st and on an interim basis when certain events or circumstances exist. In the impairment assessment as of July 1, 2023, we performed a quantitative assessment as described above for each reporting unit and, the estimated fair value of each of the reporting units exceeded its respective carrying value, and therefore, goodwill was not impaired.

The estimated fair value of each reporting unit was based on valuation techniques the firm Company believes market participants would use to value these reporting units, and allocated the enterprise value to each reporting unit based on an estimate of relative fair value for each reporting unit. The carrying value of each reporting unit reflects an allocation of total shareholders' equity and represents the estimated amount of total shareholders' equity required to support the activities of the applicable reporting unit under currently applicable regulatory capital requirements.

Valuation of intangible assets involves the use of significant estimates and assumptions with respect to the timing and amounts of revenue growth rates, customer attrition rates, future tax rates, royalty rates, contributory asset charges, discount rate and the resulting cash flows. We amortize finite-lived intangible assets over their estimated useful lives. Our largest finite-lived intangible asset is customer relationships, which is being amortized over an estimated useful life of ten years. Had we used a shorter estimated useful life of seven years, the Company would have recorded an additional \$5.4 million and \$16.3 \$4.1 million of amortization expense for the three and nine months ended September 30, 2023, March 31, 2024 and 2022, 2023, respectively. We test finite-lived intangible assets for impairment when impairment indicators are present, and if impaired, they are written down to fair value.

### **Recent Accounting Pronouncements**

For a discussion of recently issued accounting developments and their impact or potential impact on our condensed consolidated financial statements, see Note 2 "Summary of Significant Accounting Policies" of Part I Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q.



### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

#### Market Risk

We are exposed to various market risks in the ordinary course of business. The risks primarily relate to changes in the value of financial instruments due to factors such as market prices, interest rates, and currency rates.

Our on-exchange market making activities are not dependent on the direction of any particular market and are designed to minimize capital at risk at any given time by limiting the notional size of our positions. Our on-exchange market making strategies involve continuously quoting two-sided markets in various financial instruments with the intention of profiting by capturing the spread between the bid and offer price. If another market participant executes against the strategy's bid or offer by crossing the spread, the strategy will attempt to lock in a return by either exiting the position or hedging in one or more different correlated instruments that represent economically equivalent value to the primary instrument. Such primary or hedging instruments include but are not limited to securities and derivatives such as: common shares, exchange traded products, American Depositary Receipts ("ADRs"), options, bonds, futures, spot currencies and commodities. Substantially all of the financial instruments we trade are liquid and can be liquidated within a short time frame at low cost.

Our customer market making activities involve the taking of position risks. The risks at any point in time are limited by the notional size of positions as well as other factors. The overall portfolio risks are quantified using internal risk models and monitored by the Company's Chief Risk Officer, the independent risk group and senior management.

We use various proprietary risk management tools in managing our market risk on a continuous basis (including intraday). In order to minimize the likelihood of unintended activities by our market making strategies, if our risk management system detects a trading strategy generating revenues outside of our preset limits, it will freeze, or "lockdown", that strategy and alert risk management personnel and management.

For working capital purposes, we invest in money market funds and maintain interest and non-interest bearing balances at banks and in our trading accounts with clearing brokers, which are classified as Cash and cash equivalents and Receivables from broker-dealers and clearing organizations, respectively, on the Condensed Consolidated Statements of Financial Condition. These financial instruments do not have maturity dates; the balances are short-term, which helps to mitigate our market risks. We also invest our working capital in short-term U.S. government securities, which are included in Financial instruments owned on the Condensed Consolidated Statements of Financial Condition. Our cash and cash equivalents held in foreign currencies are subject to the exposure of foreign currency fluctuations. These balances are monitored daily and are hedged or reduced when appropriate and therefore not material to our overall cash position.

In the normal course of business, we maintain inventories of exchange-listed and other equity securities, and to a lesser extent, fixed income securities and listed equity options. The fair value of these financial instruments at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 was \$8.3 billion \$6.4 billion and \$4.6 billion \$7.4 billion, respectively, in long positions and \$7.9 billion \$5.7 billion and \$4.2 billion \$6.1 billion, respectively, in short positions. We also enter into futures contracts, which are recorded on our Condensed Consolidated Statements of Financial Condition within Receivable from brokers, dealers and clearing organizations or Payable to brokers, dealers and clearing organizations as applicable.

We calculate daily the potential losses that might arise from a series of different stress events. These include both single factor and multi factor shocks to asset prices based off both historical events and hypothetical scenarios. The stress calculations include a full recalculation of any option positions, non-linear positions and leverage. Senior management and the independent risk group carefully monitor the highest stress scenarios to help mitigate the risk of exposure to extreme events.

The purchase and sale of futures contracts requires margin deposits with a Futures Commission Merchant ("FCM"). The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Company's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total cash and other equity deposited.

#### Interest Rate Risk, Derivative Instruments

In the normal course of business, we utilize derivative financial instruments in connection with our proprietary trading activities. We carry our trading derivative instruments at fair value with gains and losses included in Trading income, net, in the accompanying Condensed Consolidated Statements of Comprehensive Income. Fair value of derivatives that are freely tradable and listed on a national exchange is determined at their last sale price as of the last business day of the period. Since gains and losses are included in earnings, we have elected not to separately disclose gains and losses on derivative instruments, but instead to disclose gains and losses within trading revenue for both derivative and non-derivative instruments.

We also use derivative instruments for risk management purposes, including cash flow hedges used to manage interest rate risk on long-term borrowings and net investment hedges used to manage foreign exchange risk. We have entered into floating-to-fixed interest rate swap agreements in order to manage interest rate risk associated with our long-term debt obligations. Additionally, we may seek to reduce the impact of fluctuations in foreign exchange rates on our net investment in certain non-U.S. operations through

the use of foreign currency forward contracts. For interest rate swap agreements and foreign currency forward contracts designated as hedges, we assess our risk management objectives and strategy, including identification of the hedging instrument, the hedged item and the risk exposure and how effectiveness is to be assessed prospectively and retrospectively. The effectiveness of the hedge is assessed based on the overall changes in the fair value of the interest rate swaps or forward contracts. For instruments that meet the criteria to be considered hedging instruments under ASC 815, any gains or losses, to the extent effective, are included in Accumulated other comprehensive income on the Condensed Consolidated Statements of Financial Condition and Other comprehensive income on the Condensed Consolidated Statements of Comprehensive Income. The ineffective portion, if any, is recorded in Other, net on the Condensed Consolidated Statements of Comprehensive Income.

**Futures Contracts.** As part of our proprietary market making trading strategies, we use futures contracts to gain exposure to changes in values of various indices, commodities, interest rates or foreign currencies. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date. Upon entering into a futures contract, we are required to pledge to the broker an amount of cash, U.S. government securities or other assets equal to a certain percentage of the contract amount. Subsequent payments, known as variation margin, are made or received by us each day, depending on the daily fluctuations in the fair values of the underlying securities. We recognize a gain or loss equal to the daily variation margin.

**Due from Broker-Dealers and Clearing Organizations.** Management periodically evaluates our counterparty credit exposures to various brokers and clearing organizations with a view to limiting potential losses resulting from counterparty insolvency.

## Foreign Currency Risk

As a result of our international market making and execution services activities and accumulated earnings in our foreign subsidiaries, our income and net worth are subject to fluctuation in foreign exchange rates. While we generate revenues in several currencies, the majority of our operating expenses are denominated in U.S. dollars. Therefore, depreciation in these other currencies against the U.S. dollar would negatively impact revenue upon translation to the U.S. dollar. The impact of any translation of our foreign denominated earnings to the U.S. dollar is mitigated, however, through the impact of daily hedging practices that are employed by the company.

Approximately 16.0% 18.8% and 19.4% 15.8% of our total revenues for the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023, respectively, were denominated in non-U.S. dollar currencies. We estimate that a hypothetical 10% adverse change in the value of the U.S. dollar relative to our foreign denominated earnings would have resulted in decreases in total revenues of \$28.2 million \$12.1 million and \$36.3 million \$9.8 million for the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023, respectively.

Assets and liabilities of subsidiaries with non-U.S. dollar functional currencies are translated into U.S. dollars at period-end exchange rates. Income, expense and cash flow items are translated at average exchange rates prevailing during the period. The resulting currency translation adjustments are recorded as foreign exchange translation adjustment in our Condensed Consolidated Statements of Comprehensive Income and Condensed Consolidated Statements of Changes in Equity. Our primary currency translation exposures historically relate to net investments in subsidiaries having functional currencies denominated in the Euro, Pound Sterling, and Canadian dollar.

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## Financial Instruments with Off Balance Sheet Risk

We enter into various transactions involving derivatives and other off-balance sheet financial instruments. These financial instruments include futures, forward contracts, swaps, and exchange-traded options. These derivative financial instruments are used to conduct trading activities and manage market risks and are, therefore, subject to varying degrees of market and credit risk. Derivative transactions are entered into for trading purposes or to economically hedge other positions or transactions.

Futures and forward contracts provide for delayed delivery of the underlying instrument. In situations where we write listed options, we receive a premium in exchange for giving the buyer the right to buy or sell the security at a future date at a contracted price. The contractual or notional amounts related to these financial instruments reflect the volume and activity and do not necessarily reflect the amounts at risk. Futures contracts are executed on an exchange, and cash settlement is made on a daily basis for market movements, typically with a central clearing house as the counterparty. Accordingly, futures contracts generally do not have credit risk. The credit risk for forward contracts, options, and swaps is limited to the unrealized market valuation gains recorded in the Condensed Consolidated Statements of Financial Condition. Market risk is substantially dependent upon the value of the underlying financial instruments and is affected by market forces, such as volatility and changes in interest and foreign exchange rates.

## ITEM 4. CONTROLS AND PROCEDURES

### Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of September 30, 2023 March 31, 2024. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2023 March 31, 2024, our disclosure controls and procedures were effective to ensure information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the periods specified in the SEC's rules and forms and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the



inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, with the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error and mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of controls.

The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, a control may become inadequate because of changes in conditions or because the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

Changes to Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) occurred during the three months ended September 30, 2023 March 31, 2024 that has or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

The information required by this item is set forth in the "Legal Proceedings" section in Note 14 "Commitments, Contingencies and Guarantees" to the Company's Condensed Consolidated Financial Statements included in Part I Item 1 "Financial Statements", which is incorporated by reference herein.

ITEM 1A. RISK FACTORS

There have been no material changes to the Risk Factors described in Part I Item 1A. "Risk Factors" in our 2022 2023 Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Pursuant to the exchange agreement (the "Exchange Agreement") entered into on April 15, 2015 by and among the Company, Virtu Financial and holders of Virtu Financial Units, Virtu Financial Units (along with the corresponding shares of our Class C Common Stock or Class D Common Stock, as applicable) may be exchanged at any time for shares of our Class A Common Stock or Class B Common Stock, as applicable, on a one-for-one basis, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications.

Total share repurchases for the three months ended September 30, 2023 March 31, 2024 were as follows:

		Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
Period	Period	(1)			
January 1, 2024					
-					
January 31, 2024					
Class A Common Stock / Virtu Financial Units repurchases					

Class A Common Stock / Virtu Financial Units repurchases					
Class A Common Stock / Virtu Financial Units repurchases	938,440	\$	18.99	819,942	\$94,573,180
February 1, 2024 - February 29, 2024					
February 1, 2024 - February 29, 2024					
February 1, 2024 - February 29, 2024					
February 1, 2024 - February 29, 2024					
Class A Common Stock / Virtu Financial Units repurchases					
Class A Common Stock / Virtu Financial Units repurchases				720,636	82,524,992
Class A Common Stock / Virtu Financial Units repurchases	1,543,047	\$	16.78		
March 1, 2024 - March 31, 2024					
March 1, 2024 - March 31, 2024					
March 1, 2024 - March 31, 2024					
Class A Common Stock / Virtu Financial Units repurchases					

Class A					
Common					
Stock / Virtu					
Financial					
Units					
repurchases					
Class A					
Common					
Stock / Virtu				418,498	74,525,902
Financial					
Units					
repurchases		423,856	\$	19.11	
Total Common					
Stock / Virtu					
Financial Unit					
repurchases					
Total Common					
Stock / Virtu					
Financial Unit					
repurchases					
Total Common					
Stock / Virtu				1,959,076	\$74,525,902
Financial Unit					
repurchases		2,905,343	\$	17.83	
July 1, 2023 -					
July 31, 2023					
Class A					
Common					
Stock / Virtu		80,081		\$201,728,674	
Financial					
Units					
repurchases	80,081	\$	18.65		
Class C					
Common					
Stock/ Virtu				N/A	
Financial					
Units					
repurchases	5,086		19		
August 1, 2023					
- August 31,					
2023					
Class A					
Common					
Stock / Virtu		858,370		\$185,577,623	
Financial					
Units					
repurchases	888,398	\$	18.81		
Class C					
Common					
Stock/ Virtu				N/A	
Financial					
Units					
repurchases	209,090		19		
September 1,					
2023 -					
September 30,					
2023					

Class A		
Common		
Stock / Virtu	1,751,481	\$154,444,737
Financial		
Units		
repurchases	1,759,862	\$ 17.77
Total Common		
Stock / Virtu	2,689,932	\$154,444,737
Financial Unit		
repurchases	2,942,517	\$ 18.19

(1) Includes the repurchase of 88,409 946,267 shares from employees in order to satisfy statutory tax withholding requirements upon the net settlement of equity awards for the three months ended September 30, 2023 March 31, 2024

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On November 6, 2020, the Company's Board of Directors authorized a new share repurchase program of up to \$100.0 million in Class A common stock and Virtu Financial Units by December 31, 2021. On February 11, 2021, the Company's Board of Directors authorized the expansion of the program by an additional \$70 million in Class A Common Stock and Virtu Financial Units. On May 4, 2021, the Company's Board of Directors authorized the expansion of the Company's share repurchase program, increasing the total authorized amount by \$300 million to \$470 million in Class A Common Stock and Virtu Financial Units and extending the duration of the program through May 4, 2022. Additionally, on November 3, 2021 the Company's Board of Directors authorized the expansion of the program by an additional \$750 million to \$1,220 million and extending the duration of the program through November 3, 2023, which was subsequently extended through December 31, 2024. The share repurchase program authorizes the Company to repurchase shares from time to time in open market transactions, privately negotiated transactions or by other means. Repurchases are also permitted to be made under Rule 10b5-1 plans. The timing and amount of repurchase transactions are determined by the Company's management based on its evaluation of market conditions, share price, cash sources, legal requirements and other factors. From the inception of the program through September 30, 2023 March 31, 2024, the Company repurchased approximately 41.2 million 45.6 million shares of Class A Common Stock and Virtu Financial Units for approximately \$1,065.6 \$1,145.4 million. As of September 30, 2023 March 31, 2024, the Company has approximately \$154.4 \$74.6 million remaining capacity for future purchases of shares of Class A Common Stock and Virtu Financial Units under the program.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

### ITEM 4. MINE SAFETY DISCLOSURES

None.

### ITEM 5. OTHER INFORMATION

None. During the three months ended March 31, 2024, no director or "officer" (as defined in Rule 16a-1(f) under the Exchange Act) of the Company informed the Company of the adoption, modification or termination of a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K under the Exchange Act.

### ITEM 6. EXHIBITS

Exhibit Number	Description
10.1*†	<a href="#">Virtu Financial Inc. Amended and Restated 2015 Management Incentive Plan Employee Restricted Stock Unit Award Agreement.</a>
31.1*	<a href="#">Certification of Chief Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2*	<a href="#">Certification of Chief Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1*	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2*	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.LAB*	XBRL Taxonomy Extension Label Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\* Filed herewith.  
† Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Virtu Financial, Inc.

DATE:	November 2, 2023	April 26, 2024	By:	/s/ Douglas A. Cifu
				Douglas A. Cifu
				Chief Executive Officer
DATE:	November 2, 2023	April 26, 2024	By:	/s/ Sean P. Galvin
				Sean P. Galvin
				Chief Financial Officer



VIRTU FINANCIAL, INC. AMENDED AND RESTATED 2015 MANAGEMENT INCENTIVE PLAN EMPLOYEE RESTRICTED STOCK UNIT AWARD AGREEMENT THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (the "Agreement"), is entered into as of [ ] (the "Date of Grant"), by and between Virtu Financial, Inc., a Delaware corporation (the "Company"), and Stephen Cavoli (the "Participant"). WHEREAS, the Company has adopted the Virtu Financial, Inc. Amended and Restated 2015 Management Incentive Plan (the "Plan"), pursuant to which Restricted Stock Units (the "RSUs") may be granted; WHEREAS, the Company and the Participant entered into that certain Amended and Restated Employment Agreement, dated as of [ ] (the "Employment Agreement"), pursuant to which the Participant is eligible to receive an equity award at the beginning of each calendar year during the Term (as defined in the Employment Agreement); WHEREAS, the Compensation Committee of the Board of Directors of the Company has previously determined that it is in the best interests of the Company and its stockholders to grant the annual award in accordance with the terms of Participant's Employment Agreement; NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows: 1. Grant of Restricted Stock Units. (a) Grant. The Company hereby grants to the Participant [ ] RSUs on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. The RSUs shall be credited to a separate book-entry account maintained for the Participant on the books of the Company, which may be maintained by a third party. (b) Incorporation by Reference. The provisions of the Plan are incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Participant and his legal representative in respect of any questions arising under the Plan or this Agreement. The Participant acknowledges that he has received a copy of the Plan and has had an



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2 installments on each of January 31, [ ] and January 31, [ ] (each such date, a "Vesting Date"). Upon each Vesting Date, such portion of the RSUs that vest on such date shall no longer be subject to the transfer restrictions pursuant to Section 8(a) hereof or cancellation pursuant to Section 4 hereof. Any fractional RSUs resulting from the application of the vesting schedule shall be aggregated and the RSUs resulting from such aggregation shall vest on the final Vesting Date. (b) The number of RSUs earned under this Agreement shall be determined in accordance with the criteria set forth in Exhibit A. (c) Vested RSUs shall be settled in shares of Class A Common Stock, or cash, as determined by the Committee in its sole discretion. 3. Dividends Equivalents. In the event of any issuance of a cash dividend on the shares of Class A Common Stock (a "Dividend"), the Participant shall be entitled to receive, with respect to each RSU granted pursuant to this Agreement and outstanding as of the record date for such Dividend, payment of an amount equal to the Dividend at the same time as the Dividend is paid to holders of shares of Class A Common Stock generally. 4. Termination of Employment or Service. If the Participant's employment or service with the Company and its Affiliates terminates for any reason, any unearned and unvested RSUs shall be accelerated, remain eligible to be earned or cancelled in accordance with the terms of the Employment Agreement. 5. Rights as a Stockholder. The Participant shall not be deemed for any purpose to be the owner of any shares of Class A Common Stock underlying the RSUs unless, until and to the extent that (i) the Company shall have issued and delivered to the Participant the shares of Class A Common Stock underlying the RSUs and (ii) the Participant's name shall have been entered as a stockholder of record with respect to such shares of Class A Common Stock on the books of the Company. The Company shall cause the actions described in clauses (i) and (ii) of the preceding sentence to occur promptly following settlement as contemplated by this Agreement, subject to compliance with applicable laws. 6. Compliance with Legal Requirements. (a) Generally, The granting and settlement of the RSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable U.S. federal, state and local laws, rules and regulations, all applicable non-U.S. laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Participant agrees to take all steps the Committee or the Company determines are reasonably necessary to comply with all applicable provisions of U.S. federal and state securities law and non-U.S. securities law in exercising his rights under this Agreement. (b) Taxes and Withholding. The vesting and settlement of the RSUs shall be subject to the Participant satisfying any applicable U.S. federal, state and local tax withholding obligations and non-U.S. tax withholding obligations. The Participant shall be required to pay to the Company, and the Company shall have the right and is hereby authorized to withhold any cash, shares of Class A Common Stock, other securities or other property or from any compensation or other amounts owing to the Participant, the amount (in cash, Class A Common Stock, other securities or other property) of any required withholding taxes in respect of the RSUs, settlement of the RSUs, or any payment or transfer of the RSUs, and to take any such



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3 other action as the Committee or the Company deem necessary to satisfy all obligations for the payment of such withholding taxes. In its sole discretion, the Company may permit the Participant to satisfy, in whole or in part, the tax obligations by withholding shares of Class A Common Stock that would otherwise be deliverable to the Participant upon settlement of the RSUs with a Fair Market Value equal to such withholding liability. 7. Clawback. Notwithstanding anything to the contrary contained herein, the Committee may cancel the RSU award if the Participant, without the consent of the Company, has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate while employed by or providing services to the Company or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, or violates a non-competition, non-solicitation, non-disparagement, non-disclosure or confidentiality covenant or agreement with the Company or any Affiliate, as determined by the Committee. In such event, the Participant will forfeit any compensation, gain or other value realized previously or thereafter on the vesting or settlement of the RSUs, the sale or other transfer of the RSUs, or the sale of shares of Class A Common Stock acquired in respect of the RSUs, and must promptly repay such amounts to the Company. If the Participant receives any amount in excess of what the Participant should have received under the terms of the RSUs for any reason (including without limitation by reason of a financial restatement, mistake in calculations or other administrative error), all as determined by the Committee, then the Participant shall be required to promptly repay any such excess amount to the Company. To the extent required by applicable law and/or the rules and regulations of NASDAQ or any other securities exchange or inter-dealer quotation system on which the Class A Common Stock is listed or quoted, or if so required pursuant to a written policy adopted by the Company, the RSUs shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Agreement). 8. Restrictive Covenants. (a) Nothing in this Agreement shall supersede, modify, replace or cancel any existing contractual obligations, including but not limited to restrictive covenants, applicable to Participant in any employment agreement, offer letter, prior equity award agreement or any other agreement or contract with the Company or its Affiliates. (b) In the event that the Participant violates any of the restrictive covenants referred to in this Section 8, in addition to any other remedy which may be available at law or in equity, the RSUs shall be automatically forfeited effective as of the date on which such violation first occurs. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and the Participant shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of the Participant's breach of such restrictive covenants. 9. Miscellaneous. (a) Transferability. The RSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered (a "Transfer") by the Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under Section 15(b) of the Plan. Any attempted Transfer of the RSUs contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon the RSUs, shall be null and void and without effect.



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4. (b) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach. (c) Section 409A. The RSUs are intended to be exempt from, or compliant with, Section 409A of the Code. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause the Participant to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole discretion and without the Participant's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the Participant of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 8(c) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the RSUs will not be subject to interest and penalties under Section 409A. (d) General Assets. All amounts credited in respect of the RSUs to the book-entry account under this Agreement shall continue for all purposes to be part of the general assets of the Company. The Executive's interest in such account shall make the Executive only a general, unsecured creditor of the Company. (e) Notices. Any notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax, pdf/email or overnight courier, or by postane paid first class mail. Notices sent by mail shall be deemed received three business days after mailing but in no event later than the date of actual receipt. Notices shall be directed, if to the Participant, at the Participant's address indicated by the Company's records, or if to the Company, to the attention of the General Counsel at the Company's principal executive office. (f) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law. (g) No Rights to Employment or Service. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant or director of the Company or its Affiliates or shall interfere with or restrict in any way the rights of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant at any time for any reason whatsoever. (h) Fractional Shares. In lieu of issuing a fraction of a share of Class A Common Stock resulting from adjustment of the RSUs pursuant to Section 12 of the Plan or otherwise, the Company shall be entitled to pay to the Participant an amount in cash equal to the Fair Market Value of such fractional share.



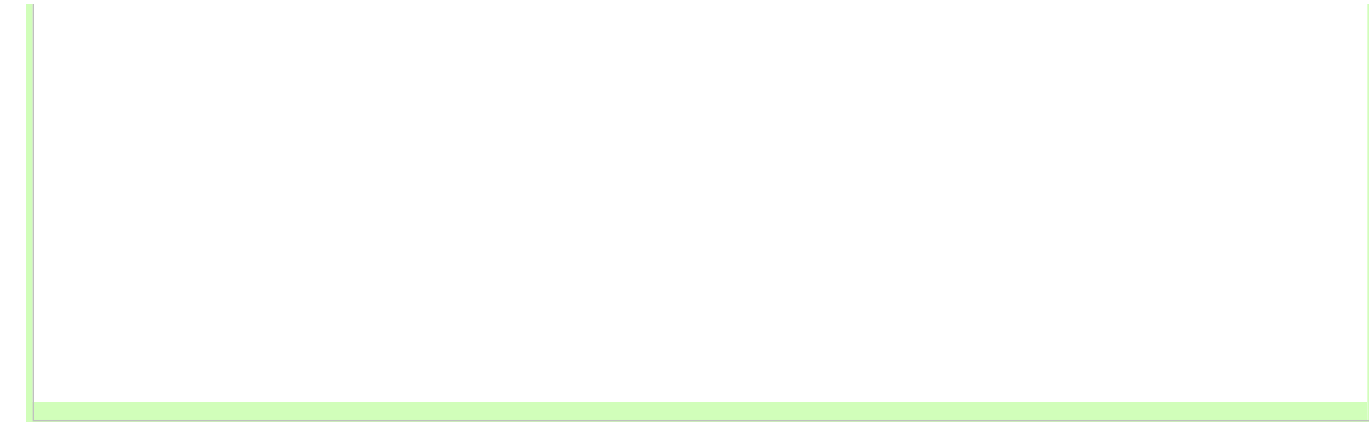
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negotiations in respect thereto, except as set forth in Section 7 hereof. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent under Section 12 or 14 of the Plan. (l) Governing Law and Venue. This Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Delaware. (l) Dispute Resolution: Consent to Jurisdiction. All disputes between or among any Persons arising out of or in any way connected with the Plan, this Agreement, the RSUs shall be solely and finally settled by the Committee, acting in good faith, the determination of which shall be final. Any matters not covered by the preceding sentence shall be solely and finally settled in accordance with the Plan, and the Participant and the Company consent to the personal jurisdiction of the United States Federal and state courts sitting in Wilmington, Delaware as the exclusive jurisdiction with respect to matters arising out of or related to the enforcement of the Committee's determinations and resolution of matters, if any, related to the Plan or this Agreement not required to be resolved by the Committee. Each such Person hereby irrevocably consents to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the last known address of such Person, such service to become effective ten (10) days after such mailing. (l) Waiver of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or the transactions contemplated (whether based on contract, tort or any other theory). Each party hereto (A) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (B) acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this section. (m) Headings: Gender. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement. Masculine pronouns and other words of masculine gender shall refer to both men and women as appropriate.



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5 (n) Counterparts. This Agreement may be executed in one or more counterparts (including via facsimile and electronic image scan (pdf)), each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. (o) Electronic Signature and Delivery. This Agreement may be accepted by return signature or by electronic confirmation. By accepting this Agreement, the Participant consents to the electronic delivery of prospectuses, annual reports and other information required to be delivered by U.S. Securities and Exchange Commission rules (which consent may be revoked in writing by the Participant at any time upon three business days' notice to the Company, in which case subsequent prospectuses, annual reports and other information will be delivered in hard copy to the Participant). (p) Electronic Participation in Plan. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. (remainder of page intentionally left blank)



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A-1 IN WITNESS WHEREOF, this Agreement has been executed by the Company and the Participant as of the day first written above. VIRTU FINANCIAL, INC. By: Name: Title:



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EXHIBIT 31.1

I, Douglas A. Cifu, certify that:

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this report is being prepared;

- (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023 April 26, 2024

By: /s/ Douglas A. Cifu  
Douglas A. Cifu  
Chief Executive Officer

EXHIBIT 31.2

CFO CERTIFICATION  
PURSUANT TO SECTION 302 OF THE  
SARBANES — OXLEY ACT OF 2002

I, Sean Galvin, certify that:

- 1. I have reviewed this Quarterly Report on Form 10-Q for the period ending September 30, 2023 March 31, 2024 of Virtu Financial, Inc. (the "registrant") as filed with the Securities and Exchange Commission on the date hereof;
- 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and



- (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023 April 26, 2024

By: /s/ Sean P. Galvin  
Sean Galvin  
Chief Financial Officer

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#### EXHIBIT 32.1

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Virtu Financial, Inc. (the "Company") for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas A. Cifu, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in my capacity as an officer of the Company that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Douglas A. Cifu  
Douglas A. Cifu  
Chief Executive Officer

Date: November 2, 2023 April 26, 2024

#### EXHIBIT 32.2

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Virtu Financial, Inc. (the "Company") for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sean P. Galvin, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in my capacity as an officer of the Company that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Sean P. Galvin

Sean Galvin

Chief Financial Officer

Date: November 2, 2023 April 26, 2024

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