



Bakkt Announces \$40 Million Registered Direct Offering with Institutional Investors and \$10 Million Concurrent Registered Direct Offering

February 29, 2024

Offering at \$0.8670 per share plus Warrants

ALPHARETTA, Ga.--(BUSINESS WIRE)-- Bakkt Holdings, Inc. ("Bakkt") (NYSE: BKKT) today announced that it has entered into two securities purchase agreements, which relate to:

- The purchase and sale of 46,136,102 shares of its Class A common stock (or pre-funded warrants to purchase shares of Class A common stock in lieu thereof with an exercise price of \$0.0001) and accompanying Class 1 warrants and Class 2 warrants to purchase up to an aggregate of 46,136,102 shares of its Class A common stock in a registered direct offering to a set of institutional investors (the "Third-Party Offering"). The purchase price of each share of Class A common stock and accompanying warrant is \$0.8670 (or \$0.8669 per pre-funded warrant and accompanying warrant). The pre-funded warrants will be immediately exercisable and will not expire. The Third-Party Offering is expected to close on March 4, 2024, subject to customary closing conditions.
- The purchase and sale of up to 11,534,025 shares of its Class A common stock and accompanying Class 1 warrants and Class 2 warrants to purchase up to an aggregate of 11,534,024 shares of its Class A common stock in a concurrent registered direct offering to an affiliate of Intercontinental Exchange, Inc. ("ICE"), on the same pricing terms as the Third-Party Offering (the "ICE Offering"). Due to shareholder approval requirements, the closing of 2,762,009 shares of Class A common stock and the accompanying Class 1 warrants and Class 2 warrants to purchase up to an aggregate of 2,762,008 shares of Class A common stock in the ICE Offering will occur concurrently with the closing of the Third-Party Offering, subject to customary closing conditions. The sale of the remaining shares and warrants is expected to close, subject to customary closing conditions, promptly following Bakkt obtaining stockholder approval, which Bakkt expects to seek in the coming months at a special meeting.

The Class 1 warrants and Class 2 warrants will have an exercise price of \$1.0200 per share, which can be paid in cash or on a cashless basis, are generally exercisable beginning six months after closing, and will expire five and one-half years after the initial closing. The Class 1 warrants and Class 2 warrants are identical, except that the Class 2 warrants also contain an alternative cashless exercise provision that, after Bakkt obtains stockholder approval, will allow the holder of the Class 2 warrant to exercise on a cashless basis and receive a number of shares of Class A common stock equal to 50% of the shares of Class A common stock then underlying the Class 2 warrant if Bakkt's Class A common stock has a closing sales price lower than the exercise price of the Class 2 warrants for three consecutive trading days. Each investor will receive 50% of its non-prefunded warrants in Class 1 warrants and the other 50% in Class 2 warrants. The Class 1 warrants and Class 2 warrants contain customary adjustment, assumption or cash-out provisions in the event of a sale of the company.

As part of the concurrent offerings, ICE has entered into a voting support agreement with Bakkt, pursuant to which ICE has agreed to vote in favor of proposals that would allow Bakkt to issue the remaining shares and the shares underlying the accompanying warrants in the ICE Offering and the shares of Class A common stock issuable under the alternative cashless exercise provision of the Class 2 warrants.

Keefe, Bruyette & Woods, a Stifel Company, acted as the exclusive placement agent for the Third-Party Offering.

Aggregate gross proceeds from the closing of the Third-Party Offering and the first closing of the ICE Offering are expected to be approximately \$42.4 million, before deducting fees and expenses payable by Bakkt, including \$2.4 million of placement agent fees for the Third-Party Offering. Gross proceeds from the second closing of the ICE Offering, assuming receipt of stockholder approval, are expected to be approximately \$7.6 million, before deducting fees and expenses payable by Bakkt, for which there will not be any placement agent fees. Bakkt intends to use the net proceeds from the offerings primarily for working capital and other general corporate purposes.

Each of the offerings is being made pursuant to Bakkt's shelf registration statement on Form S-3 (File No. 333-271361) previously filed with the Securities and Exchange Commission (the "SEC"), which was declared effective on February 14, 2024. The securities may be offered only by means of a prospectus. A prospectus supplement and accompanying base prospectus relating to each of the offerings will be filed with the SEC and will be available on the SEC's website located at www.sec.gov. In addition, copies of the prospectus supplement and accompanying base prospectus relating to the Third-Party Offering may be obtained from Keefe, Bruyette & Woods, Inc., 787 Seventh Ave., 4th Floor, New York, New York 10019, Attention: Equity Capital Markets (telephone: (800) 966-1559, or email: kbwsyndicatedesk@kbw.com).

This press release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities referred to in this press

release, nor will there be any sale of any such securities, in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction.

About Bakkt

Founded in 2018, Bakkt builds solutions that enable our clients to grow with the crypto economy. Through institutional-grade custody, trading, and onramp capabilities, our clients leverage technology that's built for sustainable, long-term involvement in crypto.

Bakkt is headquartered in Alpharetta, GA.

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Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include, but are not limited to, statements regarding the timing of the closings of the offerings, the expected proceeds from the offerings and the expected uses thereof, the amounts the Bakkt may receive in the ICE offering, among others. Forward-looking statements can be identified by words such as "will," "likely," "expect," "continue," "anticipate," "estimate," "believe," "intend," "plan," "projection," "outlook," "grow," "progress," "potential" or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of Bakkt's management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and beyond Bakkt's control. Actual results and the timing of events may differ materially from the results anticipated in such forward-looking statements as a result of the following factors, among others: Bakkt's ability to obtain the necessary approvals to issue additional shares to ICE; ICE's compliance with the voting support agreement; Bakkt's ability to maintain the effectiveness of the shelf registration statement; Bakkt's ability to continue as a going concern; Bakkt's ability to grow and manage growth profitably; changes in Bakkt's business strategy; changes in the market in which Bakkt competes, including with respect to its competitive landscape, technology evolution or changes in applicable laws or regulations; changes in the markets that Bakkt targets; disruptions in the crypto market that subject Bakkt to additional risks, including the risk that banks may not provide banking services to Bakkt; the possibility that Bakkt may be adversely affected by other economic, business, and/or competitive factors; the inability to launch new services and products or to profitably expand into new markets and services; the inability to execute Bakkt's growth strategies, including identifying and executing acquisitions and Bakkt's initiatives to add new clients; Bakkt's failure to comply with extensive government regulation, oversight, licensure and appraisals; uncertain regulatory regime governing blockchain technologies and crypto; the inability to maintain effective internal controls and procedures; the exposure to any liability, protracted and costly litigation or reputational damage relating to Bakkt's data security; the impact of any goodwill or other intangible assets impairments on Bakkt's operating results; the impact of any pandemics or other public health emergencies; Bakkt's inability to maintain the listing of its securities on the New York Stock Exchange; and other risks and uncertainties indicated in Bakkt's filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on such forward-looking statements. Such forward-looking statements relate only to events as of the date on which such statements are made and are based on information available to us as of the date of this press release. Unless otherwise required by law, we undertake no obligation to update any forward-looking statements made in this press release to reflect events or circumstances after the date of this press release or to reflect new information or the occurrence of unanticipated events.

Investor Relations

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Source: Bakkt Holdings, Inc.