

A note from Gavin Michael to Bakkt employees

Earlier today, Gavin Michael, President and CEO of Bakkt, shared the below with Bakkt employees.

Teammates –

Today, we informed a number of Bakkt employees that their jobs are impacted by the restructuring that we announced as part of our third quarter earnings. We are making a 15% reduction across our exempt employee base, both to right-size our expenses and to position the company for continued strength and stability as we navigate the challenging macroeconomic and crypto environments.

As I have shared many times, it is a privilege to lead all of you and this company – and making extremely difficult decisions, like this one, is the hardest part of the job. These are not decisions that we take lightly, especially when they impact people's lives, but it is incumbent on our leadership to do what is in the best interest of our business and position the company for long-term success. We are parting ways with talented Bakkt employees with whom we have made personal connections and friendships. To those impacted, please know that I appreciate all that you have contributed to Bakkt, and I thank you for your work.

As the environment continues to be turbulent across almost every sector of the economy, we are taking this action to be prudent and strategic with our resources. While we don't have direct exposure to any of the companies impacted by the FTX failure or its related contagion, we anticipate the current crypto downturn may prolong partner engagement and activation timelines. Given these delays, we've been reducing expenses and ruthlessly prioritizing how we allocate resources for some time. This action will help position Bakkt to weather economic headwinds and to be best positioned when the market turns.

Support for departing teammates

While there is no good way to conduct a personnel reduction, we worked to prioritize the wellbeing of our departing employees by offering the following:

- **Severance Pay:** All employees will receive a minimum of four weeks of severance pay, with additional pay based on continued years of service to Bakkt.

- Bonus Pay: To recognize the contributions of departing employees to Bakkt throughout the year, departing employees will receive 75% of their eligible cash bonus target for the year.
- Benefits: We will offer all eligible departing employees current benefits in full until the end of December, and provide a cash payment to continue their current elections through Cobra.

Looking Ahead

We have conviction in Bakkt's future. Even with the environment and delays in the market, crypto continues to grow in importance in the digital economy, and we are seeing market demand for our core products across crypto and loyalty – a powerful combination for business diversity.

Over the past year, we focused on the development of our core solutions – and our distinct focus is now on activations, sales and scale of our offerings. We have defined our key areas and will continue to lean into them throughout this time, looking at adjacent areas for growth and innovation going forward.

With the upcoming acquisition of Apex Crypto, we are meaningfully expanding our reach across additional client verticals and advancing our crypto product suite. Our focus on sales and activations includes the opportunity to sell crypto solutions, as well as ancillary products and services, to Apex Crypto clients.

In light of recent events in crypto, I'm even more confident in the need for a trusted, secure and compliant solution – and that Bakkt is the platform that can and will provide new and differentiated capabilities to businesses across financial services, fintech, merchants, travel and more.

Regards,

Gavin

President and CEO, Bakkt

Note on Forward-Looking Statements

This memo 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 closing of the Apex Crypto acquisition and the resulting impacts from that acquisition and Bakkt’s guidance, plans, objectives, expectations and intentions with respect to future operations, products, services and the application of Bakkt’s available cash, 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. 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.

The following factors, among others, could cause actual results and the timing of events to differ materially from the anticipated results or other expectations expressed in such forward-looking statements: (i) Bakkt and Apex Fintech Solutions being unable to obtain the necessary regulatory approvals and/or otherwise fail to satisfy all closing conditions related to the Apex Crypto acquisition; (ii) the impact of the ongoing COVID-19 pandemic; (iii) changes in the markets in which Bakkt competes, including with respect to its competitive landscape, technology evolution or regulatory changes; (iv) changes in the markets that Bakkt targets; (v) risk that Bakkt may not be able to execute its growth strategies, including identifying and executing acquisitions; (vi) risks relating to data security; and (vii) risk that Bakkt may not be able to develop and maintain effective internal controls. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described under the heading “Risk Factors” in Bakkt’s filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q.

