



# First Quarter 2024 Earnings

May 15, 2024



# Important notice

Unless the context otherwise provides, “we,” “us,” “our,” “Bakkt” and like terms refer to Bakkt Holdings, Inc. and its subsidiaries.

## **FORWARD-LOOKING STATEMENTS**

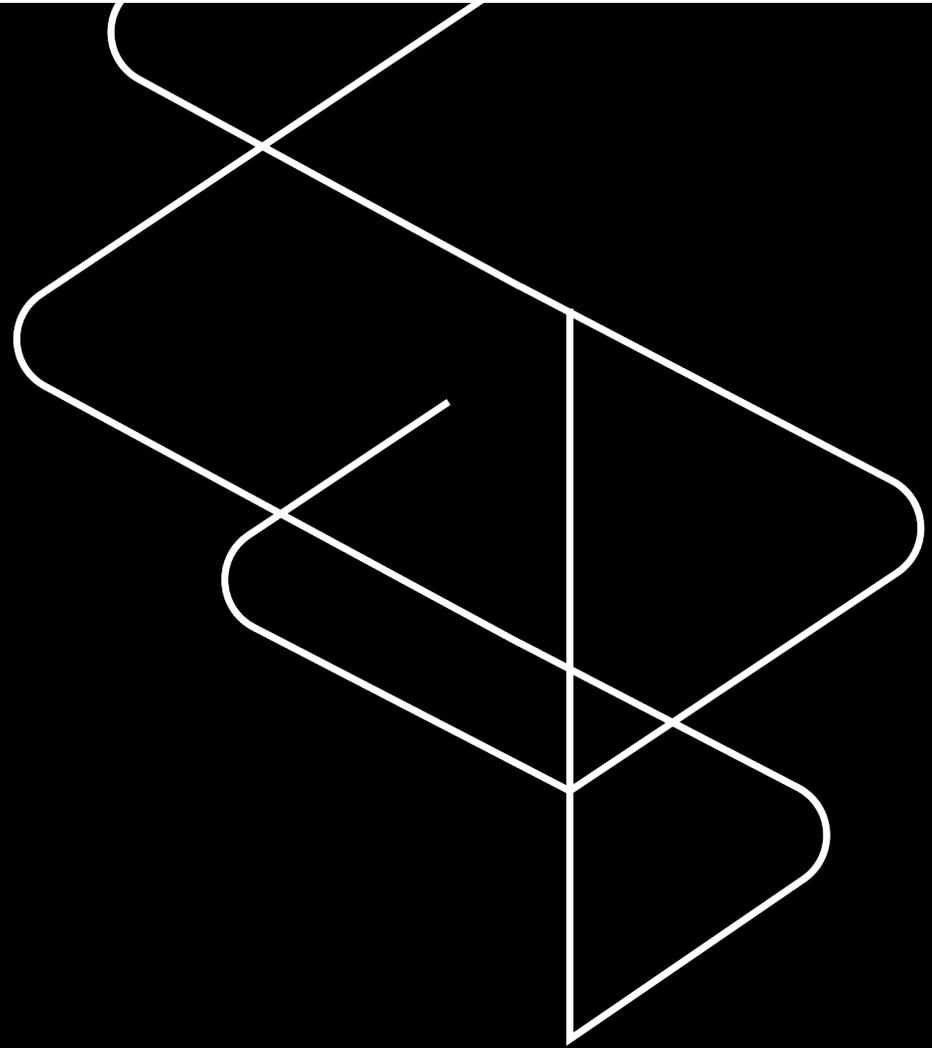
This presentation and accompanying oral presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include, but are not limited to, Bakkt’s guidance and outlook, including for the full fiscal year 2024, and the trends and assumptions underlying such guidance and outlook, Bakkt’s cost reduction strategy and expectations regarding cost savings, Bakkt’s plans and expectations, including statements about new products and features, growth, Bakkt’s expectations regarding crypto market growth, and Bakkt’s beliefs regarding its future goals, 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: the Company’s ability to continue as a going concern; the Company’s ability to grow and manage growth profitably; changes in the Company’s business strategy; the Company’s future capital requirements and sources and uses of cash, including funds to satisfy its liquidity needs; changes in the market in which the Company competes, including with respect to its competitive landscape, technology evolution or changes in applicable laws or regulations; changes in the markets that the Company targets; disruptions in the crypto market that subject the Company to additional risks, including the risk that banks may not provide banking services to the Company; the possibility that the Company 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 the Company’s growth strategies, including identifying and executing acquisitions and the Company’s initiatives to add new clients; the Company’s failure to comply with extensive government regulation, oversight, licensure and appraisals; uncertain regulatory regime governing blockchain technologies and crypto; the inability to develop and maintain effective internal controls and procedures; the exposure to any liability, protracted and costly litigation or reputational damage relating to the Company’s data security; the impact of any goodwill or other intangible assets impairments on the Company’s operating results; and other risks and uncertainties indicated in the Company’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.

## **BASIS OF PRESENTATION**

This presentation includes discussions of Adjusted EBITDA and Free Cash Flow, which are financial measures that are not calculated in accordance with GAAP. For more information regarding Adjusted EBITDA please see slides 21-22 and for Free Cash Flow please see slide 23.



# Perspectives on the Business



# 2024 priorities

Laser focused on executing three key priorities to drive shareholder value

## 1 Broaden client network and deepen existing relationships

- Collaborate with our clients as partners in growth
- Continue growing our network of crypto native, neobank and fintech clients
- Continue to execute on international “land and expand” strategy

## 2 Expand our products and solutions

- Continue development of our own Electronic Communication Network (“ECN”), BakktX, a trading venue designed for institutional traders and crypto market participants
- Advance our recently launched Collaborative Custody solution

## 3 Continued improvement of our cost structure

- Continue to reduce our operating expenses through strategic cost restructuring



# Performance - Q1 '24 update

## Financial Update<sup>1,2</sup>

- Revenue, net up 32.8% YoY reflecting increased crypto trading revenue
- Notional crypto traded volume up 324% QoQ
- Opex, excluding crypto costs down by 16% YoY from cost reduction initiatives
- Net loss reduced by 53% YoY to \$21.3M
- Adjusted EBITDA loss reduced by 44% YoY to \$16.3M

## Operational Update

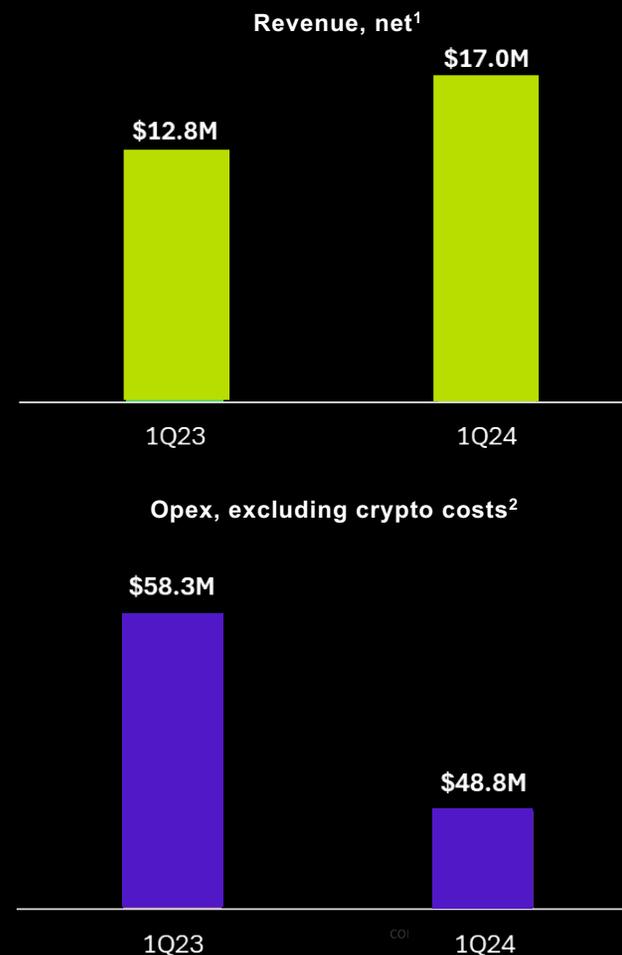
- Successfully raised initial net proceeds of \$38M<sup>3</sup> in an equity financing with institutional investors
- Developing institutional Electronic Communication Network ("ECN") trading platform
- Unchained partnership as key agent for enterprise collaborative custody
- Swan Bitcoin partnership enabling Bitcoin services and trading in 49 states and 22 countries
- Assets under custody grew to a record \$1.1 billion on higher coin prices
- Loyalty business positioned to benefit from growing consumer trends



<sup>1</sup> Revenues net of crypto services revenue and crypto costs and execution, clearing and brokerage fees

<sup>2</sup> Operating expenses, excluding crypto costs and execution, clearing and brokerage fees

<sup>3</sup> Received additional \$7.4M in subsequent closing of funds in April 2024



# Performance - We believe we are well-positioned to capitalize on crypto market tailwinds

- We are benefiting from strong tailwinds for retail crypto trading due to higher industry wide activity and coin prices
  - Our Q1'24 notional traded volume was 324% higher vs. Q4'23 and overall market activity up 65%
  - March 2024 volume highest for Bakkt Crypto platform since acquisition in April 2023
  - April 2024 trading volume decreased from March 2024 levels, but was still 134% higher than 2023 average



Source: The Block; Industry data represents total cryptocurrency exchange volume.

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# Performance – Accelerating expense restructuring

## Projected results of May restructuring initiative

~20%

Lower headcount  
(Year-end 2024<sup>1</sup> vs. 2023)

~\$7mm

Cash savings in  
2024

~\$13mm

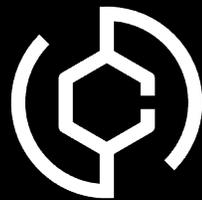
Annualized cash  
savings<sup>2</sup>



1. Headcount includes all exempt and non-exempt employees and contractors, including headcount related to call centers, annualized estimate for 2024

2. \$13 million, excluding one-time restructuring charge of \$0.8 - \$1.0 million, comprised of \$7 million in cash savings directly from headcount restructuring and \$5.7 million estimated from anticipated reduction in overall planned workforce including available roles and vendor reallocation.

# Strengthening Bakkt's Position



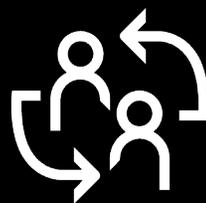
Performance



Platform and  
Products



Process and  
People



Partners

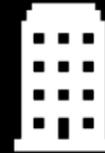


## Platform and Products – What's happening in the market?



### **The Crypto Trading Market has been built primarily for retail investors**

As confidence has returned post-FTX, retail-investor crypto trading volume has increased significantly.



### **Institutional investors need a trading platform purpose-built to align with their needs and priorities**

The SEC's approval of Bitcoin ETFs has sparked an increase in the mainstream adoption of crypto.

Institutions are expected to play a larger role in maturing the crypto market going forward.

There is an immediate opportunity for Bakkt to disrupt the institutional trading and custody markets



# Platform and Products - the BakktX ECN

Building on our industry-leading foundation of institutional custody and compliant trading, we plan to launch our own foreign exchange-style ECN “BakktX.” Once launched, BakktX aims to offer a high-performance, low-latency, low-cost trading venue for institutions.<sup>1</sup>



**Bakkt Trust:** An NYDFS supervised custodian operated by a publicly-traded company.

**Bakkt Crypto Solutions:** MTLs to operate in all 50 states.

Deep network of liquidity relationships and understanding of institutional liquidity requirements in the crypto marketplace.

## BakktX

Will execute trades in real time with minimal slippage and zero rate limits or penalties.

High performance, ultra-low latency matching engine

Will leverage Bakkt’s deep network of liquidity relationships, designed for institutions in the cryptocurrency marketplace.

Customizable liquidity streams for each, enabling clients to choose who they trade with

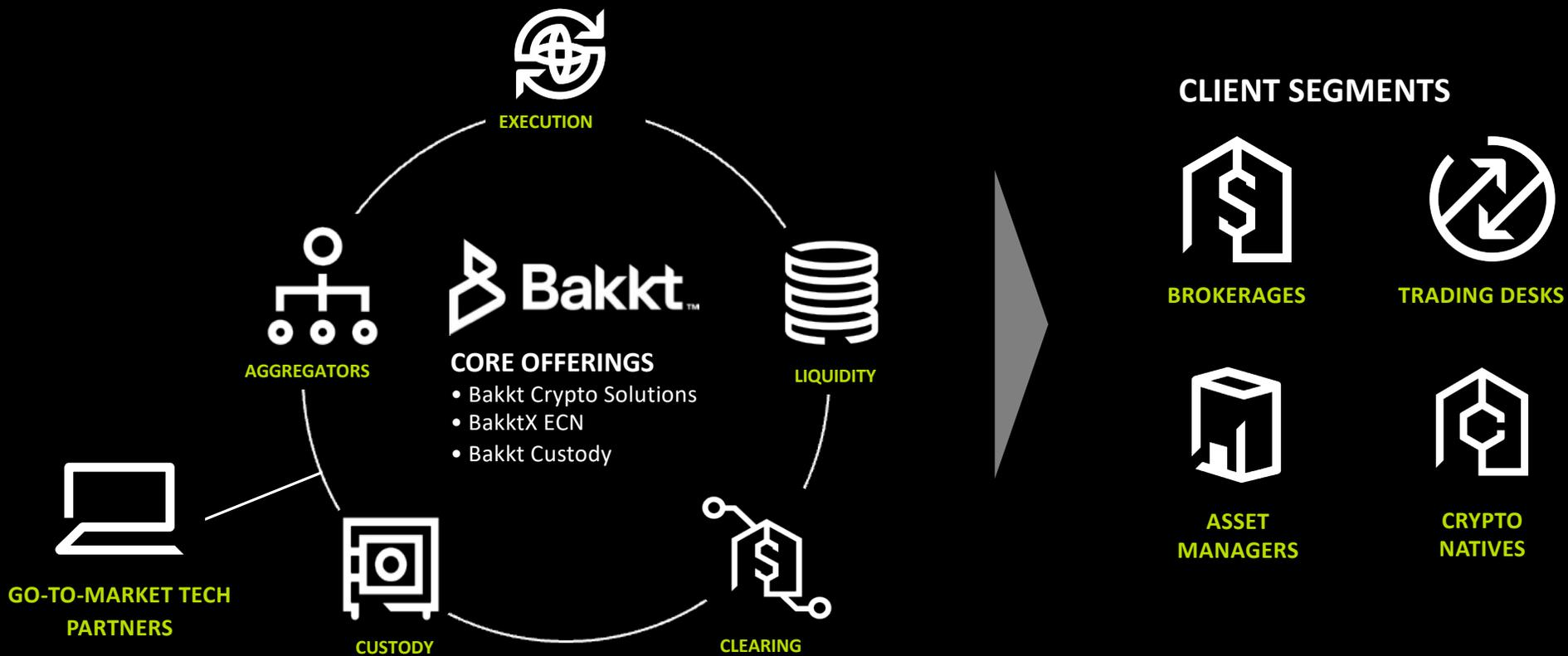
Will receive tight spreads in spot crypto markets, plus a low fee structure meant to incentivize trading volumes.

Competitive maker and taker fees with volume-based incentives

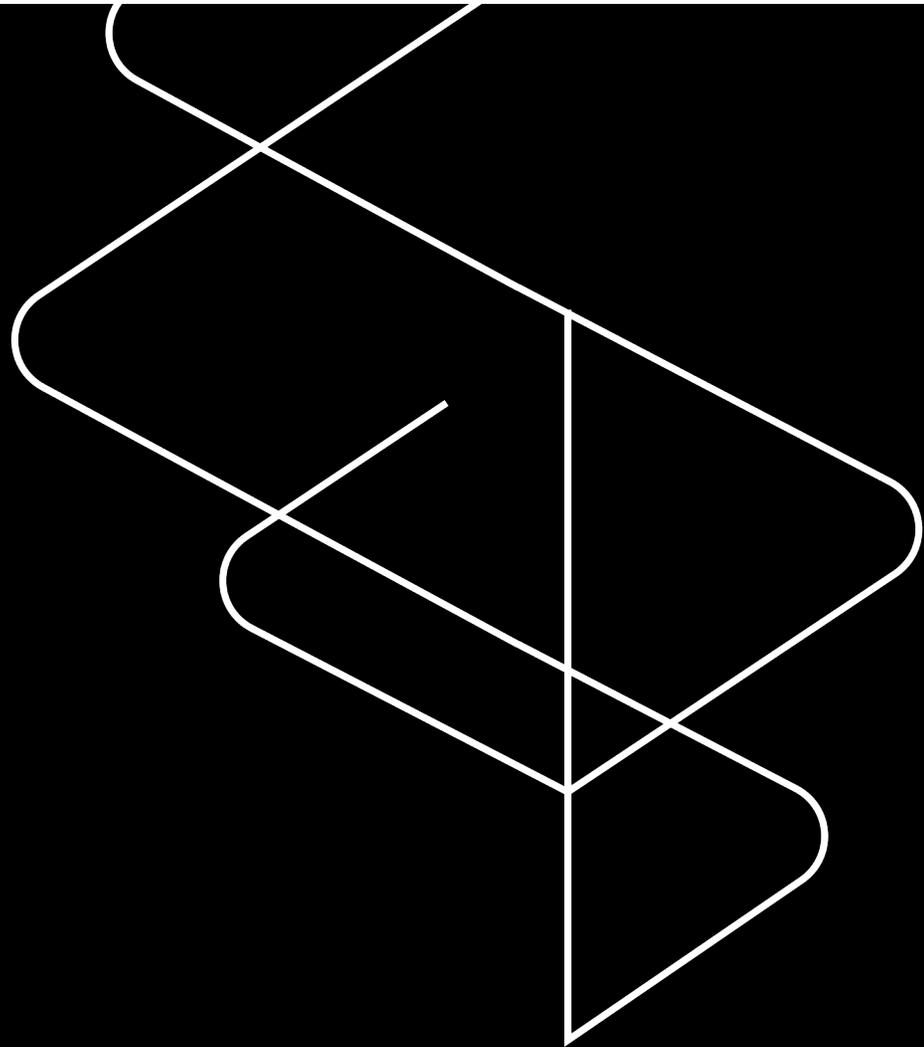


<sup>1</sup> Operation of BakktX in New York will be subject to regulatory approval. Tokens to be offered via BakktX not yet determined.

# Partners – The Bakkt Ecosystem

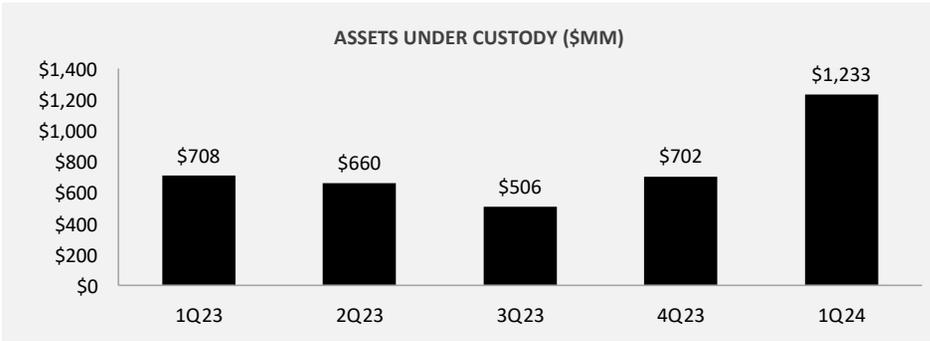
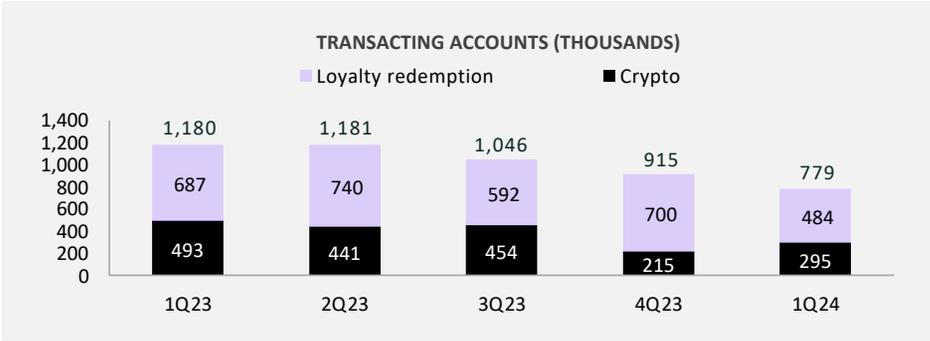
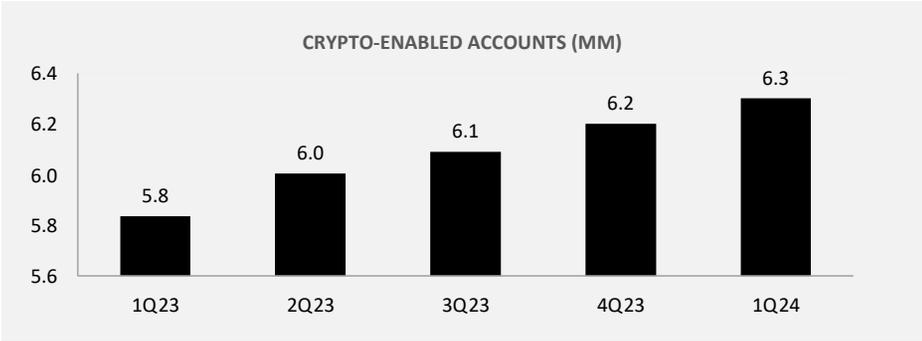


# Financial results



# 1Q24 key performance indicators

- Crypto enabled accounts of 6.3mm have continued to increase steadily QoQ
- Crypto trading volume up 324% QoQ driven by exceptionally strong client trading activity
- Loyalty redemption volume down 6% YoY driven by lower redemption activity in travel and gift cards
- Assets under custody of \$1,233.2mm up 76% YoY due to higher coin prices



Note: Key performance indicators include historical data for Bakkt Crypto. The operating data on this slide is unaudited. Please refer to the Notes section in this presentation for definitions. Source: The Block; Industry data represents total cryptocurrency exchange volume.

# 1Q24 revenues

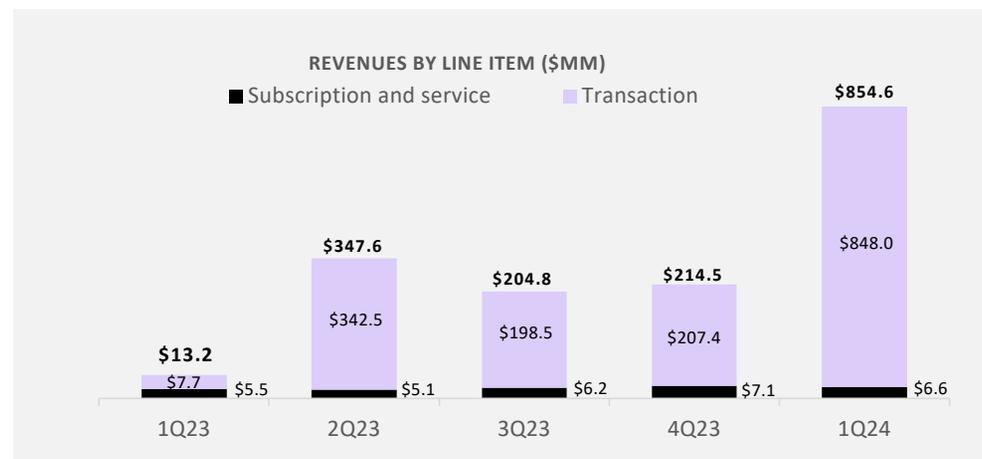
1Q24 results include Bakkt Crypto, which we acquired on April 1, 2023. In accordance with GAAP, we are presenting crypto services revenue on a gross basis.

## Crypto revenues

- Gross revenues of \$841.3mm driven by increase in crypto transaction volumes YoY due to Bakkt Crypto acquisition; 322% increase QoQ driven by higher industry wide volumes

## Loyalty revenues

- Net revenues of \$13.2mm increased 4% YoY
- Transaction revenues of \$6.6mm
- Subscription and service revenues of \$6.6mm



Note: Quarterly financial data on this slide is unaudited. Bar charts not fit to scale

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# 1Q24 crypto services revenue and related costs

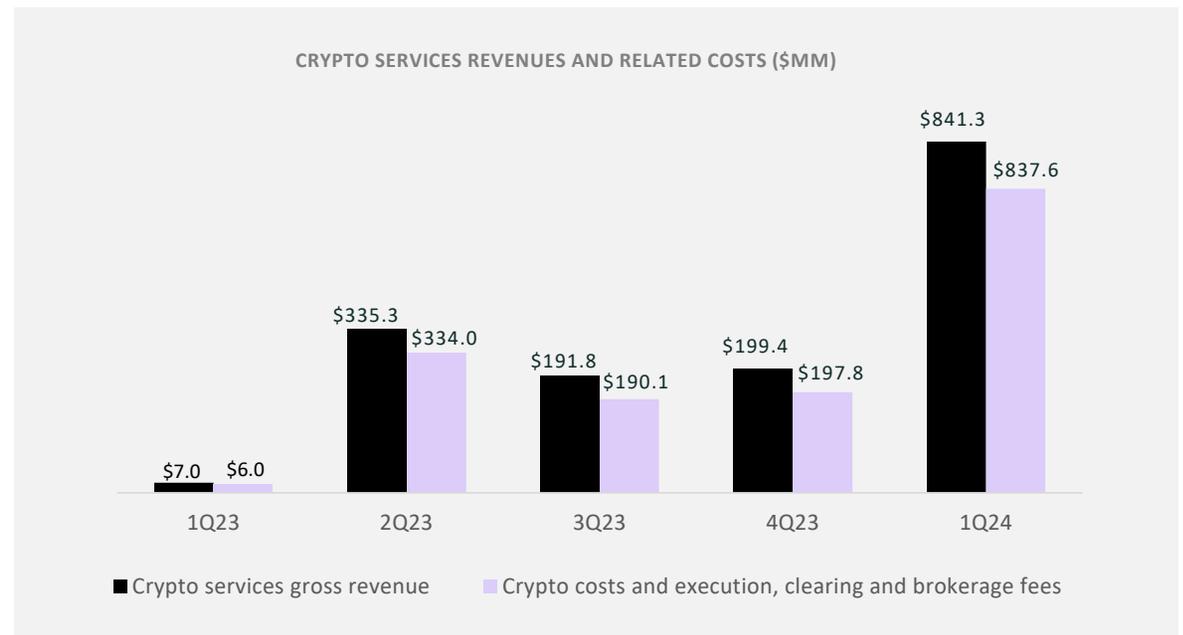
1Q24 results include Bakkt Crypto, which we acquired on April 1, 2023. In accordance with GAAP, we are presenting our crypto services revenue and crypto costs and execution, clearing and brokerage fees on a gross basis.

## Crypto services revenue

- Gross revenue of \$841.3mm increased QoQ due to improving industry wide volumes

## Crypto costs and execution, clearing and brokerage fees

- Crypto costs and execution, clearing and brokerage fees of \$837.6mm in line with revenue levels



Note: All financial data on this slide is unaudited. Bar chart not fit to scale.

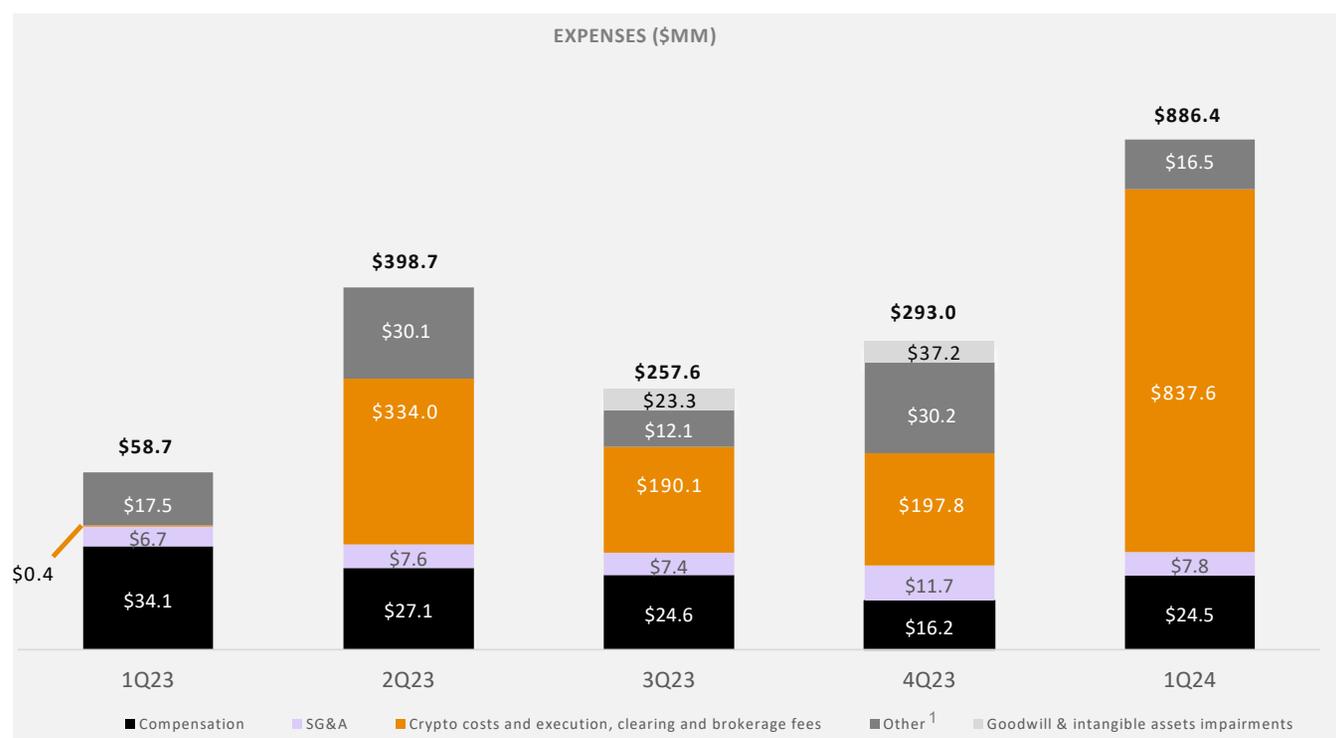
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# 1Q24 operating expenses

1Q24 results include Bakkt Crypto, which we acquired on April 1, 2023. In accordance with GAAP, we are presenting our crypto costs and execution, clearing and brokerage fees on a gross basis

- **Total operating expenses of \$886.4mm** includes \$837.6mm of crypto costs and execution, clearing and brokerage fees, related to Bakkt Crypto acquisition
- **SG&A expenses of \$7.8mm** includes a \$0.9mm payment associated with a strategic marketing agreement
- **Compensation and benefits expenses of \$24.5mm** were down 28% YoY, primarily due to lower salaries, wages, incentive bonuses and benefits, contract labor and non-cash compensation
- **Other<sup>1</sup> expenses of \$16.5mm** included \$6.1mm of non-recurring restructuring expenses



Note: All financial data on this slide is unaudited. Bar chart not fit to scale.

<sup>1</sup> Other comprised of Professional services, Technology & communication, Acquisition-related expenses, Depreciation & amortization, Related party expenses, Restructuring expenses, Impairments of long-lived assets, and Other operating expenses.

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## 1Q24 Adjusted EBITDA (non-GAAP)

- 1Q24 Adjusted EBITDA loss of **\$(16.3)mm** decreased YoY primarily due to a reduction in total compensation and benefits

<i>\$mm's</i>	<b>1Q24</b>	<b>4Q23</b>	<b>1Q23</b>
<b>Net loss</b>	\$ (21.3)	\$ (78.7)	\$ (44.9)
Depreciation and amortization	0.1	3.1	3.1
Interest income, net	(1.0)	(0.8)	(1.6)
Income tax expense	0.2	—	0.0
<b>EBITDA loss</b>	\$ (22.0)	\$ (76.4)	\$ (43.4)
Acquisition-related expenses	—	(12.8)	0.8
Share-based and unit-based compensation expense	8.0	1.2	7.9
(Gain) loss from change in fair value of warrant liabilities	(9.0)	0.7	1.0
Goodwill and intangible assets impairments	—	37.2	—
Impairment of long-lived assets	0.3	30.2	—
Restructuring expenses	6.1	0.1	4.3
Shelf Registration expenses	0.2	—	—
Transition services expense	0.2	0.8	0.6
<b>Adjusted EBITDA loss</b>	\$ (16.3)	\$ (19.0)	\$ (28.9)



Note: All financial data on this slide is unaudited. Adjusted EBITDA is a non-GAAP financial measure. For more information, please refer to the Notes section in this presentation.

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# Summary of 1Q24 condensed results

1Q24 results include Bakkt Crypto (f/k/a Apex Crypto LLC), now known as Bakkt Crypto, which we acquired on April 1, 2023. In accordance with GAAP, we are presenting crypto services revenue and crypto costs and execution, clearing and brokerage fees on a gross basis

Total revenues of \$854.6 mm reflects significant increase YoY in gross crypto trading revenue driven by our acquisition of Bakkt Crypto

Total operating expenses of \$886.4 mm reflects significant increase in crypto trading expenses driven by our acquisition of Bakkt Crypto

Operating expenses (excluding crypto costs, execution, clearing and brokerage fees and goodwill, intangible and long-lived assets impairments) of \$48.8 mm decreased by 16% YoY, primarily due to lower compensation and benefits costs and depreciation and amortization

As of 5/3/2024 total shares outstanding of 13.4mm<sup>1,2</sup>

- Class A 6.2mm shares
- Class V 7.2mm shares

\$mm's	1Q24	4Q23	1Q23
Crypto services	\$ 841.3	\$ 199.4	\$ 0.4
Loyalty services, net	13.2	15.1	12.8
<b>Total revenues</b>	<b>854.6</b>	<b>214.5</b>	<b>13.2</b>
Crypto costs and execution, clearing and brokerage fees	837.6	197.8	0.4
Goodwill, intangible and long-lived assets impairments	—	67.4	—
Operating expenses, excluding crypto costs, execution, clearing and brokerage fees and goodwill, intangible and long-lived assets impairments	48.8	27.8	58.3
<b>Total operating expenses</b>	<b>886.4</b>	<b>293.0</b>	<b>58.7</b>
<b>Operating loss</b>	<b>(31.8)</b>	<b>(78.5)</b>	<b>(45.4)</b>
Interest income, net	1.0	0.8	1.6
Gain (loss) from change in fair value of warrant liability	9.0	(0.7)	(1.0)
Other income (expense), net	0.7	(0.3)	—
<b>Loss before income taxes</b>	<b>(21.1)</b>	<b>(78.7)</b>	<b>(44.8)</b>
Income tax expense	(0.2)	(0.0)	(0.0)
<b>Net loss</b>	<b>(21.3)</b>	<b>(78.7)</b>	<b>(44.9)</b>
Less: Net loss for noncontrolling interest	(13.1)	(52.0)	(30.9)
<b>Net loss attributable to Bakkt Holdings, Inc.</b>	<b>\$ (8.2)</b>	<b>\$ (26.7)</b>	<b>\$ (14.0)</b>
Weighted average basic shares (mm)	4.4	3.7	3.3
Weighted average diluted shares (mm)	4.4	3.7	3.3
Net loss per basic share	\$ (1.86)	\$ (7.25)	\$ (4.27)
Net loss per diluted share	\$ (1.86)	\$ (7.25)	\$ (4.27)



Note: All financial data on this slide is unaudited.

<sup>1</sup> As of May 3, 2024, Intercontinental Exchange, Inc. ("ICE") owned an aggregate of 56% of shares, consisting of both Class A and Class V.

<sup>2</sup> Shares as of May 3, 2024 include ICE's shares purchased under the registered direct securities purchase agreement on April 25, 2024. Share totals in this presentation reflect the impact of the Company's Reverse Stock Split that occurred on April 26, 2024.

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# 1Q24 condensed balance sheet

- \$74.6mm of cash, cash equivalents and available-for-sale securities
- \$4.3mm increase in cash, cash equivalents and available-for-sale securities since December 31, 2023 reflects \$38mm net proceeds from the initial closing of registered direct offering, less 1Q24 cash usage of \$33.7mm
  - Cash usage in January and February was unusually high due to timing of annual payments and a \$4.9mm increase in surety bond collateral
  - \$7.0mm of cash collateral supporting purchasing card facility moved to restricted cash in March
  - Capex<sup>1</sup> spend of \$1.8mm
  - \$1.4mm of severance expenses accrued in Q1'24 was paid in Q2'24

\$mm's	As of 3/31/24 (unaudited)	As of 12/31/23
<b>Assets</b>		
Cash & cash equivalents	\$ 56.6	\$ 52.9
Available-for-sale securities	18.0	17.4
Safeguarding asset for crypto	1,233.2	701.6
Other current assets	182.5	110.8
<b>Total current assets</b>	<b>1,490.3</b>	<b>882.6</b>
Goodwill	68.0	68.0
Intangible assets, net	2.9	2.9
Other assets	14.3	13.3
<b>Total assets</b>	<b>\$ 1,575.5</b>	<b>\$ 966.9</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities	\$ 165.1	\$ 100.5
Safeguarding obligation for crypto	1,233.2	701.6
Noncurrent liabilities	46.3	29.1
<b>Total liabilities</b>	<b>1,444.6</b>	<b>831.2</b>
Total stockholders' equity	57.0	48.3
Noncontrolling interest	73.9	87.4
<b>Total equity</b>	<b>130.9</b>	<b>135.7</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,575.5</b>	<b>\$ 966.9</b>



Note: Cash usage is calculated using changes in Cash & cash equivalents and Available-for-sale securities and other non-restricted cash balances over a specified time period, less the net proceeds of the registered direct offering. First quarter 2024 cash usage of \$33.7mm is calculated by adding the increase in Cash & cash equivalents and other non-restricted cash balances from 12/31/23 to 3/31/24 of \$3.7mm and the increase in Available-for-sale securities from 12/31/23 to 3/31/24 of \$0.6mm (a total \$4.3mm increase in cash, cash equivalents and available-for-sale securities), and deducting the \$38mm of net proceeds from the initial closing of registered direct offering.

<sup>1</sup> Capex defined as capitalized internal-use software development costs and other capital expenditures

# Updating our expected full year 2024 outlook

FINANCIAL METRIC	MARCH 25 <sup>th</sup> OUTLOOK	MAY 15 <sup>th</sup> OUTLOOK
<b>Revenues</b>	<ul style="list-style-type: none"> <li>Total revenues of \$3,292mm - \$5,114mm</li> <li>Gross crypto revenues of \$3,239mm - \$5,057mm</li> <li>Net loyalty revenues of \$53mm - \$57mm</li> </ul>	<ul style="list-style-type: none"> <li>Total revenues of \$3,002mm - \$4,447mm</li> <li>Gross crypto revenues of \$2,949mm - \$4,390mm</li> <li>No change in net loyalty revenues</li> </ul>
<b>Crypto costs and ECB</b>	• \$3,220mm - \$5,027mm	• \$2,934mm - \$4,365mm
<b>Total operating expenses</b>	• \$160mm - \$170mm	• \$155mm - \$165mm
<b>Operating cash flow usage</b>	• (\$58mm - \$72mm)	• (\$58mm - \$72mm)
<b>Free Cash Flow (non-GAAP) usage</b>	• (\$65mm - \$79mm)	• (\$64mm - \$78mm)
<b>End of year available cash, cash equivalents and available-for-sale securities</b>	• \$35mm - \$50mm	• \$42mm - \$57mm

## Updates to Key Assumptions

### *Gross Crypto Revenue, Crypto Costs and ECB*

- Increased revenue contribution from existing clients/accounts based on observed retail trading engagement metrics, offset by lower contribution from new clients
- 1x – 3x increase in crypto trading accounts vs. Q4'23
- Activation of crypto coin pairs in 2H24 to support international retail trading demand
- Addition of institutional clients with steady ramp-up in assets under custody in 2H'24
- Crypto costs and ECB in line with gross crypto revenue

### *Operating expenses*

- Comp expense savings from restructuring offset by increased non-cash compensation and restructuring charges

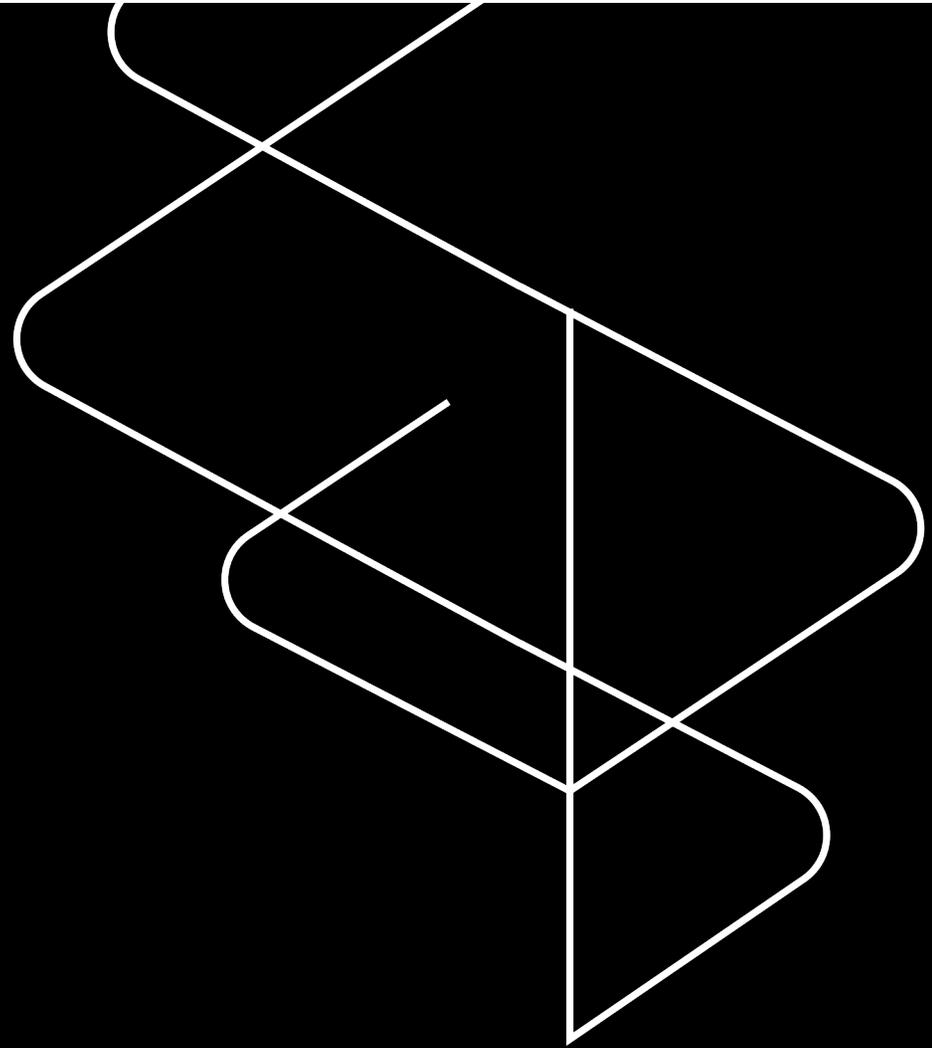
### *End of year cash, cash equivalents and AFS securities*

- Integration of regulated entities beginning March 2024 including \$5mm additional release of surety bond restricted cash collateral
- \$7mm cash savings from restructuring actions partially offset by \$5mm reduction in net contribution from crypto trading

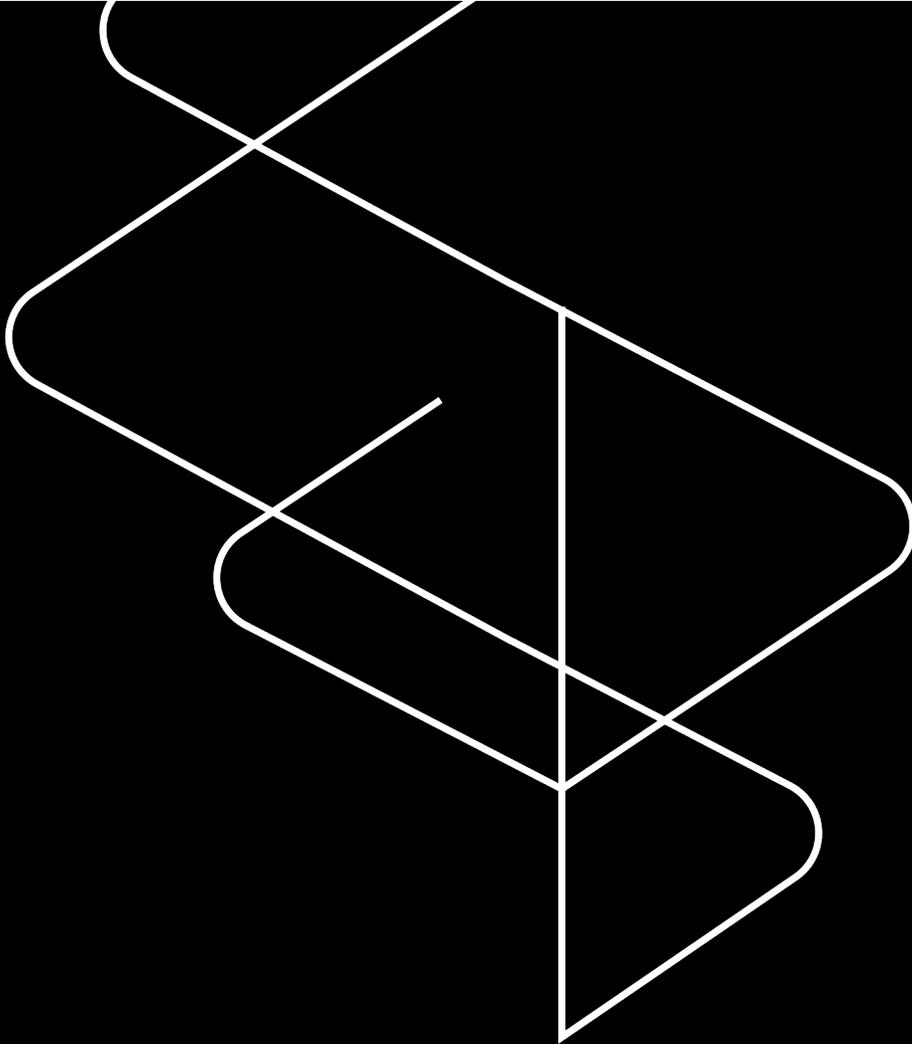


Note: All financial data on this slide is unaudited. Free cash flow is a non-GAAP financial measure. For more information, please refer to the Notes section in this presentation.

# Concluding thoughts



# Notes



NOTES

## Definitions

**Crypto-enabled accounts:** total crypto accounts open

**Transacting accounts:** unique accounts that perform at least one transaction across crypto buy/sell and loyalty redemption each month. Monthly figures are de-duped for the month. Quarterly figure represents sum of all months in the quarter

**Notional traded volume:** total notional volume of transactions across crypto buy/sell and loyalty redemption. Figures represent gross values recorded as of order date

**Assets under custody:** the sum of coin quantities held by customers multiplied by the final quote for each coin on the last day of the quarter



## NOTES

# Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure, which we define as earnings before interest, income taxes, depreciation, amortization, acquisition-related expenses, share-based and unit-based compensation expense, goodwill and intangible assets impairments, restructuring charges, changes in the fair value of our warrant liability and certain other non-cash and/or non-recurring items that do not contribute directly to our evaluation of operating results and are not components of our core business operations. Adjusted EBITDA provides management with an understanding of earnings before the impact of investing and financing transactions and income taxes, and the effects of aforementioned items that do not reflect the ordinary earnings of our operations. This measure may be useful to an investor in evaluating our performance. Adjusted EBITDA is not a measure of our financial performance under GAAP and should not be considered as an alternative to net income (loss) or other performance measures derived in accordance with GAAP. Our definition of Adjusted EBITDA may not be comparable to similarly tied measures used by other companies.

Non-GAAP financial measures like Adjusted EBITDA have limitations, should be considered as supplemental in nature and are not meant as a substitute for the related financial information prepared in accordance with GAAP. The non-GAAP financial measures should be considered alongside other financial performance measures, including net loss and our other financial results presented in accordance with GAAP.



NOTES

## Adjusted EBITDA reconciliation – Non-GAAP

<i>\$mm's</i>	<b>1Q24</b>	<b>4Q23</b>	<b>1Q23</b>
<b>Net loss</b>	\$ (21.3)	\$ (78.7)	\$ (44.9)
Depreciation and amortization	0.1	3.1	3.1
Interest income, net	(1.0)	(0.8)	(1.6)
Income tax expense	0.2	—	0.0
<b>EBITDA loss</b>	\$ (22.0)	\$ (76.4)	\$ (43.4)
Acquisition-related expenses	—	(12.8)	0.8
Share-based and unit-based compensation expense	8.0	1.2	7.9
(Gain) loss from change in fair value of warrant liabilities	(9.0)	0.7	1.0
Goodwill and intangible assets impairments	—	37.2	—
Impairment of long-lived assets	0.3	30.2	—
Restructuring expenses	6.1	0.1	4.3
Shelf Registration expenses	0.2	—	—
Transition services expense	0.2	0.8	0.6
<b>Adjusted EBITDA loss</b>	\$ (16.3)	\$ (19.0)	\$ (28.9)



Note: Quarterly financial data on this slide is unaudited. Adjusted EBITDA is a non-GAAP financial measure.

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## NOTES

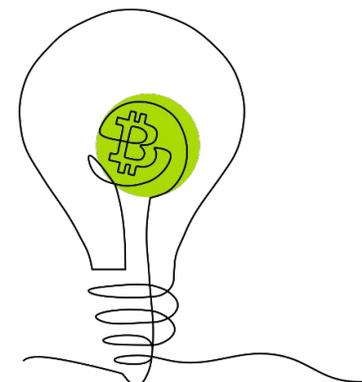
# Free cash flow reconciliation – Non-GAAP

Free Cash Flow is a non-GAAP financial measure. Free Cash Flow is cash flow from operations adjusted for “capitalized internal use software development costs and other capital expenditures” and “interest income.” We adjust for capitalized expenses associated with internally developed software for our technology platforms given they are a large component of our ongoing expense base given our position as a technology platform company.

Information reconciling forward-looking Free Cash Flow to the comparable GAAP financial measure is unavailable to us without unreasonable effort. We are not able to provide a reconciliation of forward-looking Free Cash Flow to the comparable GAAP financial measure because certain items required for such reconciliations are outside of our control and/or cannot be reasonably predicted, such as timing of customer payments for account receivables and payment terms for operating expenses. Preparation of such reconciliations would require a forward-looking statement of income and statement of cash flow, prepared in accordance with GAAP, and such forward-looking financial statements are unavailable to us without unreasonable effort (as specified in the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K). We provide a range for our Free Cash Flow forecast that we believe will be achieved, however we cannot accurately predict all the components of the Free Cash Flow calculation.

We provide Free Cash Flow because we believe that Free Cash Flow, when viewed with our results under GAAP, provides useful information for the reasons noted above. However, Free Cash Flow is not a measure of liquidity under GAAP and, accordingly, should not be considered as an alternative to net cash used in operating activities as an indicator of liquidity.

<i>\$mm's</i>	FY 2024E	
	Low	High
<b>Net cash used in operating activities</b>	<b>\$ (58.0)</b>	<b>\$ (72.0)</b>
Capex	(2.0)	(2.0)
Interest income, net	(4.0)	(4.0)
<b>Free Cash Flow</b>	<b>\$ (64.0)</b>	<b>\$ (78.0)</b>



Note: All financial data on this slide is unaudited. Free Cash Flow is a non-GAAP financial measure.

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## NOTES

Statement of  
operations

\$mm's	1Q24	4Q23	1Q23
<b>Revenues:</b>			
Crypto services	\$ 841.3	\$ 199.4	\$ 0.4
Loyalty services, net	13.2	15.1	12.8
Total revenues	<u>854.6</u>	<u>214.5</u>	<u>13.2</u>
<b>Operating expenses:</b>			
Crypto costs	832.0	196.9	0.4
Execution, clearing and brokerage fees	5.6	0.9	—
Compensation and benefits	24.5	16.2	34.1
Professional services	3.6	3.2	2.4
Technology and communication	5.8	5.2	5.7
Selling, general and administrative	7.8	11.7	6.7
Acquisition-related expenses	—	(12.8)	0.8
Depreciation and amortization	0.1	3.1	3.1
Related party expenses	0.2	0.8	0.6
Goodwill and intangible assets impairments	—	37.2	—
Impairment of long-lived assets	0.3	30.2	—
Restructuring expenses	6.1	0.1	4.3
Other operating expenses	0.4	0.4	0.7
Total operating expenses	<u>886.4</u>	<u>293.0</u>	<u>58.7</u>
<b>Operating loss</b>	<b>(31.8)</b>	<b>(78.5)</b>	<b>(45.4)</b>
Interest income, net	1.0	0.8	1.6
Gain (loss) from change in fair value of warrant liability	9.0	(0.7)	(1.0)
Other income (expense), net	0.7	(0.3)	—
<b>Loss before income taxes</b>	<b>(21.1)</b>	<b>(78.7)</b>	<b>(44.8)</b>
Income tax expense	(0.2)	(0.0)	(0.0)
<b>Net loss</b>	<b>(21.3)</b>	<b>(78.7)</b>	<b>(44.9)</b>
Less: Net loss attributable to noncontrolling interest	(13.1)	(52.0)	(30.9)
<b>Net loss attributable to Bakkt Holdings, Inc.</b>	<b>\$ (8.2)</b>	<b>\$ (26.7)</b>	<b>\$ (14.0)</b>
<b>Net loss per share attributable to Class A Common Stockholders</b>			
Basic	\$ (1.86)	\$ (7.25)	\$ (4.27)
Diluted	\$ (1.86)	\$ (7.25)	\$ (4.27)



Note: Quarterly financial data on this slide is unaudited.

NOTES

# Balance sheet

<i>\$mm's</i>	As of 3/31/24 (unaudited)	As of 12/31/23
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$56.6	\$52.9
Restricted cash	44.0	31.8
Customer funds	88.2	32.9
Available-for-sale securities	18.0	17.4
Accounts receivable, net	37.2	29.7
Prepaid insurance	9.2	13.0
Safeguarding asset for crypto	1,233.2	701.6
Other current assets	4.0	3.3
Total current assets	1,490.3	882.6
Property, equipment and software, net	1.5	0.1
Goodwill	68.0	68.0
Intangible assets, net	2.9	2.9
Other assets	12.8	13.3
Total assets	<b>\$1,575.5</b>	<b>\$966.9</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$62.7	\$55.4
Customer funds payable	88.2	32.9
Deferred revenue, current	3.3	4.3
Due to related party	2.5	3.2
Safeguarding obligation for crypto	1,233.2	701.6
Unsettled crypto trades	4.5	1.0
Other current liabilities	3.8	3.7
Total current liabilities	1,398.3	802.1
Deferred revenue, noncurrent	2.9	3.2
Warrant liability	21.0	2.4
Other noncurrent liabilities	22.5	23.5
Total liabilities	<b>1,444.6</b>	<b>831.2</b>
<b>Stockholders' equity</b>		
Class A Common Stock (\$0.0001 par value, 30,000,000 shares authorized, 5,873,080 shares issued and outstanding as of 3/31/24 and 3,793,837 shares outstanding as of 12/31/23)	0.0	0.0
Class V Common Stock (\$0.0001 par value, 10,000,000 shares authorized, 7,195,339 shares issued and outstanding as of 3/31/24 and 7,200,064 shares outstanding as of 12/31/23)	0.0	0.0
Additional paid-in capital	816.8	799.7
Accumulated other comprehensive loss	(0.3)	(0.1)
Accumulated deficit	(759.5)	(751.3)
Total stockholders' equity	57.0	48.3
Noncontrolling interest	73.9	87.4
Total equity	130.9	135.7
<b>Total liabilities and stockholders' equity</b>	<b>1,575.5</b>	<b>966.9</b>



Note: Quarterly financial data on this slide is unaudited.

NOTES

# Statement of cash flows

\$mm's	1Q24	4Q23	1Q23
<b>Cash flows from operating activities:</b>			
Net loss	\$(21.3)	\$(78.7)	\$(44.9)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	0.1	3.1	3.1
Change in fair value of contingent consideration liability	—	(13.1)	—
Non-cash lease expense	0.6	0.8	0.8
Share-based compensation expense	8.0	1.2	7.2
Unit-based compensation expense	—	0.0	0.7
Impairment of long-lived assets	0.3	30.2	—
Goodwill and intangible assets impairments	—	37.2	—
Loss on disposal of assets	—	0.0	0.0
(Gain) loss from change in fair value of warrant liability	(9.0)	0.7	1.0
Other	—	0.0	0.2
Changes in operating assets and liabilities:			
Accounts receivable	(6.3)	(6.9)	(0.1)
Prepaid insurance	3.9	(1.0)	4.3
Accounts payable and accrued liabilities	7.3	6.3	(16.0)
Unsettled crypto trades	3.6	—	—
Due to related party	(0.7)	1.5	(0.7)
Deferred revenue	(1.3)	0.3	(0.5)
Operating lease liabilities	(1.0)	(0.9)	(0.6)
Customer funds payable	55.2	4.7	(0.0)
Other assets and liabilities	(1.0)	4.6	(1.8)
Net cash provided by (used in) operating activities	38.4	(10.2)	(47.2)
<b>Cash flows from investing activities:</b>			
Capitalized internal-use software development costs and other capital expenditures	(1.8)	(1.5)	(3.7)
Purchase of available-for-sale securities	(18.0)	(17.2)	(27.0)
Proceeds from the settlement of available-for-sale securities	17.5	22.6	101.0
Acquisition of Bumped Financial, LLC	—	—	(0.6)
Net cash (used in) provided by investing activities	(2.3)	3.8	69.7
<b>Cash flows from financing activities:</b>			
Proceeds from Concurrent Offerings, net of issuance costs	39.0	—	—
Repurchase and retirement of Class A Common Stock for withholding purposes	(2.3)	(0.1)	—
Net cash provided by (used in) financing activities	36.7	(0.1)	—
Effect of exchange rate changes	(0.4)	0.5	0.0
<b>Net increase (decrease) in cash, cash equivalents, restricted cash, cash held in escrow, customer funds and deposits</b>	<b>72.3</b>	<b>(6.0)</b>	<b>22.5</b>
Cash, cash equivalents, restricted cash, cash held in escrow, customer funds and deposits at the beginning of the period	118.5	124.5	115.4
Cash, cash equivalents, restricted cash, cash held in escrow, customer funds and deposits at the end of the period	<b>\$190.8</b>	<b>\$118.5</b>	<b>\$137.9</b>



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