



# Fourth Quarter and Full Year 2021 Earnings

February 17, 2022

# Important notice

Unless the context otherwise provides, “we,” “us,” “our,” “Bakkt” and like terms refer (i) prior to October 15, 2021 (the closing date of the business combination), to Bakkt Opco Holdings, LLC (f/k/a Bakkt Holdings, LLC, “Opco”) and its subsidiaries and (ii) after October 15, 2021, to Bakkt Holdings, Inc. and its subsidiaries, including Opco.

## Forward-Looking Statements

This presentation, and the accompanying oral presentation (collectively, this “presentation”), contain “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 for 2022 and statements regarding Bakkt’s plans, objectives, expectations and intentions with respect to future operations, products, services and use of proceeds from the business combination, among others. Forward-looking statements can be identified by words such as “will,” “likely,” “expect,” “continue,” “anticipate,” “estimate,” “believe,” “intend,” “plan,” “projection,” “outlook” 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 presentation. Unless otherwise required by law, we undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation 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) a delay or failure to realize the expected benefits from the business combination; (ii) risks related to disruption of management time from ongoing business operations due to post-closing business combination matters; (iii) the impact of the ongoing COVID-19 pandemic; (iv) changes in the markets in which Bakkt competes, including with respect to its competitive landscape, technology evolution or regulatory changes; (v) changes in the markets that Bakkt targets; (vi) risk that Bakkt may not be able to execute its growth strategies, including identifying and executing acquisitions; (vii) risks relating to data security; and (viii) 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 in the “Risk Factors” section of the definitive proxy statement/prospectus filed by Bakkt (under the name VPC Impact Acquisition Holdings) on September 17, 2021 and other filings that Bakkt may, from time-to-time, make with the Securities and Exchange Commission.

## Basis of Presentation

“Predecessor” information represents the results of Bakkt Holdings, LLC prior to the business combination with VPC Impact Acquisition Holdings (VIH), which closed on October 15, 2021. “Successor” information represents the results of Bakkt Holdings, Inc. from the date the business combination closed through the end of the applicable period. “Combined” information represents the combination of Predecessor and Successor for the applicable period. Bakkt has provided the Combined information as management uses such information when evaluating the company’s results for periods that straddle the closing of the business combination. Combined information has not been calculated in accordance with generally accepted accounting principles (“GAAP”). For ease of comparison, unless otherwise indicated, all financial and operational results included in this presentation that include the results of 4Q21 reflect the Combined results for 4Q21.

Presentation of net loss for the Successor reflects management’s current estimate for income tax benefit (expense), which is subject to change pending finalization of purchase accounting estimates related to the business combination as permitted under Accounting Standards Codification 805 – Business Combinations.

In addition to the Combined information, this presentation also includes Adjusted EBITDA, which is a financial measure that is not calculated in accordance with GAAP. For more information regarding Adjusted EBITDA, please see slide 23.

OUR VISION

# Connecting the digital economy

We power commerce by enabling consumers, businesses and institutions to unlock value from digital assets.

KEY HIGHLIGHTS

# 2021: A transformative year

In addition to raising ~\$450mm through our business combination, we enabled...

**1.4b**  
linked  
loyalty points

**+134%**  
YoY headcount  
growth  
SF phx atl nyc  
strengthening our team  
with ~600 employees across  
our four main locations.

**82%**

quarterly growth in crypto (\$) volume  
trades on the Bakkt platform.

(Q3 2021 vs. Q4 2021)



**250%**  
quarterly increase in person-  
to-person sending of crypto  
using our Bakkt platform.  
(Q3 2021 vs. Q4 2021)

**88,178,850,310**

points redeemed

Yep. That's more than **88 billion** loyalty points.



Note: Unless otherwise indicated, data is for full year 2021

## KEY HIGHLIGHTS

# Our focus is connecting the digital economy

## Our key priorities:

- Building out and activating partnerships, with our B2B2C<sup>1</sup> model
- Deepening relationships with our existing partners
- Investing in products & capabilities to support existing & new partnerships
- Executing on expansion opportunities



# We connect the digital economy



Crypto Services

## Access to crypto for all

- Crypto buy, sell and hold capabilities
- A secure, regulated and trusted platform for consumers and banks
- Custody services enable safe and secure storage of bitcoin and ether



Crypto Rewards

## Ability to earn crypto everyday

- Crypto rewards built for loyalty, credit/debit card, and merchant funded programs
- Transforming rewards programs by enabling crypto as earn option



Pay with Digital Assets

## New ways to access digital assets

- Frictionless access to pay with crypto and rewards points
- Platform for brands to pay out in crypto across gig economy, marketplaces, gaming and more



Powering Loyalty

## Programs designed to drive loyalty

- **For consumers:** access to travel & experiences, gift cards, Apple & other merchandise
- **For brands:** turnkey solutions built to drive loyalty and engagement



**Institutional-grade technology platform built to embed into partner experiences**

OUR VISION IN ACTION



crypto through  
your trusted bank



crypto to the  
gig economy



businesses to secure  
crypto custody

# Connecting...



consumer rewards  
to new assets  
classes like crypto



payment options to  
drive commerce



loyalty programs  
to more choice  
and delight

KEY HIGHLIGHTS / RECENT PARTNERSHIPS

# Connecting crypto through your trusted bank

- Bakkt connects crypto to everyday banking through our previously announced platform partnerships
- We enable banks to quickly implement a crypto strategy with our “as-a-service” platform
- We will enable consumers to buy, sell and hold crypto through the banking environments they already know and trust



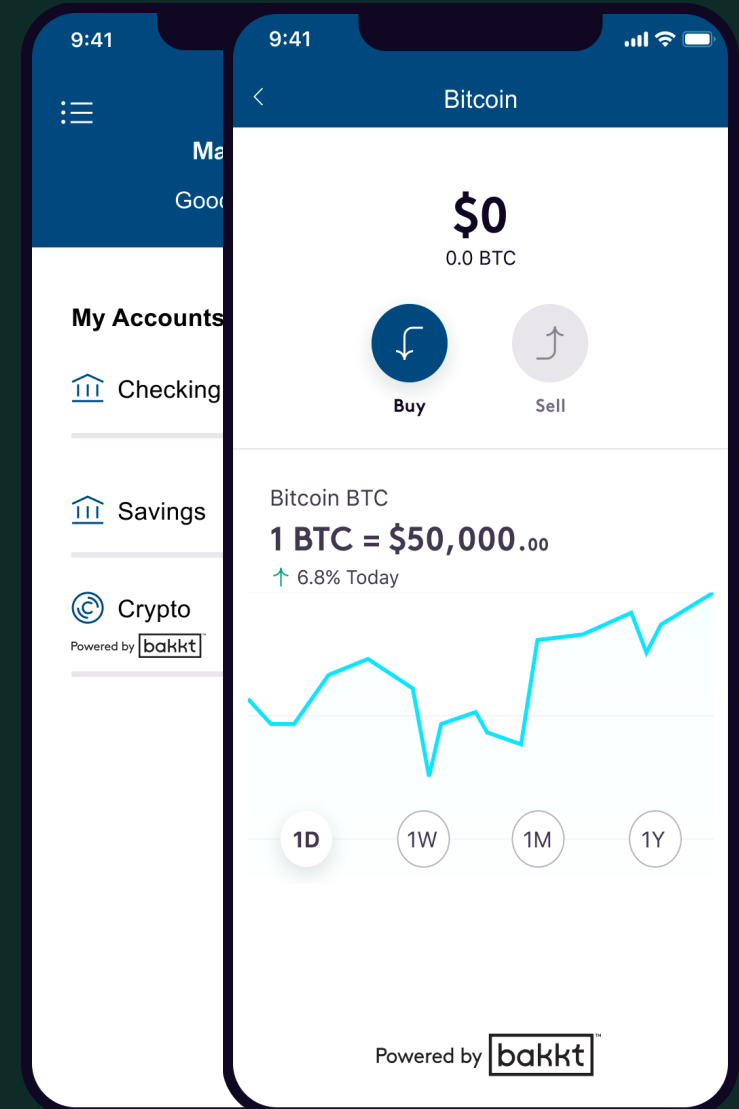
MANASQUAN BANK  
est. 1874

hanover bank



VALLIANCE BANK

Illustrative  
embedded partner  
experience



# Connecting crypto to the gig economy

- Gig economy platforms are ideal candidates to be enhanced with crypto experiences for customers and workers
- Bakkt provides consumers with frictionless access to pay with crypto and rewards points – enabling this use case for platforms like BringMeThat.com
- Our crypto payout feature will allow BringMeThat.com drivers to receive part of their earnings in crypto, allowing them to seamlessly gain access to a new asset class



BringMeThat.com is a food delivery service that works with over 150,000 restaurants across the US

## KEY HIGHLIGHTS / RECENT PARTNERSHIPS

# Connecting businesses to secure crypto custody

- Our crypto custody services enable safe and secure storage of bitcoin and ether for partners, leveraging:
  - State-of-the-art physical and cyber security
  - Institutional grade technology and governance
  - Cold and warm wallet insurance
- Our regulated custodian operates as the backbone of our consumer use cases, enabling real-time transactions in bitcoin and ether
- Recently announced partnership to provide crypto custody services to Nexo



**nexo**

Nexo is a leading digital assets institution, providing crypto lending, exchange and trading capabilities

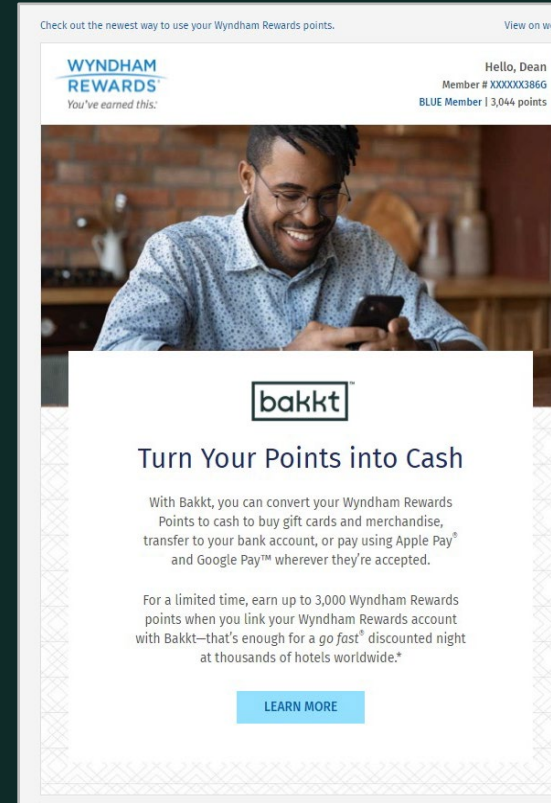
# Connecting loyalty programs to more choice and delight

**Wyndham Rewards:** Launched in December – continued confirmation that our B2B2C strategy provides advantages over direct-to-consumer:

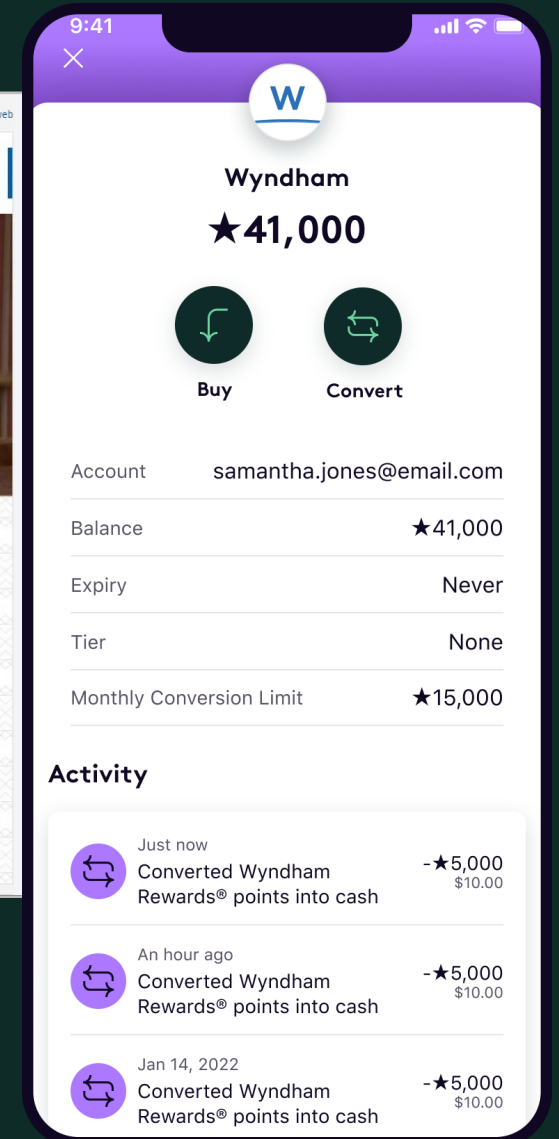
- Nearly a **30% increase** in download to registration conversion
- Cost per acquisition has been **>30% lower**
- **5x activation** of the Bakkt card vs. overall population



Note: This slide is an illustrative example; not all collaborations will generate the same results. Based on December 14, 2021 – January 17, 2022 data



Illustrative  
embedded partner  
experience



# Progress on previously announced partnerships



## Near-term Focus Areas:



Crypto Services



Pay with Digital Assets

- Early wins with rollout of Bakkt crypto services to multiple banks
- Further integrating crypto buy/sell services into their bank network
- Building crypto payout functionality to enable disbursements



Crypto Services

- Integrating crypto buy/sell capabilities to their bank network
- Activating sales activities for first set of partner banks

# Targeted roadmap to grow our offerings

## Enabling capabilities for consumption by partners on the Bakkt platform

### Crypto Payouts

Offer gig economy workers and marketplace sellers the option to receive crypto as part of their payouts



### Open loop crypto wallets<sup>1</sup>

Enable consumer deposits and withdrawals of bitcoin



### Additional cryptos on platform<sup>1</sup>

Expand beyond BTC & ETH to add additional major cryptocurrencies as well as stablecoins



### Points & rewards platform innovation

Enhance Apple, merchandise & travel storefronts and enable pay with points



### Real-time funding

Shorten funding of consumer accounts from days to real-time



# Financial results

# Summary of 4Q21 consolidated results

- **Combined net revenue**<sup>1</sup> (non-GAAP) of \$13.7mm increased by \$4.2mm or 45% over prior year quarter primarily driven by strong growth from loyalty redemption
- **Operating losses** of (\$50.5mm) and (\$74.5mm) for the Predecessor and Successor, respectively, includes significant expense related to the business combination:
  - Non-cash compensation charge of \$30.6mm for Predecessor and \$47.2mm for Successor
  - Acquisition-related expense of \$12.7mm for Predecessor and \$1.5mm for Successor
- **Net loss** for the Successor includes non-cash mark-to-market expense of \$79.4mm related to the fair value of warrant liabilities issued by VIH prior to the business combination

\$mm's	Successor	Predecessor		
	10/15-12/31	10/1-10/14	3Q21	4Q20
Net revenue	\$11.5	\$2.2	\$9.1	\$9.4
Expense	86.0	52.6	39.0	38.2
<b>Operating loss</b>	<b>(\$74.5)</b>	<b>(\$50.5)</b>	<b>(\$29.9)</b>	<b>(\$28.7)</b>
Loss from FV of warrant liability	(79.4)	-	-	-
Other income	0.8	0.0	1.1	(0.4)
Interest income (expense), net	0.0	(0.0)	(0.1)	(0.1)
<b>Loss before income taxes</b>	<b>(\$153.0)</b>	<b>(\$50.5)</b>	<b>(\$28.8)</b>	<b>(\$29.2)</b>
Income tax benefit (expense) <sup>2</sup>	(0.1)	0.8	(0.0)	(0.4)
<b>Net loss</b>	<b>(\$153.1)</b>	<b>(\$49.7)</b>	<b>(\$28.8)</b>	<b>(\$29.6)</b>
Less: Net loss for noncontrolling interest	(120.7)			
<b>Loss attributable to Bakkt Holdings, Inc.</b>	<b>(\$32.4)</b>			
Currency translation adjustment, net of tax	(0.3)	0.3	(0.2)	0.3
<b>Comprehensive loss</b>	<b>(\$153.4)</b>	<b>(\$49.4)</b>	<b>(\$29.0)</b>	<b>(\$29.3)</b>
Less: Comprehensive income (loss) for noncontrolling interest	(120.9)			
<b>Comprehensive income (loss) attributable to Bakkt Holdings, Inc.</b>	<b>(\$32.4)</b>			
Basic and diluted shares (mm) <sup>3</sup>	54.0			
Net loss per basic and diluted share (\$)	(\$0.60)			

<sup>1</sup> Combined results are not calculated in accordance with GAAP. See disclaimers for additional information

<sup>2</sup> Income tax (benefit) expense for Successor reflects management's current estimate. See "Basis of Presentation." As a result, Income tax benefit (expense) and items derived from it are subject to change

<sup>3</sup> Excludes Class V shares and corresponding Opco units of 206.1mm. The Class V shares, as well as potential common shares issuable to employee or directors upon exercise or conversion of shares under our share-based and unit-based compensation plans and upon exercise of warrants are excluded from the computation of diluted earnings per common share when the effect would be anti-dilutive

# 4Q21 adjusted EBITDA (non-GAAP)

- 4Q21 adjusted EBITDA of \$0.3 mm for the Predecessor and (\$21.8mm) for the Successor

\$mm's	Successor	Predecessor		
	10/15-12/31	10/1-10/14	3Q21	4Q20
Net loss	(\$153.1)	(\$49.7)	(\$28.8)	(\$29.6)
Depreciation & amortization	5.4	0.5	3.3	2.6
Interest	(0.0)	0.0	0.1	0.1
Income tax benefit (expense) <sup>1</sup>	0.1	(0.8)	0.0	0.4
<b>EBITDA</b>	<b>(\$147.6)</b>	<b>(\$49.9)</b>	<b>(\$25.5)</b>	<b>(\$26.5)</b>
Acquisition transaction cost	1.6	12.7	1.8	1.9
Share-based & unit-based comp	44.5	33.9	0.6	1.7
Loss from FV of warrant liability	79.4	0.0	0.0	0.0
Other <sup>2</sup>	0.3	3.6	(1.0)	11.8
<b>Adjusted EBITDA</b>	<b>(\$21.8)</b>	<b>\$0.3</b>	<b>(\$24.1)</b>	<b>(\$11.0)</b>

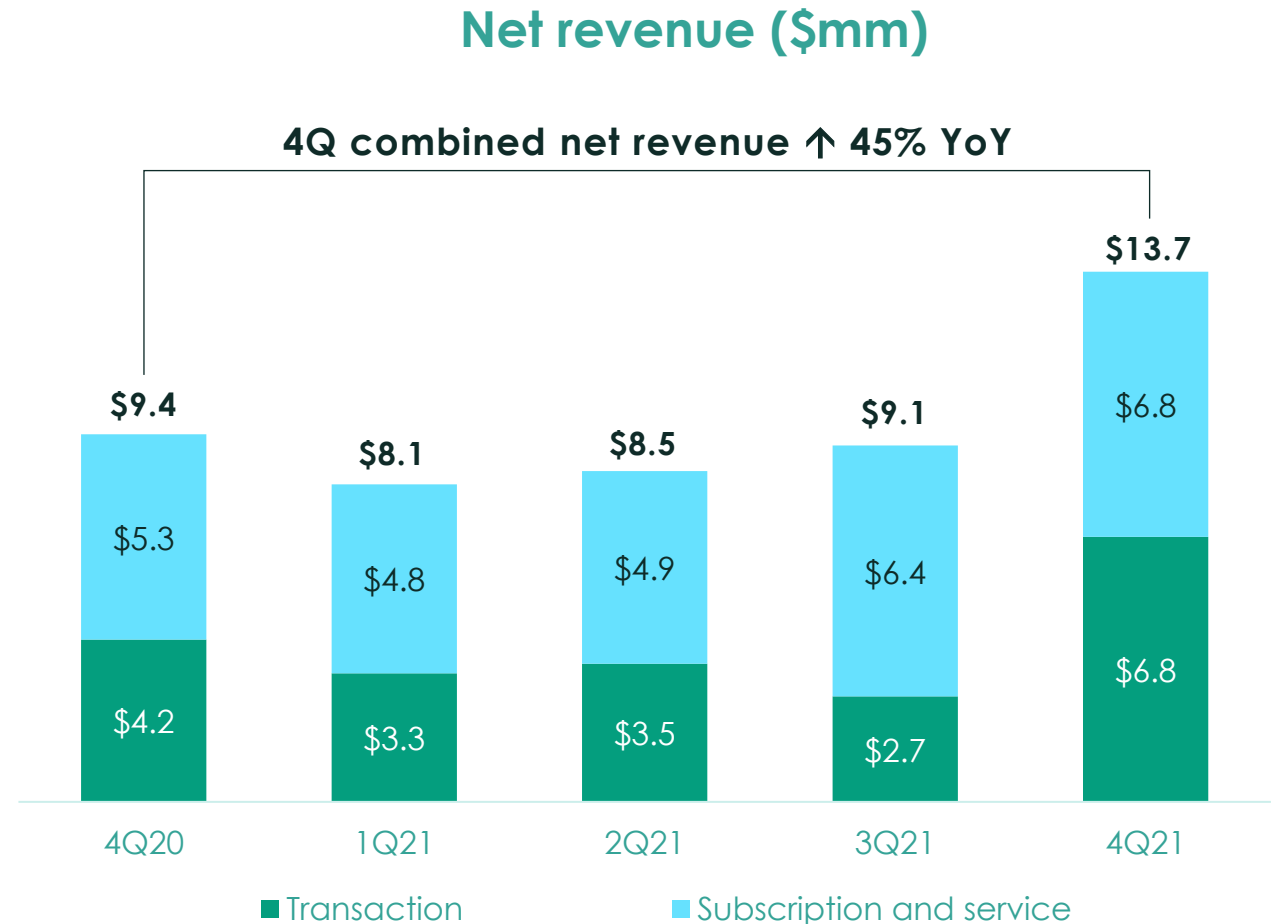
<sup>1</sup> Income tax (benefit) expense for Successor reflects management's current estimate. See "Basis of Presentation." As a result, Income tax benefit (expense) and items derived from it are subject to change

<sup>2</sup> Includes restructuring charges, impairment of long-lived assets, cancellation of common units, gain on extinguishment of software license liability, ICE transition services expense, non-recurring bitcoin sale income, net and transition services to Bakkt clearing

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

# Net revenue

- 4Q21 Combined net revenue (non-GAAP) of \$13.7mm increased 45% over prior year quarter
- Full year 2021 Combined net revenue (non-GAAP) of \$39.4mm up 38% over prior year
- 4Q21 combined subscription and service revenue (non-GAAP) of \$6.8mm increased 30% YoY, primarily due to growth in customers<sup>1</sup>
- 4Q21 combined transaction revenue (non-GAAP) of \$6.8mm increased 64% YoY, due primarily to higher customer activity in loyalty redemptions<sup>2</sup>

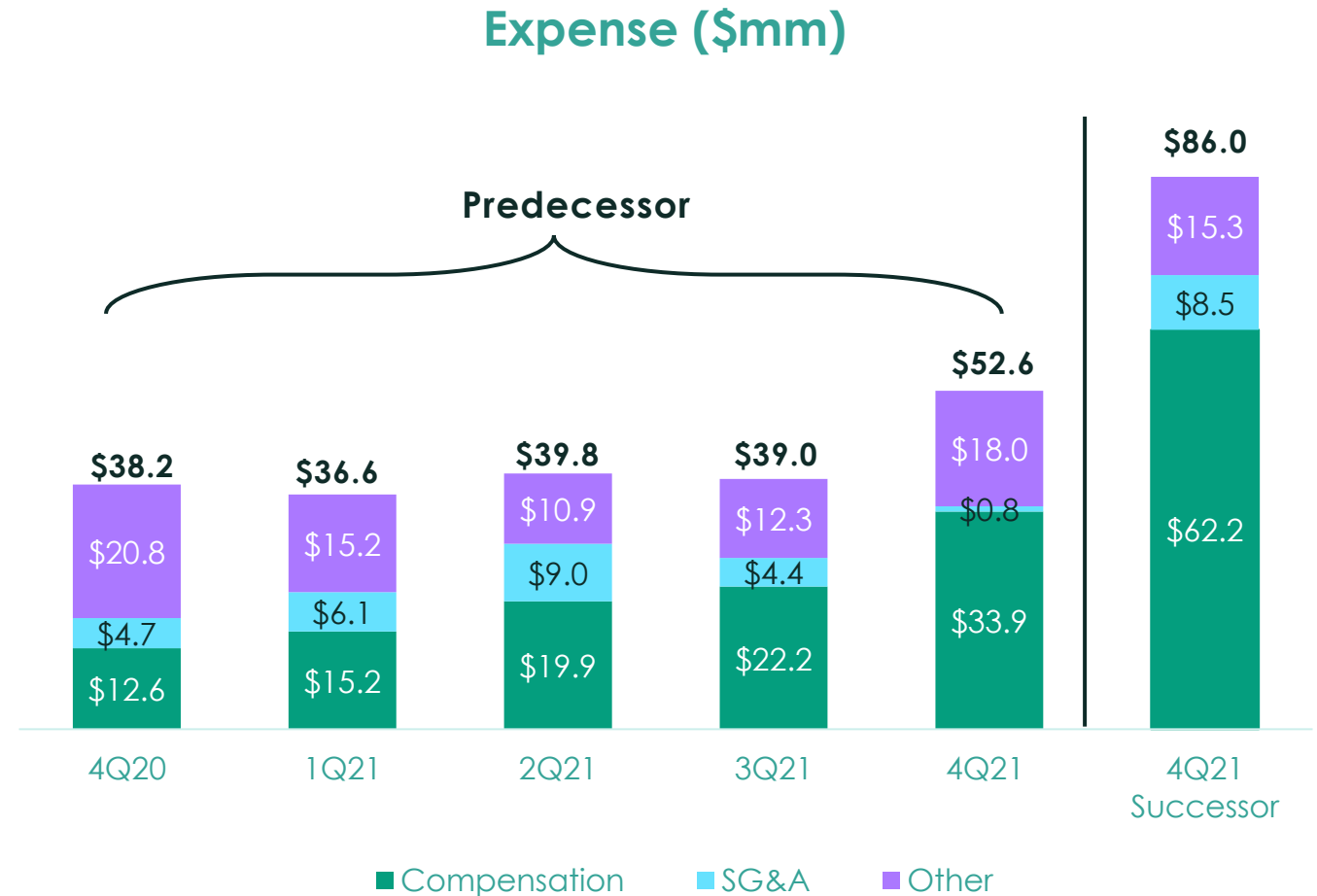


<sup>1</sup> 4Q21 subscription and service revenue comprised of \$1.1mm and \$5.8mm for Predecessor and Successor periods, respectively

<sup>2</sup> 4Q21 transaction revenue comprised of \$1.1mm and \$5.7mm for Predecessor and Successor periods, respectively

# Operating expense

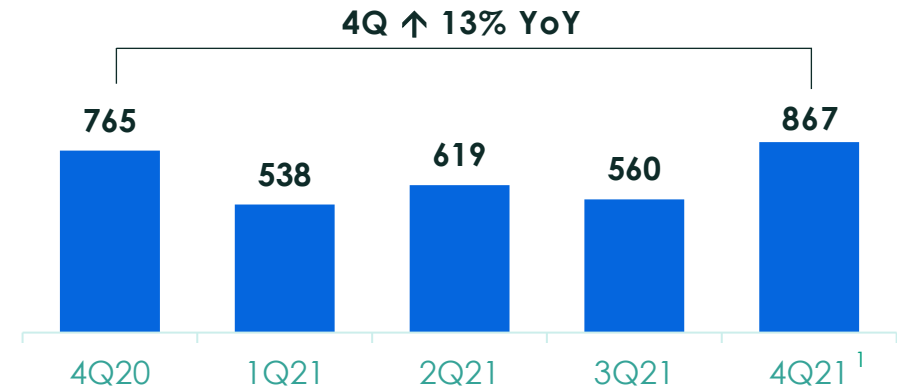
- 4Q21 total expense of \$52.6mm for Predecessor
  - Compensation expense includes \$30.6mm of non-cash compensation related to the business combination
  - Other expense includes \$12.7mm of acquisition-related expense
- 4Q21 total expense of \$86.0mm for Successor
  - Compensation expense includes \$47.2mm of non-cash compensation related to the business combination
  - SG&A<sup>1</sup> of \$8.5mm primarily driven by continued investments in the business to drive future growth
  - Other expense includes \$1.5mm of acquisition-related expense



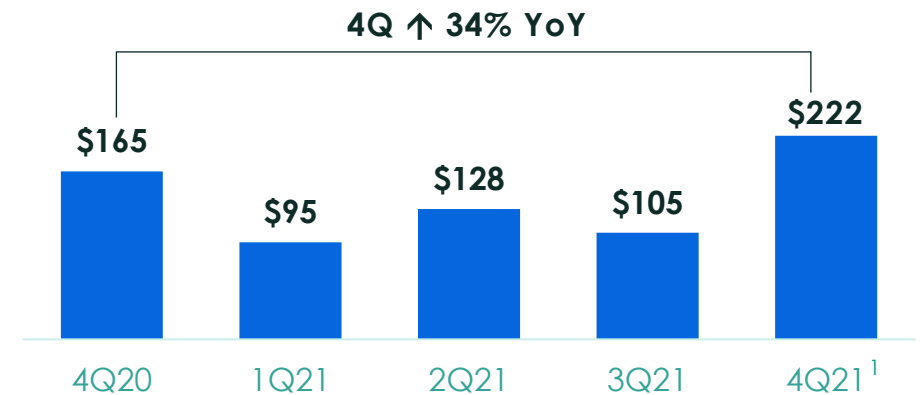
# Key performance indicators

- 4Q21 transacting accounts across the Bakkt platform up 13% YoY
- Digital asset conversion volume up 34% YoY
- Strong growth led by loyalty redemption

Transacting accounts (000)



Digital asset conversion volume (\$mm)



<sup>1</sup> Represents performance on a Combined basis. See disclaimers for additional information. Please refer to the Notes section in this presentation for definitions.

# Outlook

## Guidance for FY 2022

- Net revenue expected to grow to \$60mm - \$80mm in 2022; Annual net revenue growth of approximately 50% - 100% compared to Combined 2021
- Expect to use \$150mm - \$170mm of cash during 2022 as we continue to invest for future growth; strong available liquidity with more than \$390mm of available cash on hand as of 12/31/21
- We expect to recognize quarterly net losses during 2022 as we invest in and ramp up the business

# Our focus is connecting the digital economy

## Our key priorities:

- Building out and activating partnerships, with our B2B2C<sup>1</sup> model
- Deepening relationships with our existing partners
- Investing in products & capabilities to support existing & new partnerships
- Executing on expansion opportunities



# Notes

## NOTES

# Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure, which we define as earnings before interest, income taxes, depreciation, amortization, certain non-cash and/or non-recurring items (which items do not contribute directly to our evaluation of operating results), and interest income, other income and income tax benefit (which items 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. 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 and has certain limitations, including:

- unit-based compensation expense, which has been excluded from Adjusted EBITDA because the amount of such expenses in any specific period may not directly correlate to the underlying performance of our business operations, has been, and will continue to be for the foreseeable future, a significant recurring expense in our business and an important part of our compensation strategy;
- the intangible assets being amortized, and property and equipment being depreciated, may have to be replaced in the future, and the non-GAAP financial measures do not reflect cash capital expenditure requirements for such replacements or for new capital expenditures or other capital commitments; and
- non-GAAP measures do not reflect changes in, or cash requirements for, our working capital needs.

Because of these limitations, Adjusted EBITDA should be considered alongside other financial performance measures, including net loss and our other financial results presented in accordance with GAAP. Our definition of Adjusted EBITDA may not be comparable to similarly titled measures used by other companies.

# Definitions

## Financial

**Combined:** Represents the combination of Predecessor and Successor for the applicable period. This is a non-GAAP figure

**Predecessor:** Represents the results of Bakkt Holdings, LLC prior to 10/15/21

**Successor** Represents the results of Bakkt Holdings, Inc. from 10/15/21 – 12/31/21

## Operational

**Digital asset conversion volume:** Dollar value of transaction volume across loyalty redemption, crypto buy/sell and gift card purchases

**Return engagement:** After 3 days of initial download and inactivity, the percentage of users who re-launch the app

**Transacting accounts:** Unique accounts that perform transactions on the Bakkt platform each month

# Condensed balance sheet

\$mm's	Successor 12/31/21	Predecessor 12/31/20
<b>Assets</b>		
Cash and cash equivalents	\$391.4	\$75.4
Other current assets	72.2	56.7
<b>Total current assets</b>	<b>\$463.5</b>	<b>\$132.1</b>
Goodwill	1,527.1	233.4
Intangible assets, net	388.5	62.2
Other assets	35.2	40.7
<b>Total Assets</b>	<b>\$2,414.3</b>	<b>\$468.4</b>
<b>Liabilities, Stockholders' Equity and Members' Equity</b>		
Current liabilities	\$73.5	\$51.1
Noncurrent liabilities	34.9	7.5
<b>Total liabilities</b>	<b>\$108.5</b>	<b>\$58.6</b>
Total stockholders' equity and members' equity		
Noncontrolling interest	1,826.1	0.0
Mezzanine equity	0.0	21.5
Total equity	479.8	388.3
<b>Total liabilities, stockholders' equity and members' equity</b>	<b>\$2,414.3</b>	<b>\$468.4</b>

## NOTES

# Condensed statement of operations

\$mm's	Successor 10/15/21 - 12/31/21	Predecessor			
		10/1/21- 10/14/21	Three Months Ended 9/30/21	Three Months Ended 12/31/20	Year Ended 12/31/20
Net revenue	\$11.5	\$2.2	\$9.1	\$9.4	\$28.5
Compensation and benefits	62.2	33.9	22.2	12.6	43.1
SG&A	8.5	0.8	4.4	4.7	8.2
Other expense	15.3	18.0	12.3	20.8	56.3
Total operating expense	86.0	52.6	39.0	38.2	107.6
<b>Operating loss</b>	<b>(\$74.5)</b>	<b>(\$50.5)</b>	<b>(\$29.9)</b>	<b>(\$28.7)</b>	<b>(\$79.1)</b>
Other income (expense), net	(78.5)	0.0	1.0	(0.5)	(0.1)
<b>Loss before income taxes</b>	<b>(\$153.0)</b>	<b>(\$50.5)</b>	<b>(\$28.8)</b>	<b>(\$29.2)</b>	<b>(\$79.2)</b>
Income tax benefit (expense) <sup>1</sup>	(0.1)	0.8	(0.0)	(0.4)	(0.4)
<b>Net loss</b>	<b>(\$153.1)</b>	<b>(\$49.7)</b>	<b>(\$28.8)</b>	<b>(\$29.6)</b>	<b>(\$79.6)</b>
Less: Net loss for noncontrolling interest	(\$120.7)				
<b>Net loss attributable to Bakkt Holdings, Inc.</b>	<b>(\$32.4)</b>				
Currency translation adjustment, net of tax	(0.3)	0.3	(0.2)	0.3	0.2
<b>Comprehensive loss</b>	<b>(\$153.4)</b>	<b>(\$49.4)</b>	<b>(\$29.0)</b>	<b>(\$29.3)</b>	<b>(\$79.4)</b>
Less: Comprehensive income (loss) for noncontrolling interest	(120.9)				
<b>Comprehensive income (loss) attributable to Bakkt Holdings, Inc.</b>	<b>(\$32.4)</b>				

# Adjusted EBITDA reconciliation – Non-GAAP

\$mm's	Successor	Predecessor			
	10/15/21 - 12/31/21	10/1/21- 10/14/21	Three Months Ended 9/30/21	Three Months Ended 12/31/20	Year Ended 12/31/20
<b>Net loss</b>	<b>(\$153.1)</b>	<b>(\$49.7)</b>	<b>(\$28.8)</b>	<b>(\$29.6)</b>	<b>(\$79.6)</b>
Depreciation and amortization	5.4	0.5	3.3	2.6	8.2
Interest (income) expense	(0.0)	0.0	0.1	0.1	(0.1)
Income tax (benefit) expense <sup>1</sup>	0.1	(0.8)	0.0	0.4	0.4
<b>EBITDA</b>	<b>(\$147.6)</b>	<b>(\$49.9)</b>	<b>(\$25.5)</b>	<b>(\$26.5)</b>	<b>(\$71.2)</b>
Acquisition-related transaction costs	1.6	12.7	1.8	1.9	13.4
Share-based and unit-based compensation expense	44.5	33.9	0.6	1.7	2.1
Loss from change in fair value of warrant liability	79.4	-	-	-	-
Other <sup>2</sup>	0.3	3.6		11.8	15.7
<b>Adjusted EBITDA</b>	<b>(\$21.8)</b>	<b>\$0.3</b>	<b>(\$24.1)</b>	<b>(\$11.0)</b>	<b>(\$40.0)</b>

<sup>1</sup> Income tax (benefit) expense for Successor reflects management's current estimate. See "Basis of Presentation." As a result, Income tax benefit (expense) and items derived from it are subject to change

<sup>2</sup> Includes restructuring charges, impairment of long-lived assets, cancellation of common units, gain on extinguishment of software license liability, ICE transition services expense, non-recurring bitcoin sale income, net and transition services to Bakkt clearing

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