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Bakkt Divests Loyalty Business to Focus Entirely on Crypto Infrastructure

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Bakkt Holdings Inc., a publicly listed cryptocurrency infrastructure firm, has announced the sale of its loyalty division as part of a strategic shift to become a pure-play crypto company. The sale agreement has been signed with Project Labrador Holdco, an affiliate of Roman DBDR Technology Partners, for a cash consideration of \$11 million. The transaction is expected to be finalized in the third quarter of 2025, pending customary closing adjustments.

With this move, Bakkt will now center its operations entirely on digital asset custody, trading, and infrastructure solutions for institutions. The company also plans to report its loyalty business as a discontinued operation beginning in the third quarter of the fiscal year.

Preliminary earnings for the second quarter of 2025 indicate total revenue between \$577 million and \$579 million. Of this, crypto-related operations contributed approximately \$568 million to \$569 million, while the loyalty business generated around \$9 million to \$10 million. Bakkt reported a cash balance, including restricted cash, of \$60 million to \$62 million, and has access to an additional \$40 million through an undrawn credit facility.

Andy Main, Co-Chief Executive Officer and President of Bakkt, described the divestment as a crucial step in streamlining the business. He said the company is now better positioned to focus on core strengths in crypto technology and innovation. Co-CEO Akshay Naheta echoed this view, emphasizing that Bakkt is fully committed to scaling up its digital asset infrastructure platform.

As part of its growth strategy, Bakkt has also filed a \$1 billion shelf registration with the U.S. Securities and Exchange Commission. This filing will enable the company to issue equity or debt instruments, including Class A shares and warrants. The capital raised could be allocated toward acquiring Bitcoin and other digital assets, funding operations, or supporting general corporate needs.

The company has also adopted a new investment policy that permits it to hold Bitcoin and other cryptocurrencies using excess cash or proceeds from equity and debt offerings. Analysts estimate that if the full \$1 billion were deployed in Bitcoin, Bakkt could acquire over 9,000 BTC based on current prices.

The announcement has led to a slight uptick in Bakkt's stock price, reflecting positive investor sentiment around the company's refocused vision. With this transition, Bakkt joins the ranks of public firms such as MicroStrategy that have made cryptocurrency a core component of their treasury strategy.