

**BOWLIN TRAVEL CENTERS, INC.**

**Financial Statements**

**For the Quarterly Period Ended**

**April 30, 2021**

**(unaudited)**

**150 Louisiana, NE Albuquerque, NM 87108 (505) 266-5985**

**BOWLIN TRAVEL CENTERS, INC.**  
**Condensed Balance Sheets**  
(in thousands, except share data)

	<b>April 30, 2021 (Unaudited)</b>	<b>January 31, 2021</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 7,423	\$ 7,564
Marketable securities	1,200	1,200
Accounts receivable	13	24
Current maturity of note receivable	6	8
Inventories	4,632	3,919
Prepaid income taxes	—	70
Prepaid expenses	251	249
Interest receivable	1	1
Total current assets	13,526	13,035
Property and equipment, net	12,267	12,311
Operating lease right of use assets	1,192	1,321
Finance lease assets, net	101	127
Intangible assets, net	37	37
Note receivable, less current maturities	15	16
Investment in real estate	742	729
Total assets	\$ 27,880	\$ 27,576
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 1,862	\$ 949
Current maturities of long-term debt	462	457
Current maturities of finance lease obligation	68	94
Accrued liabilities	1,133	1,924
Income taxes payable	91	—
Current operating lease liabilities	208	167
Deferred revenue	24	30
Total current liabilities	3,848	3,621
Net deferred income tax liabilities	967	985
Operating lease liabilities	946	1,115
Finance lease obligation, less current maturities	33	33
Long-term debt, less current maturities	7,896	8,012
Total liabilities	13,690	13,766
Stockholders' equity:		
Preferred stock, \$0.001 par value; 1,000,000 shares authorized, none issued or outstanding at April 30, 2021 and January 31, 2021	—	—
Common stock, 0.001 par value; 10,000,000 shares authorized, 4,583,348 issued April 30, 2021 and January 31, 2021	5	5
Less: Treasury stock, 614,823 shares at April 30, 2021 and 610,884 shares at January 31, 2021	1	1
Common stock, 3,968,525 and 3,972,464 shares outstanding at April 30, 2021 and January 31, 2021, respectively	4	4
Additional paid in capital, net	8,942	8,954
Retained earnings	5,244	4,852
Total stockholders' equity	14,190	13,810
Total liabilities and stockholders' equity	\$ 27,880	\$ 27,576

See accompanying notes to condensed financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Condensed Statements of Income**  
(in thousands, except share and per share data)

	Three Months Ended	
	April 30, 2021 (Unaudited)	April 30, 2020 (Unaudited)
Gross sales	\$ 9,639	\$ 5,365
Less discounts on sales	82	64
Net sales	9,557	5,301
Cost of goods sold	5,194	2,757
Gross profit	4,363	2,544
General and administrative expenses	(3,473)	(2,471)
Depreciation and amortization	(291)	(284)
Operating income (loss)	599	(211)
Other non-operating income (expense):		
Interest income	—	7
Interest expense	(85)	(109)
Loss on sale of assets	—	(12)
Other income	—	25
Rental income	21	11
Total non-operating income (expense)	(64)	(78)
Income (loss) before income tax (expense) benefit	535	(289)
Income tax (expense) benefit	(143)	72
Net income (loss)	\$ 392	\$ (217)
Net income (loss) per share	\$ 0.10	\$ (.05)
Weighted average common shares outstanding	3,972,041	4,000,179

See accompanying notes to condensed financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Condensed Statements of Stockholders' Equity**  
**(in thousands, except share data)**  
**For the three months ended April 30, 2021**  
**(Unaudited)**

	<b>Number of shares of Common stock outstanding</b>	<b>Common stock, at par</b>	<b>Additional paid-in capital</b>	<b>Retained earnings</b>	<b>Total</b>
Balance at January 31, 2021	3,972,464	\$ 4	\$ 8,954	\$ 4,852	\$ 13,810
Net loss	—	—	—	392	392
Purchase of treasury stock	<u>(3,939)</u>	<u>—</u>	<u>(12)</u>	<u>—</u>	<u>(12)</u>
Balance at April 30, 2021	<u>3,968,525</u>	<u>\$ 4</u>	<u>\$ 8,942</u>	<u>\$ 5,244</u>	<u>\$ 14,190</u>

See accompanying notes to condensed financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Condensed Statements of Cash Flows**  
(in thousands)

	<b>For the Three Months Ended</b>	
	<b>April 30, 2021 (Unaudited)</b>	<b>April 30, 2020 (Unaudited)</b>
Cash flows from operating activities:		
Net (loss) income	\$ 392	\$ (217)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	291	284
Loss on sale of assets	—	12
Deferred income taxes	(18)	(76)
Changes in operating assets and liabilities, net	(426)	(926)
Net cash provided by (used in) by operating activities	239	(923)
Cash flows from investing activities:		
Purchases of property and equipment, net	(234)	(435)
Note receivable, net	3	1
Accrued interest receivable	—	6
Marketable securities, net	—	(5)
Net cash used in investing activities	(231)	(433)
Cash flows from financing activities:		
Payments on long-term debt	(111)	(94)
Payments for finance lease obligation	(26)	(24)
Proceeds from borrowing on long-term debt	—	1,119
Purchase of treasury stock	(12)	(24)
Net cash (used in) provided by financing activities	(149)	977
Net decrease in cash and cash equivalents	(141)	(379)
Cash and cash equivalents at beginning of period	7,564	4,745
Cash and cash equivalents at end of period	\$ 7,423	\$ 4,366

See accompanying notes to condensed financial statements.

## Notes to Condensed Financial Statements (Unaudited)

1. The condensed financial statements of Bowlin Travel Centers, Inc. (the "Company") as of and for the three months ended April 2021 and 2020 are unaudited and reflect all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the financial position, operating results and cash flows for the interim periods. The interim financial statements should be read in conjunction with the audited financial statements and notes for the fiscal year ended January 31, 2021. Results of operations for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole.

2. On December 18, 2020 the Board of Director's voted to reinstate the Company's stock buyback program.

The Company repurchased 3,939 of its outstanding common shares, as treasury stock, for the three months ended April 30, 2021 at an average price per share of approximately \$3.12 for a total repurchase of \$12,291. The common shares issued and outstanding were reduced by 3,939 shares or \$4 (3,939 shares at \$0.001 per value per share), and additional paid in capital was reduced by approximately \$12,287. The reduction in shares issued and outstanding and additional paid in capital is reflected in the accompanying balance sheet.

3. On April 8, 2021, the Company entered into a retail sales and incentive agreement with Arizona Fuel Distributors L.L.C. to purchase Marathon brand fuels for the Company's five New Mexico locations effective April 30, 2021. The retail sales and incentive agreement is for a period of ten years.

On April 9, 2020, the Company entered into a mutual termination agreement with its Marketer Petroleum Practices Act agreement with Western Refining Wholesale, L.L.C. effective April 29, 2021.