

BOWLIN TRAVEL CENTERS, INC.

Financial Statements

For the Quarterly Period Ended

April 30, 2024

(unaudited)

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

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

	April 30, 2024 (Unaudited)	January 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,384	\$ 3,460
Marketable securities	3,872	4,807
Accounts receivable	5	6
Current maturity of note receivable	8	12
Inventories	5,418	5,212
Deferred tax assets	71	--
Prepaid income taxes	106	133
Prepaid expenses	282	338
Interest receivable	16	28
Total current assets	13,162	13,996
Property and equipment, net	11,437	11,550
Operating lease right of use assets	1,077	1,210
Intangible assets, net	49	46
Investment in real estate	361	294
Total assets	\$ 26,086	\$ 27,096
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 1,261	\$ 839
Current maturities of long-term debt	419	431
Accrued liabilities	719	1,337
Current operating lease liabilities	234	195
Deferred revenue	22	31
Total current liabilities	2,655	2,833
Net deferred income tax liabilities	929	889
Operating lease liabilities	805	976
Long-term debt, less current maturities	5,447	5,549
Total liabilities	9,836	10,247
Stockholders' equity:		
Preferred stock, \$0.001 par value; 1,000,000 shares authorized, none issued or outstanding at April 30, 2024 and January 31, 2024	—	—
Common stock, 0.001 par value; 10,000,000 shares authorized, 4,583,348 issued April 30, 2024 and January 31, 2024	5	5
Less: Treasury stock, 786,305 shares at April 30, 2024 and 647,055 shares at January 31, 2024	(1)	(1)
Common stock, 3,797,043 and 3,936,293 shares outstanding at April 30, 2024 and January 31, 2024, respectively	4	4
Additional paid in capital, net	8,229	8,786
Retained earnings	8,017	8,059
Total stockholders' equity	16,250	16,849
Total liabilities and stockholders' equity	\$ 26,086	\$ 27,096

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, 2024 (Unaudited)	April 30, 2023 (Unaudited)
Gross sales	\$ 8,461	\$ 9,587
Less discounts on sales	93	120
Net sales	8,368	9,467
Cost of goods sold	4,670	5,444
Gross profit	3,698	4,023
General and administrative expenses	(3,494)	(3,579)
Depreciation and amortization	(295)	(301)
(Loss) gain on sale of assets	(4)	13
Operating (loss) gain	(95)	156
Other non-operating income (expense):		
Interest income	85	15
Interest expense	(66)	(67)
Rental income	30	7
Total non-operating income (expense)	49	(45)
(Loss) gain before income tax benefit (expense)	(46)	111
Income tax benefit (expense)	4	(39)
Net (loss) gain	\$ (42)	\$ 72
Net (loss) gain per share	\$ (0.01)	\$ 0.02
Weighted average common shares outstanding	3,929,989	3,946,783

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, 2024
(Unaudited)

	Number of shares of Common stock outstanding	Common stock, at par	Additional paid-in capital	Retained earnings	Total
Balance at January 31, 2024	3,936,293	\$ 4	\$ 8,786	\$ 8,059	\$ 16,849
Net loss	—	—	—	(42)	(42)
Purchase of treasury stock	<u>(139,250)</u>	<u>—</u>	<u>(557)</u>	<u>—</u>	<u>(557)</u>
Balance at April 30, 2024	<u>3,797,043</u>	<u>\$ 4</u>	<u>\$ 8,229</u>	<u>\$ 8,017</u>	<u>\$ 16,250</u>

See accompanying notes to condensed financial statements.

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

	For the Three Months Ended	
	April 30, 2024 (Unaudited)	April 30, 2023 (Unaudited)
Cash flows from operating activities:		
Net (loss) income	\$ (42)	\$ 72
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	295	301
(Loss) gain on sale of assets	4	(13)
Deferred income taxes	(31)	17
Changes in operating assets and liabilities, net	(326)	(860)
Net cash used in operating activities	(100)	(483)
Cash flows from investing activities:		
Proceeds from sale of property and equipment	--	40
Purchases of property and equipment, net	(256)	(434)
Marketable securities, net	935	--
Note receivable, net	3	1
Accrued interest receivable	12	(2)
Net cash provided by (used in) investing activities	694	(395)
Cash flows from financing activities:		
Payments on long-term debt	(113)	(123)
Purchase of treasury stock	(557)	(5)
Net cash used in financing activities	(670)	(128)
Net decrease in cash and cash equivalents	(76)	(1,006)
Cash and cash equivalents at beginning of period	3,460	7,323
Cash and cash equivalents at end of period	\$ 3,384	\$ 6,317

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 2024 and 2023 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, 2024. Results of operations for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole.
2. Tender Offer: On February 1, 2024, Bowlin Travel Centers, Inc. offered a tender offer to repurchase from all shareholders who were not directors, executive officers or other insiders of the Company, on a pro rata bases, up to \$1 million of the Company's common shares at a purchase price of \$4.00 per share, totaling a maximum of 250,000 shares. The tender offer expired on March 1, 2024 with a total of 139,250 shares being validly tendered.
3. Subsequent Events: The commercial loan agreement that the company has with Westar Bank matures on June 30, 2024. The company is refinancing the loan with Southwest Capital Bank, at a fixed rate of 7.25% for a 5-year term. The amount refinanced is approximately \$700,000 with a closing date of the loan in June 2024.

The OTC Markets Disclosure Statement can be seen at <https://www.otcm Markets.com/stock/BWTL/disclosure>.