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#### Safe Harbor Statement

#### **Forward-Looking Statements**

This document includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may address, among other things, our expected financial and operational results and the related assumptions underlying our expected results. These forward-looking statements are distinguished by use of words such as "anticipate," "eam," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "will," "would" and the negative of these terms, and similar references to future periods. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations due to, among other things, changes in economic, business and market conditions; our ability to maintain the listing of our common stock and warrants on the Nasdaq Stock Market; changes in our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects and plans; expansion plans and opportunities; changes in the markets in which we compete; changes in applicable laws or regulations, including those relating to environmental matters; market conditions and global and economic factors beyond our control, including the potential adverse effects of the ongoing global coronavirus (COVID-19) pandemic on capital markets (including with respect to new variants of the virus), general economic conditions, unemployment and our liquidity, operations and personnel; and the outcome of any known or unknown litigation and regulatory proceedings. Detailed information about these factors and additional important factors can be found in the documents that ARKO files with the Securities and Exchange Commission, such as Form 10-K, Form 10-Q and Form 8-K. Forward-looking information, except to the extent required by applicable law.

#### **Use of Non-GAAP Measures**

This document includes both financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP") as well as certain non-GAAP measures for ARKO, such as EBITDA, Adjusted EBITDA, Free Cash Flow and Adjusted EBITDA, net of incremental bonuses. ARKO's management uses these non-GAAP measures in the management of ARKO's business and believes that the presentation of non-GAAP measures provides information that is useful to investors as it indicates more clearly the ability of ARKO to meet capital expenditure and working capital requirements and provides an additional tool for investors to use in evaluating ongoing operating results and trends. We disclose non-GAAP measures on a "same store basis," which exclude the results of any store that is not a "same store" for the applicable period. A store is considered a same store beginning in the first quarter in which the store had a full quarter of activity in the prior year. We believe that this information provides greater comparability regarding our ongoing operating performance. Neither this measure nor those described below should be considered an alternative to measurements presented in accordance with GAAP and are non-GAAP financial measures.

We define EBITDA as net income (loss) before net interest expense, income taxes, depreciation and amortization. Adjusted EBITDA further adjusts EBITDA by excluding the gain or loss on disposal of assets, impairment charges, acquisition costs, other non-cash items, and other unusual or non-recurring charges. Adjusted EBITDA, net of incremental bonuses, further adjusts Adjusted EBITDA by excluding incremental bonuses incurred for 2020 based on 2020 performance. Each of EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses is a non-GAAP financial measure.

We use EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses for operational and financial decision-making and believe these measures are useful in evaluating our performance because they eliminate certain items that we do not consider indicators of our operating performance. EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses are also used by many of our investors, securities analysts, and other interested parties in evaluating our operational and financial performance across reporting periods. We believe that the presentation of EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses provides useful information to investors by allowing an understanding of key measures that we use internally for operational decision-making, budgeting, evaluating acquisition targets, and assessing our operating performance. We define Free Cash Flow as adjusted EBITDA less capital expenditures.

Free Cash Flow, EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses are not recognized terms under GAAP and should not be considered as a substitute for net income (loss) or any other financial measure presented in accordance with GAAP. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP. We strongly encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

Because non-GAAP financial measures are not standardized, same store measures, Free Cash Flow, EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses, as defined by us, may not be comparable to similarly titled measures reported by other companies. It therefore may not be possible to compare our use of these non-GAAP financial measures with those used by other companies. See the Appendix of this document for reconciliations of non-GAAP measures to the most comparable GAAP financial measures.



## GPM INVESTMENTS LLC









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#### FY2021 financial overview

Adjusted EBITDA<sup>1</sup>

\$256.6M \$142.1M

Operating income

\$59.4M

Net income

\$183.2M

Free cash flow<sup>2</sup>



- 1) Adjusted EBITDA is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.
- (2) Free cash flow is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.



# A record of strong EBITDA growth

## GPM INVESTMENTS, LLC











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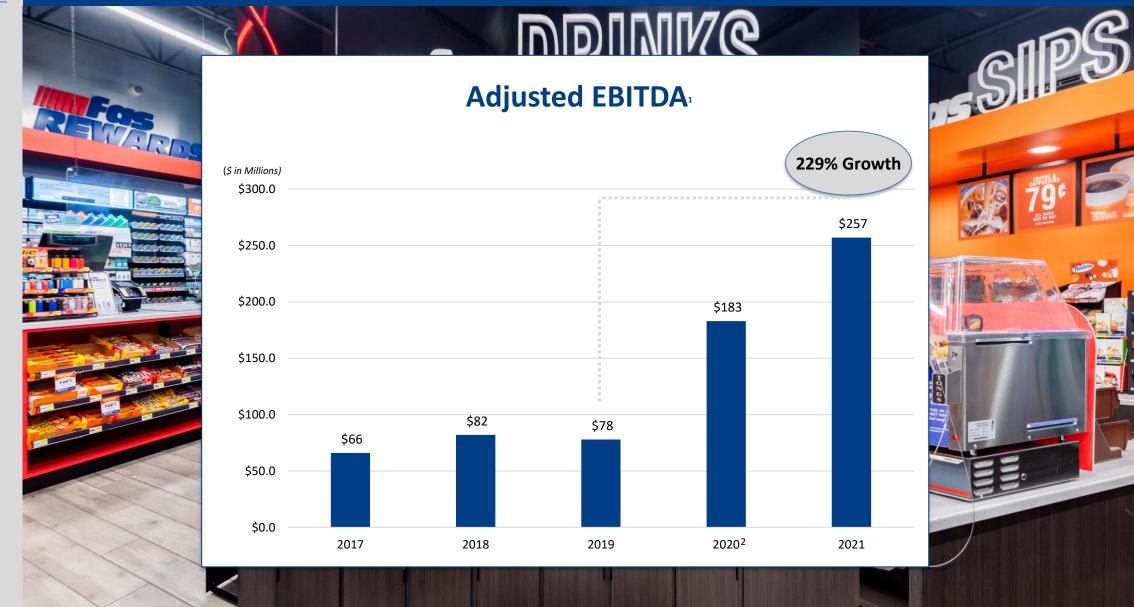




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- (1) Adjusted EBITDA is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.
- (2) Adjusted EBITDA, net of incremental bonuses is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.



#### Q4 2021 performance

Merchandise SSS











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+10.4% -0.2%

Fuel Gallon SSS (Compared to -15.8% in 2020) 33.5¢

Retail Fuel Margin (cents per gallon)

\$33.2M

Free Cash Flow<sup>1</sup>



- 1) Free Cash Flow is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.
- (2) Adjusted EBITDA, net of incremental bonuses is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP measures.



## Strong merchandise revenue growth

the same store merchandise sales (excluding cigarettes) increase in the prior year period.













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Same store merchandise sales (excluding cigarettes) increase on a two-year stack basis is the same store merchandise sales (excluding cigarettes) increase in the current year period added to



#### Largest East Coast cardlock operator, core to long-term strategy, accretive to **EBITDA**





















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#### \$17.3 Million

**Estimated Adjusted EBITDA** after rent on an annualized basis1

Expands supply and

distribution capabilities

within 33 state and

Washington, D.C. footprint

~200

Million fuel gallons sold<sup>2</sup>

Branded and privately owned cardlock sites

185

**Expected Timing** 

80/20

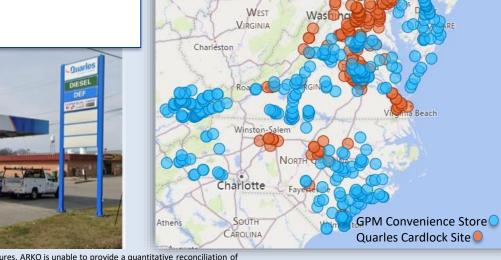
Diesel/gasoline gallon mix at branded cardlock sites<sup>3</sup>

Unconcentrated commercial customer base in transportation, construction, industrial and other industries









OHIO

lumbus

PENNSYLVANIA

- Adjusted EBITDA is a non-GAAP financial measure. At the time of signing asset purchase agreement, using estimated forward-looking non-GAAP measures. ARKO is unable to provide a quantitative reconciliation of estimated forward-looking non-GAAP estimates performance measures without unreasonable efforts due to the carve-out nature of this acquisition.
- Approximate, TTM as of May 31, 2021
- Approximate, TTM as of September 30, 2021





#### Ample opportunities for organic growth





















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**50** 

Anticipated buildouts in 2022



24/7, iced and hot bean-to-cup coffee

**525** 

Anticipated store beanto-cup placements in 2022



Grab 'n' go and frozen foods

Continued expansion





#### Strength in convenience stores with attractive merchandise/fuel mix

















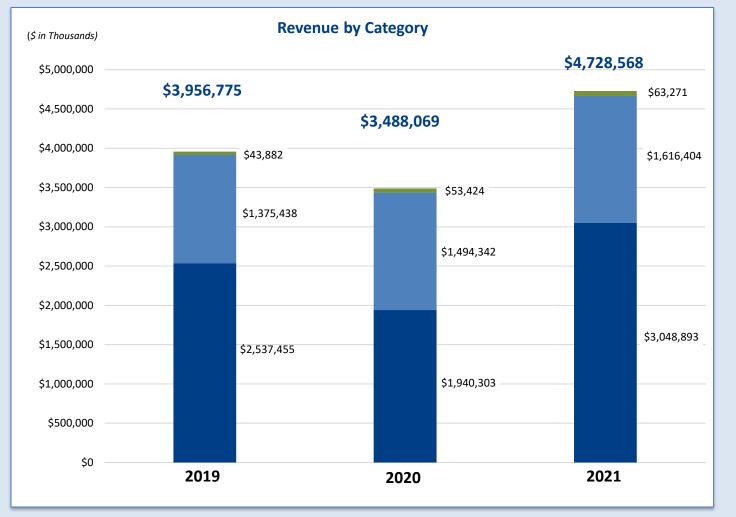


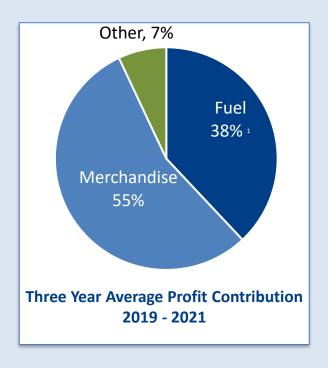


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#### Strength in dual wholesale/retail fuel platform













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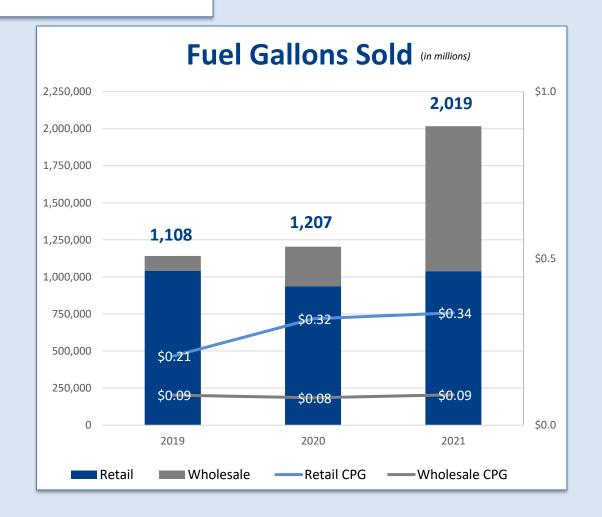


1,406 1,628

Retail sites

Wholesale sites







## Entering 2022 in a strong financial position













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### Appendix



























Reconciliation of EBITDA, Adjusted EBITDA and Adjusted EBITDA, net of incremental bonuses											
	For the Three Months Ended December 31,			For the Year Ended December 31,							
	2021		2020		2021		2020				
				(in thous	sand	ls)					
Net income (loss)	\$	12,931	\$	(6,170)	\$	59,427	\$	30,639			
Interest and other financing expenses, net		16,165		20,480		71,207		49,905			
Income tax (benefit) expense		(651)		(6,670)		11,634		(1,499)			
Depreciation and amortization		25,648		24,340		97,194		74,396			
EBITDA		54,093		31,980		239,462		153,441			
Non-cash rent expense (a)		1,586		1,876		6,359		7,051			
Acquisition costs (b)		1,585		2,691		5,366		6,031			
(Gain) loss on disposal of assets and impairment charges (c)		(514)		495		1,384		6,060			
Share-based compensation expense (d)		1,677		1,504		5,804		1,891			
(Income) loss from equity investment (e)		(81)		834		(186)		1,269			
Fuel taxes paid in arrears (f)		_		_		_		819			
Adjustment to contingent consideration (g)		_		(861)		(1,740)		(1,287)			
Other (h)		26		34		126		302			
Adjusted EBITDA	\$	58,372	\$	38,553	\$	256,575	\$	175,577			
Incremental bonuses (i)				2,029				7,815			

Reconciliation of FRITDA Adjusted FRITDA and Adjusted FRITDA net of incremental horuse

(a) Eliminates the non-cash portion of rent, which reflects the extent to which our GAAP rent expense recognized exceeds (or is less than) our cash rent payments. The GAAP rent expense adjustment can vary depending on the terms of our lease portfolio, which has been impacted by our recent acquisitions. For newer leases, our rent expense recognized typically exceeds our cash rent payments, while for more mature leases, rent expense recognized is typically less than our cash rent payments.

\$ 58,372

40,582 \$ 256,575 \$ 183,392

(b) Eliminates costs incurred that are directly attributable to historical business acquisitions and salaries of employees whose primary job function is to execute our acquisition strategy and facilitate integration of acquired operations.

(c) Eliminates the non-cash loss (gain) from the sale of property and equipment, the loss (gain) recognized upon the sale of related leased assets, and impairment charges on property and equipment and right-of-use assets related to closed and non-performing stores.

(d) Eliminates non-cash share-based compensation expense related to the equity incentive program in place to incentivize, retain, and motivate our employees, certain non-employees and members of our Board.

- (e) Eliminates our share of (income) loss attributable to our unconsolidated equity investment.
- (f) Eliminates the payment of historical fuel tax liabilities owed for multiple prior periods.
- (g) Eliminates fair value adjustments to the contingent consideration owed for the 2020 Empire Acquisition and owed to the seller in the 2019 Riiser Acquisition.
- (h) Eliminates other unusual or non-recurring items that we do not consider to be meaningful in assessing operating performance.
- (i) Eliminates incremental bonuses based on 2020 performance.

Adjusted EBITDA, net of incremental bonuses

Reconciliation of Free Cash Flow											
	For the Three Months Ended December 31, 2021		For the Year Ended December 31, 2021								
		(in thousands)									
Adjusted EBITDA, net of incremental bonuses	\$	58,372	\$	256,575							
Capital Expenditures (a)		25,212		73,335							
Free cash flow	\$	33,160	\$	183,240							

(a) Fourth quarter and YTD Capital Expenditures are net of the \$152.9 million of proceeds paid by Oak Street for two transaction accounted for as sale-leasebacks and the purchase of certain fee properties.