

## **Bowlin Travel Centers, Inc.**

150 Louisiana Blvd., NE  
Albuquerque, NM 87108  
505-266-5985  
www.bowlintc.com

### **Annual Report**

**For the period ending January 31, 2024  
(the "Reporting Period")**

#### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

3,936,293 as of January 31, 2024

3,943,753 as of January 31, 2023

#### **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes:  No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes:  No:

#### **Change in Control**

Indicate by check mark whether a Change in Control<sup>4</sup> of the company has occurred during this reporting period:

Yes:  No:

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<sup>4</sup> "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

**1) Name and address(es) of the issuer and its predecessors (if any)**

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Bowlin Travel Centers, Inc.

Current State and Date of Incorporation or Registration: August 8, 2000, Nevada

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

150 Louisiana Blvd., NE  
Albuquerque, NM 87108

Address of the issuer's principal place of business:

*Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No:  Yes:  If Yes, provide additional details below:

**2) Security Information**

**Transfer Agent**

Name: EQ by Equiniti

Phone: 855-217-6361

Email: [egss-relationshipmanagement@equiniti.com](mailto:egss-relationshipmanagement@equiniti.com)

Address: 1110 Centre Pointe Curve, Suite 101  
Mendota Heights, MN 55120

**Publicly Quoted or Traded Securities:**

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading symbol:	<u>BWTL</u>	
Exact title and class of securities outstanding:	<u>common</u>	
CUSIP:	<u>10259P101</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>10,000,000</u>	<u>as of date: 01/31/2024</u>
Total shares outstanding:	<u>3,936,293</u>	<u>as of date: 01/31/2024</u>
Total number of shareholders of record:	<u>23</u>	<u>as of date: 01/31/2024</u>

*Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.*

None

**Other classes of authorized or outstanding equity securities that do not have a trading symbol:**

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

Exact title and class of the security:	<u>preferred</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>1,000,000</u>	<u>as of date: 01/31/2024</u>
Total shares outstanding:	<u>none</u>	<u>as of date: 01/31/2024</u>
Total number of shareholders of record:	<u>none</u>	<u>as of date: 01/31/2024</u>

*Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.*

None

**Security Description:**

*The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:*

1. **For common equity, describe any dividend, voting and preemption rights.**

None

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

None

3. **Describe any other material rights of common or preferred stockholders.**

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

### 3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No:  Yes:  (If yes, you must complete the table below)

Subsequent event: 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 basis, 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.

Shares Outstanding			Right-click the rows below and select "Insert" to add rows as needed.						
Opening Balance:									
Date <u>02/01/2022</u> Common: <u>3,954,733</u> Preferred: <u>0</u>									
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>03/31/2022</u>	<u>Shares returned to treasury</u>	<u>477</u>	<u>common</u>	<u>\$4.89</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>04/04/2022</u>	<u>Shares returned to treasury</u>	<u>15</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>04/06/2022</u>	<u>Shares returned to treasury</u>	<u>500</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>04/20/2022</u>	<u>Shares returned to treasury</u>	<u>500</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>05/09/2022</u>	<u>Shares returned to treasury</u>	<u>485</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>05/25/2022</u>	<u>Shares returned to treasury</u>	<u>1,620</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>05/31/2022</u>	<u>Shares returned to treasury</u>	<u>356</u>	<u>common</u>	<u>\$5.20</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>06/24/2022</u>	<u>Shares returned to treasury</u>	<u>100</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>07/28/2022</u>	<u>Shares returned to treasury</u>	<u>1,500</u>	<u>common</u>	<u>\$5.10</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>08/02/2022</u>	<u>Shares returned to treasury</u>	<u>476</u>	<u>common</u>	<u>\$5.10</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>09/22/2022</u>	<u>Shares returned to treasury</u>	<u>1,700</u>	<u>common</u>	<u>\$5.25</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>09/27/2022</u>	<u>Shares returned to treasury</u>	<u>275</u>	<u>common</u>	<u>\$5.20</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>11/10/2022</u>	<u>Shares returned to treasury</u>	<u>1,310</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>
<u>11/17/2022</u>	<u>Shares returned to treasury</u>	<u>678</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Regis- tration</u>

Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>01/17/2023</u>	<u>Shares returned to treasury</u>	<u>988</u>	<u>common</u>	<u>\$5.00</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
<u>02/17/2023</u>	<u>Shares returned to treasury</u>	<u>984</u>	<u>common</u>	<u>\$5.15</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
<u>06/07/2023</u>	<u>Shares returned to treasury</u>	<u>253</u>	<u>common</u>	<u>\$4.21</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
<u>06/08/2023</u>	<u>Shares returned to treasury</u>	<u>269</u>	<u>common</u>	<u>\$4.45</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
<u>06/23/2023</u>	<u>Shares returned to treasury</u>	<u>44</u>	<u>common</u>	<u>\$4.47</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
<u>07/26/2023</u>	<u>Shares returned to treasury</u>	<u>1,971</u>	<u>common</u>	<u>\$4.35</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
<u>10/09/2023</u>	<u>Shares returned to treasury</u>	<u>1,970</u>	<u>common</u>	<u>\$4.15</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
<u>12/22/2023</u>	<u>Shares returned to treasury</u>	<u>1,969</u>	<u>common</u>	<u>\$4.50</u>	<u>No</u>	<u>Bowlin Travel Centers, Inc.</u>	<u>Shares returned to treasury</u>	<u>Unrestricted</u>	<u>Registration</u>
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date <u>01/31/2024</u>	Common: <u>3,936,293</u>								
	Preferred: <u>0</u>								

**Example:** A company with a fiscal year end of December 31<sup>st</sup> 2023, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

**\*\*\*Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Use the space below to provide any additional details, including footnotes to the table above:

None

## B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No:  Yes:  (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

\*\*\*Control persons for any entities in the table above must be disclosed in the table or in a footnote here.

Use the space below to provide any additional details, including footnotes to the table above:

None

#### 4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on [www.OTCMarkets.com](http://www.OTCMarkets.com).

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The Company's principal business activities include the operation of ten travel centers and five restaurants strategically located along well-traveled interstate highways in New Mexico and Arizona where there are generally few gas stations, convenience stores or restaurants. Eight of the Company's travel centers offer fuel and the Company operated five full-service restaurants under the Dairy Queen/Brazier or Dairy Queen trade names. All of the Company's travel centers offer a unique variety of Southwestern merchandise to the traveling public in the Southwestern United States, primarily New Mexico. The Company also sells convenience store food such as chips, nuts, cookies, prepackaged sandwiches and drinks.

- B. List any subsidiaries, parent company, or affiliated companies.

None

- C. Describe the issuers' principal products or services.

Sales of Southwestern merchandise, Dairy Queen/Brazier or Dairy Queen food, Shell and Marathon branded fuel and convenience foods to the traveling public along interstate highways in New Mexico and Arizona.

#### 5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the

condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

<u>Retail Locations, Continuing Operations</u>	<u>Size of Property</u>	<u>Own/Lease</u>
Akela Flats Travel Center 21535 Frontage Road Deming, NM 88030 20 miles east of Deming NM on I-10	7,761 sq.ft.	Own
Alamogordo Running Indian Trading Post 7164 US Hwy 70 North Alamogordo, NM 88310 4 miles north of Alamogordo NM on US70	3,800 sq. ft.	Own
Bluewater DQ Travel Center 136 Main Bluewater, NM 87005 10 miles west of Grants NM on I-40	9,306 sq. ft.	Held as collateral
Butterfield Station DQ Travel Center 3890 Gage Station Road SW Deming, NM 88030 20 miles west of Deming NM on I-10	8,841 sq. ft.	Own
Continental Divide Trading Post Star Route 1 Lordsburg, NM 88045 20 miles east of Lordsburg NM on I-10	7,991 sq. ft.	Lease Expires 8/31/2028
Flying C Ranch DQ Travel Center PO Box 1784 Moriarty, NM 87035 40 miles west of Santa Rosa NM on I-40	19,901 sq. ft.	Held as collateral
Old West Trading Post 13530 West Frontage Road Fairacres, NM 88033 15 miles west of Las Cruces NM on I-10	8,533 sq. ft.	Held as collateral
Picacho Peak DQ Travel Center 16543 E. Camino Adelante Picacho, AZ 85241 45 miles west of Tucson AZ on I-10	6,293 sq. ft.	Lease Expires 9/20/2026
Picacho Peak Plaza 16098 E. Camino Adelante Picacho, AZ 85241 45 miles west of Tucson AZ on I-10	9,044 sq. ft.	Lease Expires 1/13/2038
The Thing DQ Travel Center 2631 Johnson Road Benson, AZ 85602 17 miles east of Benson AZ on I-10	29,958 sq. ft.	Own

**Principal Executive Offices**150 Louisiana Blvd, NE  
Albuquerque, NM 87108**Size of Property**

20,980 sq. ft.

**Own/Lease**

Held as collateral

**Warehouse and Distribution Facility**3415 S. Harrelson  
Las Cruces, NM 88005**Size of Property**

43,108 sq. ft.

**Own/Lease**

Own

**6) All Officers, Directors, and Control Persons of the Company**

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

*The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.*

<b>Names of All Officers, Directors, and Control Persons</b>	<b>Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)</b>	<b>Residential Address (City / State Only)</b>	<b>Number of shares owned</b>	<b>Share type/class</b>	<b>Ownership Percentage of Class Outstanding</b>	<b>Names of control person(s) if a corporate entity</b>
<u>Michael L. Bowlin</u>	<u>CEO, Director, Owner of more than 5%</u>	<u>Albuquerque, NM</u>	<u>1,551,353</u>	<u>Common</u>	<u>39.41%</u>	<u>_____</u>
<u>Monica A. Bowlin</u>	<u>Director, Owner of more than 5%</u>	<u>Albuquerque, NM</u>	<u>425,687</u>	<u>Common</u>	<u>10.81%</u>	<u>_____</u>
<u>Valkyrie Musarra</u>	<u>Executive Vice President and Director</u>	<u>Albuquerque, NM</u>	<u>1,000</u>	<u>Common</u>	<u>0.03%</u>	<u>_____</u>
<u>Nina J. Pratz</u>	<u>Senior Vice President, CFO and Director</u>	<u>Albuquerque, NM</u>	<u>116,802</u>	<u>Common</u>	<u>2.97%</u>	<u>_____</u>
<u>Kim D. Stäke</u>	<u>Vice President, CAO and Director</u>	<u>Albuquerque, NM</u>	<u>0</u>	<u>Common</u>	<u>0.00%</u>	<u>_____</u>

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, log in to [www.OTCIQ.com](http://www.OTCIQ.com) to update your company profile.

**7) Legal/Disciplinary History**

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

## **8) Third Party Service Providers**

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, update your company profile.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Matthew Holman  
Firm: Squire Patton Boggs (US) LLP  
Address 1: 2325 E. Camelback Road, Suite 700  
Address 2: Phoenix, AZ 85016  
Phone: 602-528-4000  
Email: [matthew.holman@squirepb.com](mailto:matthew.holman@squirepb.com)  
Accountant or Auditor

Name: Robert M. Semple, CPA  
Firm: Semple, Marchal & Cooper, LLP  
Address 1: 3101 North Central Avenue, Suite 1600  
Address 2: Phoenix, AZ 85012  
Phone: 602-241-1500  
Email: [rms@semplecpa.com](mailto:rms@semplecpa.com)

#### Investor Relations

Name: Rudy R. Miller  
Firm: The Miller Group  
Address 1: 7025 North Scottsdale Rd., Suite 105  
Address 2: Scottsdale, AZ 85253  
Phone: 602-225-0505  
Email: [rrmiller@themillergroup.net](mailto:rrmiller@themillergroup.net)

*All other means of Investor Communication:*

X (Twitter): None  
Discord: None  
LinkedIn: None  
Facebook: None  
[Other ] Website: [www.bowlintc.com](http://www.bowlintc.com)

#### Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: None  
Firm: None  
Nature of Services: None  
Address 1: None  
Address 2: None  
Phone: None  
Email:

### **9) Disclosure & Financial Information**

A. This Disclosure Statement was prepared by (name of individual):

Name: Kim D. Ståke  
Title: Chief Administrative Officer and Vice President  
Relationship to Issuer: Employee

B. The following financial statements were prepared in accordance with:

- IFRS  
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Kim D. Ståke  
Title: Chief Administrative Officer and Vice President  
Relationship to Issuer: Employee

Describe the qualifications of the person or persons who prepared the financial statements:<sup>5</sup> Ms. Ståke has served as Vice President and Chief Administrative Officer since April 2002. She also serves in such capacities as Controller and SEC compliance. Ms. Ståke holds a Bachelor's degree in Business Administration from the University of New Mexico and had been employed by the Company for over twenty-six years.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

**Financial Statement Requirements:**

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

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<sup>5</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

**BOWLIN TRAVEL CENTERS, INC.**

Financial Statements

January 31, 2024 and 2023

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

**SEMPLÉ, MARCHAL & COOPER, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

3101 NORTH CENTRAL AVENUE, SUITE 1600, PHOENIX, ARIZONA 85012

**Report of Independent Registered Public Accounting Firm**

Board of Directors and Stockholders  
Bowlin Travel Centers, Inc.

***Opinion on the Financial Statements***

We have audited the accompanying balance sheets of Bowlin Travel Centers, Inc. (the "Company") as of January 31, 2024 and 2023, and the related statements of income, stockholders' equity, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of January 31, 2024 and 2023, and the results of its operations and its cash flows for the years ended January 31, 2024 and 2023, in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

***Critical Audit Matters***

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.



Certified Public Accountants

We have served as the Company's auditor since 2019.

Phoenix, Arizona  
April 30, 2024

**BOWLIN TRAVEL CENTERS, INC.**  
**Balance Sheets**  
**January 31, 2024 and 2023**

<b>Assets</b>	<b>2024</b>	<b>2023</b>
Current assets:		
Cash and cash equivalents	\$ 3,460,483	\$ 7,322,706
Marketable securities	4,806,500	1,201,630
Accounts receivable	6,289	9,289
Current maturity of note receivable	11,488	10,368
Inventories	5,212,205	5,748,022
Interest receivable	28,459	4,477
Prepaid income taxes	133,112	84,260
Prepaid expenses	337,098	350,889
Total current assets	13,995,634	14,731,641
Property and equipment, net	11,550,650	11,872,530
Operating lease right of use assets	1,209,749	1,018,741
Intangible assets, net	45,941	40,236
Note receivable, less current maturities	—	3,152
Investments in real estate	293,979	307,552
Total assets	\$ 27,095,953	\$ 27,973,852
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Current maturities of long-term debt	\$ 430,732	\$ 468,560
Accounts payable	839,195	996,297
Current operating lease liabilities	195,296	116,508
Accrued salaries and benefits	850,881	1,444,405
Accrued liabilities	485,393	529,402
Income taxes payable	—	10,462
Deferred revenue	31,387	27,216
Total current liabilities	2,832,884	3,592,850
Net deferred income tax liabilities	889,019	999,676
Operating lease liabilities	975,739	863,518
Long-term debt, less current maturities	5,549,186	5,969,762
Total liabilities	10,246,828	11,425,806
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred stock, \$0.001 par value; 1,000,000 shares authorized, none issued or outstanding at January 31, 2024 and 2023	—	—
Common stock, \$0.001 par value; 10,000,000 shares authorized, 4,583,348 shares issued at January 31, 2024 and 2023	4,583	4,583
Less: Treasury stock, 647,055 shares at January 31, 2024 and 639,595 at January 31, 2023	(647)	(640)
Common stock, 3,936,293 and 3,943,753 shares outstanding at January 31, 2024 and 2023, respectively	3,936	3,943
Additional paid-in capital	8,786,014	8,819,147
Retained earnings	8,059,175	7,724,956
Total stockholders' equity	16,849,125	16,548,046
Total liabilities and stockholders' equity	\$ 27,095,953	\$ 27,973,852

See accompanying notes to financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Statements of Income**

**Years ended January 31,**

	<u>2024</u>	<u>2023</u>
Gross sales	\$ 37,196,686	\$ 42,183,405
Less discounts on sales	<u>(468,238)</u>	<u>(489,057)</u>
Net sales	36,728,448	41,694,348
Cost of goods sold	<u>20,320,929</u>	<u>23,857,300</u>
Gross profit	16,407,519	17,837,048
General and administrative expense	(9,822,768)	(10,377,924)
Salaries and wages	(5,014,298)	(4,759,412)
Depreciation and amortization	(1,191,718)	(1,190,566)
Gain (loss) on sale of property and equipment	<u>(4,425)</u>	<u>226,545</u>
Operating income	<u>374,310</u>	<u>1,735,691</u>
Other non-operating (expense) income:		
Interest income	183,307	14,449
Rental income	134,342	35,675
Miscellaneous income	56,148	—
Interest expense	<u>(273,859)</u>	<u>(298,341)</u>
Total other non-operating (expense) income	<u>99,938</u>	<u>(248,217)</u>
Income before income tax expense	474,248	1,487,474
Income tax expense	<u>(140,029)</u>	<u>(431,596)</u>
Net income	\$ <u>334,219</u>	\$ <u>1,055,878</u>
Net income per share	\$ <u>0.08</u>	\$ <u>0.27</u>
Weighted average common shares outstanding	<u>3,940,597</u>	<u>3,949,567</u>

See accompanying notes to financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Statements of Stockholders' Equity**  
**For the Years Ended January 31, 2024 and 2023**

	<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, 2022	3,954,733	\$ 3,954	\$ 8,874,745	\$ 6,669,078	\$ 15,547,777
Net income	—	—	—	1,055,878	1,055,878
Purchase of treasury stock	<u>(10,980)</u>	<u>(11)</u>	<u>(55,598)</u>	—	<u>(55,609)</u>
Balance at January 31, 2023	3,943,753	3,943	8,819,147	7,724,956	16,548,046
Net income	—	—	—	334,219	334,219
Purchase of treasury stock	<u>(7,460)</u>	<u>(7)</u>	<u>(33,133)</u>	—	<u>(33,140)</u>
Balance at January 31, 2024	<u>3,936,293</u>	<u>\$ 3,936</u>	<u>\$ 8,786,014</u>	<u>\$ 8,059,175</u>	<u>\$ 16,849,125</u>

See accompanying notes to financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Statements of Cash Flows**

	<b>Years ended January 31,</b>	
	<u><b>2024</b></u>	<u><b>2023</b></u>
Cash flows from operating activities:		
Net income	\$ 334,219	\$ 1,055,878
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,191,718	1,190,566
Gain (loss) on sale of property and equipment and investment in real estate	4,425	(226,545)
Deferred income taxes (benefit) expense	(110,657)	41,739
Amortization of right of use asset-operating lease	140,618	221,130
Changes in operating assets and liabilities:		
Accounts receivable	3,000	10,804
Inventories	535,817	(307,594)
Prepaid expenses	13,791	(67,149)
Prepaid income taxes	(48,852)	(80,600)
Operating lease liabilities	(140,618)	(221,130)
Accounts payable and accrued liabilities	(794,634)	(1,594,627)
Income taxes payable	(10,462)	(29,543)
Deferred revenue	4,171	(4,833)
Net cash provided by (used in) operating activities	<u>1,122,536</u>	<u>(11,904)</u>
Cash flows from investing activities:		
Proceeds from sale of property and equipment and investment in real estate	156,873	700,267
Purchases of property and equipment and investment in real estate	(1,023,268)	(941,167)
Accrued interest receivable	(23,982)	(3,995)
Purchase of marketable securities	(4,806,500)	(1,201,630)
Proceeds from sale of marketable securities	1,201,630	1,201,002
Proceeds from repayment of note receivable	2,032	4,005
Net cash used in investing activities	<u>(4,493,215)</u>	<u>(241,518)</u>
Cash flows from financing activities:		
Payments on long-term debt	(458,404)	(465,221)
Payments for finance lease obligation	—	(33,027)
Purchase of treasury stock	(33,140)	(55,609)
Net cash used in financing activities	<u>(491,544)</u>	<u>(553,857)</u>
Net decrease in cash and cash equivalents	(3,862,223)	(807,279)
Cash and cash equivalents at beginning of year	<u>7,322,706</u>	<u>8,129,985</u>
Cash and cash equivalents at end of year	<u>\$ 3,460,483</u>	<u>\$ 7,322,706</u>

(continued)

**BOWLIN TRAVEL CENTERS, INC.**  
**Statements of Cash Flows (continued)**

	<b>Years ended January 31,</b>	
	<b>2024</b>	<b>2023</b>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ <u>273,859</u>	\$ <u>298,341</u>
Cash paid for income taxes	\$ <u>310,000</u>	\$ <u>503,660</u>
Supplemental disclosure of non-cash investing and financing activities:		
Operating lease right of use assets and liabilities	\$ <u>331,626</u>	\$ <u>157,982</u>

See accompanying notes to financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

**(1) Summary of Significant Accounting Policies**

**(a) Description of Business**

Bowlin Travel Centers, Inc. (BTC or the Company) is located in Albuquerque, New Mexico. The Company's principal business activities include the operation of ten travel centers and five restaurants strategically located along interstate highways in New Mexico and Arizona. Eight of the Company's travel centers offer fuel and the Company operates five full-service restaurants under the Dairy Queen/Brazier or Dairy Queen trade names. All of the Company's travel centers offer a variety of Southwestern merchandise to the traveling public in the Southwestern United States, primarily New Mexico. They also sell convenience store food such as chips, nuts, cookies and prepackaged sandwiches along with a variety of bottled and canned drinks.

**(b) Significant Accounting Policies**

The following summary of significant accounting policies is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are the representation of the Company's management who are responsible for their integrity and objectivity. The financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for established accounting and financial reporting principles. The more significant of the Company's accounting policies are described below.

**(c) Cash and Cash Equivalents**

The Company considers all liquid investments with an original maturity of three months or less to be cash equivalents. The Company places its temporary cash investments with a local financial institution. Funds in excess of the \$250,000 insured by the Federal Deposit Insurance Corporation (FDIC) are invested in overnight US Treasuries. The Company believes that there is not a significant risk of loss with respect to these deposits.

The Company also considers receivables from credit card transactions that are typically reimbursed within three business days as cash and cash equivalents. Receivables from credit card transactions included in cash and cash equivalents at January 31, 2024 and 2023 were \$194,828 and \$189,645 respectively.

**(d) Marketable Securities**

Marketable securities consist of certificates of deposits and U.S. Treasury Bills with maturity dates greater than three months and less than one year. The certificates of deposits are fully insured by the Federal Deposit Insurance Corporation (FDIC), as they do not exceed their \$250,000 limit. Certificates of deposit are measured at cost plus accrued interest. The Company also has treasury bills with varying maturity dates, all are less than one year. The treasury bills are backed by the United States

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

Department of the Treasury. Treasury bills are measured at a discount to their face value.

**(e) *Inventories***

Inventories consist primarily of merchandise and gasoline for resale and are stated at the lower of cost or net realizable value, with cost being determined using the first-in, first-out (FIFO) method. The Company capitalized \$220,089 and \$218,439 of direct and indirect costs incurred during the years ended January 31, 2024 and 2023, respectively.

**(f) *Debt issuance costs***

Debt issuance costs are deferred and amortized over the terms of the respective borrowings on a straight-line basis which is not materially different from the effective interest method, and are shown net against the debt.

**(g) *Intangible Assets***

Franchise fees are amortized on a straight-line basis over the shorter of the life of the related franchise agreements or the periods estimated to be benefited, ranging from ten to twenty-five years.

**(h) *Property and Equipment***

Property and equipment are carried at cost. Maintenance and repairs, including the replacement of minor items, are expensed as incurred, and major additions and improvements to property and equipment are capitalized. Depreciation is calculated by the Company using primarily straight-line methods.

**(i) *Sales and Cost Recognition***

The Company recognizes revenue based on the consideration specified in the contract with the customer, excluding any sales incentives (such as military and repeat customer discounts) and excluding amounts collected on behalf of third parties (such as sales and excise taxes). The majority of the Company's revenue is generated at the point of sale in its retail locations. Revenues consist of nonfuel revenues, fuel revenues and food and convenience store revenues. Discounts are accounted for at the time of the transaction and are not transferrable.

**Nonfuel Revenues.** The Company recognizes nonfuel revenues and the related costs at the time of sale to customers. The Company sells a variety of nonfuel products and services at stated retail prices in its travel centers. Goods may be sold at discounted prices with certain customers, most of which include military and repeat customers.

**Fuel Revenues.** The Company recognizes fuel revenues and the related costs at the time of sale to customers at its operated locations. The Company sells diesel fuel and gasoline to its customers at prices that the Company establishes daily or are indexed to market prices and reset daily.

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

Food and Convenience Store Revenues. The Company recognizes food and convenience store revenues and the related costs at the time of sale to customers at its operated locations. The Company sells food in its Dairy Queen restaurants contained within its travel centers.

Net sales disaggregated by product line presented by year are as follows:

	<b>Years ended January 31,</b>	
	<b>2024</b>	<b>2023</b>
Net sales by product line		
Nonfuel	\$ 13,306,206	\$ 14,865,276
Fuel	16,507,134	19,886,784
Food and convenience stores	6,915,108	6,942,288
Total net sales	\$ 36,728,448	\$ 41,694,348

**(j) *Income Taxes***

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**(k) *Taxes Imposed on Revenue Transactions***

The Company collects and remits various federal and state excise taxes on petroleum products. Gasoline sales and cost of goods sold included excise taxes of \$1,451,193 and \$1,571,708 for the years ended January 31, 2024 and 2023, respectively.

The Company also collects and remits transaction privilege taxes on sales. New Mexico and Arizona gross receipts taxes of approximately \$1,227,388 and \$1,356,386 were collected and remitted for the years ended January 31, 2024 and 2023, respectively. Gross sales and cost of goods sold are presented net of gross receipts taxes.

**(l) *Impairment on Investment in Real Estate and Assets Held for Sale***

The Company reviews its long-lived assets and certain identifiable intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

**(m) *Financial Instruments***

The Company's financial instruments are cash and cash equivalents, marketable securities, treasury bills, accounts and notes receivable, accounts payable, accrued liabilities, and long-term debt and lease liabilities. The carrying amounts of these financial instruments approximate fair value using Level 3 inputs, based on their short maturities, and for long-term debt, based on borrowing rates available to the Company for debt and leases with similar terms and maturities.

**(n) *Use of Estimates***

Management of the Company has made a number of estimates and assumptions relating to the reporting and disclosure of assets and liabilities to prepare these financial statements in conformity with generally accepted accounting principles in the United States of America. These estimates include, but are not limited to, the carrying value of its long-lived assets and right of use assets and liabilities, and the valuation of deferred income taxes. Actual results could differ from those estimates.

**(o) *Net Income per Share***

Net income per share is computed by dividing net income by the weighted average number of common shares outstanding.

**(p) *Treasury Stock***

The Company repurchased 7,460 of its outstanding common shares, as treasury stock, in the year ended January 31, 2024 at an average price per share of approximately \$4.441, for a total repurchase of \$33,140. The common shares issued and outstanding were reduced by 7,460 shares or \$7 (7,460 shares at \$0.001 per value per share), and additional paid in capital was reduced by \$33,133. The reduction in shares issued and outstanding and additional paid in capital is reflected in the accompanying balance sheet.

The Company repurchased 10,980 of its outstanding common shares, as treasury stock, in the year ended January 31, 2023 at an average price per share of approximately \$5.065, for a total repurchase of \$55,609. The common shares issued and outstanding were reduced by 10,980 shares or \$11 (10,980 shares at \$0.001 per value per share), and additional paid in capital was reduced by \$55,598. The reduction in shares issued and outstanding and additional paid in capital is reflected in the accompanying balance sheet.

**(q) *Deferred Revenue***

Deferred revenue consists of advertising revenue received in advance for billboards that the Company rents as well as an advance from Excelsior Mining Company, Inc. to lease a portion of the Company's property and for a non-exclusive access and utilities easement in Benson, Arizona. These amounts are recognized in rental income as services are provided over the terms of the billboard contracts and the lease.

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

(r) **Advertising Costs**

Advertising costs are expensed as incurred. Advertising expense was \$250,805 and \$223,996 for the years ended January 31, 2024 and 2023, respectively.

(s) **Concentration in Suppliers**

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 Company will pay the daily published rates, applicable taxes, plus freight. The retail sales and incentive agreement is for a period of ten years. The agreement will automatically renew for a successive term of three years unless either party gives written notice to the other party of its intent not to renew. There are no minimum or maximum gallon purchase requirements for the Company.

The Company has a retail supply agreement with Arizona Fuel Distributors, L.L.C. to purchase Shell brand fuels for the Company's three Arizona locations. The Company will pay the daily published rates, applicable taxes, plus freight. The retail supply agreement is for a period of ten years beginning on August 22, 2017 and ending on August 22, 2027. At expiration, the agreement will continue on a month-to-month basis until the parties either execute a new agreement or Arizona Fuel Distributors, LLC terminates the agreement. There are no minimum or maximum gallon purchase requirements for the Company.

(2) **Property and Equipment**

Property and equipment consist of the following at January 31:

	<u>Estimated life (years)</u>	<u>2024</u>	<u>2023</u>
Land		\$ 1,606,185	\$ 1,542,294
Buildings and improvements	10 - 40	15,020,880	14,710,838
Machinery and equipment	3 - 10	14,719,575	14,607,646
Autos, trucks and mobile homes	3 - 10	2,900,387	2,774,827
Billboards	15 - 20	3,292,195	3,230,907
Construction in progress		19,670	19,567
		<u>37,558,892</u>	<u>36,886,079</u>
Less accumulated depreciation		<u>(26,008,242)</u>	<u>(25,013,549)</u>
Property and equipment, net		<u>\$ 11,550,650</u>	<u>\$ 11,872,530</u>

Construction in progress consists of inventory in the amount of \$19,670 that the Company has on hand to repair and maintain its billboards.

	<u>2024</u>	<u>2023</u>
Depreciation and amortization expense:	<u>\$ 1,191,718</u>	<u>\$ 1,190,566</u>

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

Amortization of the Company's financing lease assets was \$33,027 for the year ended January 31, 2023. Interest expense for the Company's financing leases was \$831 for the year ended January 31, 2023. The financing lease was paid in full August 31, 2022.

**(3) Intangible Assets**

	<b>2024</b>	<b>2023</b>
Franchise fees	\$ 128,000	\$ 128,000
Less accumulated amortization	(121,625)	(120,625)
	6,375	7,375
Trademarks	39,566	32,861
	\$ 45,941	\$ 40,236

The following schedule discloses the estimated amortization expense of franchise fees at January 31:

2025	\$	1,000
2026		1,000
2027		1,000
2028		1,000
2029		1,000
Thereafter		1,375
Total	\$	6,375

**(4) Investment in Real Estate**

Approximately twelve acres of previously undeveloped land in Alamogordo, New Mexico was sub-divided into thirty-five approximately quarter-acre residential lots. The carrying value of this investment in real estate was \$293,979 as of January 31, 2024. The subdivision includes paved roads, fencing, water, sewer and electricity. Two manufactured homes were purchased and installed. One lot and manufactured home was sold in December 2003. In December 2005, two lots were sold. The other manufactured home was moved for the Company's use to the facility in Picacho, Arizona. The eighteen lots that remain are for sale. At January 31, 2024 and 2023, in accordance with FASB ASC 205-20-45 – Accounting for Impairment or Disposal of Long-Lived Assets, the Company reviewed the carrying value of the property and determined that the property was not impaired.

During fiscal year 2024, the Company sold six of the sub-divided quarter-acre residential lots of land in Alamogordo, New Mexico. The lots sold for \$152,400, the carrying value was \$109,333 and the selling costs were \$22,642. The gain on the sale of the lots was \$20,425.

On May 8, 2023, the Company entered into an agreement to purchase real estate located in Pinal County, Arizona for \$50,000. The property closed on June 2, 2023.

During fiscal year 2023, the Company sold four of the sub-divided quarter-acre residential lots of land in Alamogordo, New Mexico. The lots sold for \$74,800, the carrying value was \$55,573 and the selling costs were \$9,936. The gain on the sale of the lots was \$9,291.

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

On May 25, 2022, the Company sold the property in Edgewood, New Mexico for \$600,000. The property's carrying value was \$390,288 and the selling costs were \$52,097. The gain on the sale of the lots was \$157,615.

On January 3, 2023, the Company (Seller) entered into a Short Form Option Agreement with Excelsior Mining Corp (Purchaser). During the option term the Purchaser has the right to conduct test work including drilling, sampling and surveying in Benson, Arizona. In consideration for the Seller granting this option, the Purchaser will pay annually to the Seller an option fee detailed in the chart below which the Company records to miscellaneous income in the Statements of Income:

Option Year	Annual Option Payments
2025	\$40,000
2026	\$40,000
2027	\$40,000
2028	\$40,000
2029	\$40,000
Extension Period	
2030	\$50,000
2031	\$50,000
2032	\$50,000
2033	\$50,000
2034	\$50,000

The Purchaser may exercise the option at any time during the option term by delivering written notice to the Seller. There are several option alternatives for the Purchaser when the option is exercised.

**BOWLIN TRAVEL CENTERS, INC.**  
**Notes to Financial Statements**  
**January 31, 2024**

**(5) Long-term Debt**

Long-term debt consists of the following at January 31:

	<b>2024</b>	<b>2023</b>
Due to WestStar Bank, maturity June 2024, interest at 4.20%, monthly installments of \$11,525, secured by two properties with a total carrying value of \$1,018,584	\$ 716,466	\$ 821,917
Due to WestStar Bank, maturity March 2029, interest at 4.20%, monthly installments of \$42,272, secured by two properties with a total carrying value of \$714,308	5,261,791	5,539,281
Due to WestStar Bank, maturity May 2023, interest at 5.45%, monthly installments of \$3,823, secured by fuel equipment with a carrying value of \$54,893	—	15,081
Due to WestStar Bank, maturity July 2024, interest at 5.45%, monthly installments of \$5,941, secured by an electronic message board with a carrying value of \$173,993	28,572	96,256
	6,006,829	6,472,535
Less: unamortized debt issuance costs	(26,911)	(34,213)
Long-term debt, less unamortized debt issuance costs	5,979,918	6,438,322
Less current maturities	(430,732)	(468,560)
Total long-term debt, less current maturities	\$ 5,549,186	\$ 5,969,762

Future maturities of long-term debt for the years ending January 31 are as follows:

2025	\$	430,732
2026		419,380
2027		437,337
2028		456,063
2029		475,590
Thereafter		3,787,727
Total	\$	6,006,829

On June 30, 2014, the Company entered into a commercial loan agreement with WestStar Bank in the amount of \$1,500,000 with an interest rate of 4.75% for the first five years, then subject to adjustment after June 30, 2019. On January 29, 2021, the Company modified the loan agreement to change the interest rate to 4.20% effective to the maturity of the loan. The Company's real property in Bernalillo County, New Mexico and one property in Dona Ana County, New Mexico serve as security for the loan. The commercial loan agreement matures June 30, 2024 and the Company expects to negotiate an extension with the bank. A portion of the proceeds were used to pay off an existing loan with Bank of the West, which released the Company's real property in Cochise County, Arizona that was serving as collateral for the debt.

On September 25, 2017, the Company entered into a commercial loan agreement with WestStar Bank in the amount of \$5,000,000 with an interest rate of 4.95%. On February 19, 2018 the commercial loan agreement was modified to include an additional amount

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borrowed of \$1,600,000. On January 29, 2021, the Company modified the loan agreement to change the interest rate to 4.20% for the first five years, then subject to adjustment in January 2026. The Company's real property in Cibola County, New Mexico and in Torrance County, New Mexico serves as security for the loan. The commercial loan agreement matures March 25, 2029. A portion of the proceeds were used to pay off an existing loan with Bank of the West. The remaining proceeds were used to complete a major remodel at The Thing DQ Travel Center in Benson, Arizona.

On May 31, 2018, the Company renewed a commercial loan agreement with WestStar Bank in the amount of \$200,000 with an interest rate of 5.45%. The proceeds were used for fuel equipment. The commercial loan agreement matured May 30, 2023.

On July 10, 2019, the Company entered into a commercial loan agreement with WestStar Bank in the amount of \$310,733 with an interest rate of 5.45%. The proceeds were used for an electronic message board located in Picacho, Arizona. The commercial loan agreement matures July 10, 2024.

At January 31, 2024 and 2023, respectively, the Company was in compliance with the annual debt covenant of debt to tangible net worth not to exceed 1.5:1 as well as other restrictive covenants.

**(6) Income Taxes**

Income tax expense (benefit) consist of the following for the years ended January 31:

	<u>Current</u>	<u>Deferred</u>	<u>Total</u>
2024:			
U.S. Federal	\$ 189,305	\$ (83,562)	\$ 105,743
State	<u>61,381</u>	<u>(27,095)</u>	<u>34,286</u>
	<u>\$ 250,686</u>	<u>\$ (110,657)</u>	<u>\$ 140,029</u>
2023:			
U.S. Federal	\$ 294,400	\$ 31,519	\$ 325,919
State	<u>95,457</u>	<u>10,220</u>	<u>105,677</u>
	<u>\$ 389,857</u>	<u>\$ 41,739</u>	<u>\$ 431,596</u>

Income tax expense differed from the amounts computed by applying the U.S. federal income tax rate of 21% to pre-tax income for the years ended January 31, 2024 and 2023, respectively, as a result of the following:

	<u>2024</u>	<u>2023</u>
Computed "expected" tax expense	\$ 99,592	312,370
State income tax expense net of federal tax benefit	27,086	83,485
Other non-deductible expenses	<u>13,351</u>	<u>35,741</u>
Total	<u>\$ 140,029</u>	<u>431,596</u>

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The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities are as follows at January 31:

	<b>2024</b>	<b>2023</b>
Deferred income tax assets:		
Deferred revenue	\$ 8,172	7,086
Compensated absences	56,886	58,246
Total gross deferred income tax assets	65,058	65,332
Deferred income tax liabilities:		
Property and equipment, principally due to differences in depreciation	954,077	1,065,008
Total gross deferred income tax liabilities	954,077	1,065,008
Net deferred income tax liabilities	\$ 889,019	\$ 999,676

In the normal course of business, the Company’s income tax returns are subject to examination by various taxing authorities. Such examinations may result in future income tax and interest assessment by these taxing authorities. There are no uncertain tax positions as of January 31, 2024 and 2023.

The Company is not under examination for open tax years, generally tax years since fiscal year 2020.

**(7) Profit-Sharing Plan**

The Company maintains a qualified defined contribution profit-sharing plan that covers substantially all employees. The plan year end is December 31. The elected salary reduction is subject to limits as defined by the Internal Revenue Code. The Company provides a matching contribution and additional discretionary contributions as determined by resolution of the board of directors. Legal and accounting expenses related to the plan are absorbed by the Company. The Company’s contributions to the profit-sharing plan were \$86,225 and \$113,848 for the years ended January 31, 2024 and 2023, respectively.

**(8) Commitment and Contingencies**

The Company leases land at three of its retail operating locations. Included in general and administrative expenses in the accompanying statements of income is rental expense for these land leases of \$135,474 and \$146,158 for the years ended January 31, 2024 and 2023, respectively. The Company also leases land where its billboards are located and rent expense for these leases was \$244,128 and \$265,318 for the years ended January 31, 2024 and 2023, respectively.

The land leases for the Company’s billboards expire at various dates and have varying options to renew and cancel and may contain escalation provisions. The billboard leases also have varying expiration dates (“Original Term”). Upon completion of the Original Term, most leases automatically continue for a period equal in length to the Original Term.

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Upon completion of the “Optional Term”, the leases continue on a year-to-year basis unless the lessor notifies the lessee in writing prior to ninety days of the anniversary date of its intent to terminate the lease agreement.

The Company uses its incremental borrowing rate for the discount rate as the Company’s leases do not provide a readily determinable implicit rate. The Company has elected to present the change in the right-of-use asset and liability net on the statement of cash flows. The Company has also elected the practical expedient upon the initial adoption of ASC 842 to not apply ASC 842 to leases of 12 months or less on the balance sheet.

The leasing agreements for the three retail locations include 5 to 35 year leases. One of the contingent rentals has a 3% of merchandise sold. The variable lease costs recognized for this lease during fiscal year ended 2024 was \$25,838. One of the contingent leases has a fixed annual payment of \$31,747 adjusted every five years according to the consumer price index (CPI) plus 2.5% of merchandise sales and \$0.0025 of gasoline gallons sold. The variable lease costs recognized for this lease during fiscal year ended 2024 was \$28,504. One of the contingent rentals is \$37,500 adjusted every year by \$500 plus 2.5% of merchandise sales and \$0.0025 of gasoline gallons sold. There were no variable lease costs recognized for this lease during fiscal year ended 2024. In most cases, the Company is responsible for certain repairs and maintenance, insurance, property taxes or property tax increases, and utilities.

The weighted average remaining term for all leases is approximately 12 years at January 31, 2024. The weighted average discount rate is 5.14% at January 31, 2024.

Future minimum rental payments under these leases are as follows:

Year ending January 31:	
2025	\$ 243,938
2026	227,170
2027	151,620
2028	113,145
2029	109,947
Thereafter	949,383
Total undiscounted operating lease payments	1,795,203
Less imputed interest	(624,168)
Total operating lease liabilities	\$ 1,171,035

The Company is periodically subject to claims and lawsuits that arise in the ordinary course of business. It is in the opinion of management that the disposition or ultimate resolution of any such claims and lawsuits will not have a material adverse effect on the financial position of the Company.

**(9) Subsequent Events**

The Company has evaluated events subsequent to January 31, 2024, the balance sheet date, for events that would possibly require adjustment or disclosures in these financial

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statements, through April 30, 2024, the date that these statements were available to be issued.

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 basis, 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 off expired on March 1, 2024 with a total of 139,250 shares being validly tendered.

## 10) Issuer Certification

*Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Michael L. Bowlin certify that:

1. I have reviewed this Disclosure Statement for Bowlin Travel Centers, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 30, 2024

/s/ Michael L. Bowlin

*Principal Financial Officer:*

I, Nina J. Pratz certify that:

1. I have reviewed this Disclosure Statement for Bowlin Travel Centers, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 30, 2024

/s/ Nina J. Pratz