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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**Form 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of Earliest Event Reported): April 6, 2021**

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**ARKO Corp.**

(Exact Name of registrant as specified in its charter)

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**Delaware**  
(State of other jurisdiction  
of incorporation)

**001-39828**  
(Commission  
File Number)

**85-2784337**  
(IRS Employer  
Identification Number)

**8565 Magellan Parkway  
Suite 400  
Richmond, Virginia 23227-1150**  
(Address of principal executive offices, including zip code)

**Registrant's telephone number, including area code: (804) 730-1568**

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.0001 per share	ARKO	The Nasdaq Stock Market LLC
Warrants, each warrant exercisable for one share of Common Stock at an exercise price of \$11.50	ARKOW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 7.01. Regulation FD Disclosure.**

On April 6, 2021, ARKO Corp., a Delaware corporation (the “Company”) posted an updated investor presentation on its website. A copy of the Company’s presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 7.01. The presentation is also available on the Company’s website at [www.arkocorp.com](http://www.arkocorp.com) under Investor Relations. The information contained on the Company’s website shall not be deemed part of this Current Report on Form 8-K.

The information contained in this Current Report on Form 8-K, including Exhibit 99.1 furnished herewith, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (“Exchange Act”), or otherwise subject to the liabilities of that Section and shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act except to the extent expressly stated in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#"><u>Investor Presentation in use beginning April 6, 2021.</u></a>

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ARKO CORP.

By: /s/ Arie Kotler  
Name: Arie Kotler  
Title: Chairman, President and Chief Executive Officer

Date: April 6, 2021

# INVESTOR PRESENTATION April 6, 2021



**ARKO**  
A Family of Community Brands



This investor presentation (this "Investor Presentation") and any oral statements made in connection with this Investor Presentation are for informational purposes only and do not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any equity, debt or other securities of ARKO Corp., a Delaware corporation (including its consolidated subsidiaries, "ARKO," the "Company," "we," "us" or "our"). The information contained herein does not purport to be all inclusive. The data contained herein is derived from various internal and external sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections, modeling or any other information contained herein. Any data on past performance contained herein is not an indication as to future performance. Except as required by applicable law, ARKO assumes no obligation to update the information in this Investor Presentation. Nothing herein shall be deemed to constitute investment, legal, tax, financial, accounting or other advice. The communication of this Investor Presentation is restricted by law it is not intended for distribution to, or use by any person in, any jurisdiction where such distribution or use would be contrary to local law or regulation. No representation or warranty (whether express or implied) has been made by ARKO with respect to the matters set forth in this Investor Presentation.



**Forward Looking Statements**

This Investor Presentation includes “forward looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of the businesses of ARKO may differ from actual results and consequently, you should not rely on these forward looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward looking statements. These forward looking statements include, without limitation, expectations with respect to the future prospects of ARKO. These forward looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside of the control of ARKO and are difficult to predict. Factors that may cause actual results to differ materially from those expressed in forward-looking statements include, but are not limited to: (1) the impact of the COVID 19 pandemic on the business of ARKO; (2) the ability to recognize the anticipated benefits of becoming a U.S. public company, which may be affected by, among other things, competition, the ability of ARKO to grow and manage growth profitably and retain its key employees; (3) changes in applicable laws or regulations; (4) the demand for ARKO’s services together with the possibility that ARKO may be adversely affected by other economic, business, and/or competitive factors; (5) risks and uncertainties related to ARKO’s business, including, but not limited to, changes in fuel prices, the impact of competition, environmental risks, restrictions on the sale of alcohol, cigarettes and other smoking products and increases in their prices, dependency on suppliers, increases in fuel efficiency and demand for alternative fuels for electric vehicles, failure by independent operators to meet their obligations, acquisition and integration risks, and currency exchange and interest rates risks; (6) failure to realize the expected benefits of entities and businesses that ARKO acquires; (7) failure to promptly and effectively integrate acquired businesses; (8) the potential for unknown or inestimable liabilities related to acquired businesses; and (9) other risks and uncertainties included in our Annual Report on Form 10-K and the other documents and other materials we file with the Securities and Exchange Commission (the “SEC”), and with the Israel Securities Authority by ARKO Holdings, Ltd. The foregoing list of factors is not exclusive. You should not place undue reliance upon any forward looking statements, which speak only as of the date made. Except to the extent required by applicable law, ARKO does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward looking statements to reflect any change in their expectations or any change in events, conditions, or circumstances on which any such statement is based.

**Industry and Market Data**

Industry and market data used in this Investor Presentation have been obtained from third party industry publications and sources, including reports by market research firms. ARKO has not independently verified the information and data obtained from these sources and cannot assure you of the data’s accuracy or completeness. This information and data is subject to change.

**Use of Non-GAAP Financial Metrics**

This Investor Presentation includes both financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”) as well as certain non-GAAP financial measures for ARKO, such as Adjusted EBITDA, net of incremental bonuses and same store sales. 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. Other companies may calculate Adjusted EBITDA and other non-GAAP measures differently, and therefore ARKO’s Adjusted EBITDA and other non-GAAP measures may not be directly comparable to similarly titled measures of other companies. Investors should review ARKO’s audited annual and unaudited interim financial statements, which are prepared in accordance with GAAP, and not consider any of ARKO’s non-GAAP measures in isolation or as a substitute for our financial results reported in accordance with GAAP.

Additional information with respect to ARKO is contained in its filings with the SEC and is available at the SEC’s website, <http://www.sec.gov>, and on ARKO’s website, [www.arkocorp.com](http://www.arkocorp.com).



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ARKO Presenters



**ARIE KOTLER**

Founder, Chairman & CEO

- Acquired GPM Investments, LLC in 2011, now a wholly owned subsidiary of ARKO, at which time it operated and supplied 320 sites
- Grew ARKO to 3,000 current sites through a series of 18 acquisitions
- Spearheaded various real estate and fuel transactions totaling >\$2 billion
- Deep experience and expertise in convenience store operations
- Seasoned executive experienced in international financial markets and publicly-traded companies/entities



**DON BASSELL**

CFO

- CFO of ARKO since April 2014 and previously from 2004-2010
- Former CFO of Mid-Atlantic Convenience Stores (Catterton-backed and sold to Sunoco in 2013)
- Served in a wide variety of financial, treasury and MIS roles with major oil companies, other distributors, and service providers
- Over 35 years of experience in petroleum, convenience stores, refining and fuel distribution



**A LEADING U.S. CONVENIENCE STORE OPERATOR**

**7th**

Largest U.S. Convenience Store Operator<sup>(1)</sup>

**2,944**

Total sites as of 12/31/20, including 1,330 retail stores and 1,614 dealer-operated / ARKO-supplied sites

**33**

States of Operation

**~\$1.6 Billion**

2020 Pro Forma In-Store Sales<sup>(2)</sup>

**~2.0 Billion**

2020 Pro Forma Fuel Gallons Sold<sup>(2)</sup>

**DIVERSE GEOGRAPHIC FOOTPRINT**



2,944 sites across 33 states and Washington D.C.; retail network expanded ~4.2x over past eight years

**LARGE, RAPIDLY GROWING NETWORK**



**TOP U.S. CONVENIENCE STORE OPERATORS<sup>(1)</sup>**

RANK	COMPANY / CHAIN	U.S. STORE COUNT	%
1	7-Eleven	9,364	6.1%
2	7-Eleven	5,933	3.9%
3	7-Eleven	3,900	2.6%
4	7-Eleven	2,181	1.4%
5	7-Eleven	1,679	1.1%
6	7-Eleven	1,489	1.0%
<b>7</b>	<b>ARKO</b>	<b>1,330<sup>(3)</sup></b>	<b>0.8%</b>
8	7-Eleven	1,017	0.7%
9	7-Eleven	942	0.6%
10	7-Eleven	880	0.6%

(1) According to CSP's Top 202 Convenience Stores 2020; includes only company-operated locations based on 2019 store counts with the exception of ARKO.  
 (2) Includes 'Q1 - Q3 2020 contribution of Empire in addition to ARKO's FY2020 results.  
 (3) Reflects ARKO's store count as of 12/31/20; excludes 1,614 wholesale locations.







**1** A Leader in the Large and Growing Convenience Store Sector

**2** Successful, Differentiated Strategy Embracing Community C-Store Brands

**3** Demonstrated History of Rapid, High-ROI Growth Led by Reputation as an Acquirer of Choice

**4** Expected Significant Embedded Growth via Remodel Opportunity

**5** Inherent Growth as a Result of the 2020 Acquisition of Empire

**6** Founder-Led Management Team

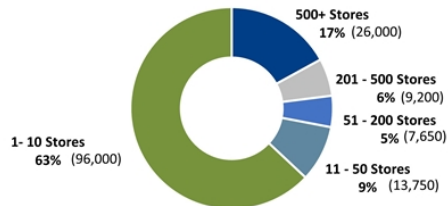


**ARKO'S SUCCESSFUL HISTORY OF GROWTH**

- 18 acquisitions completed since 2013
- Store base grown ~4.2x in eight years
- Highly fragmented market
  - 70% of industry comprised of <50 store chains as of 2019
- Robust current M&A activity in the sector
- Wholesale platform widens range of acquisition targets

**U.S. CONVENIENCE STORE COMPOSITION BY CHAIN SIZE<sup>(1)</sup>**

Fragmented industry of 152,720 convenience stores



**ROBUST CONSOLIDATION OPPORTUNITY<sup>(2)</sup>**

Top 10 convenience store operators control less than 20% of the store base in the U.S.



(1) National Association of Convenience Stores ("NACS") 2018 NACS State of the Industry Report. As of 2020 there are 150,274 sites  
 (2) Data from CSP's Top 202 Convenience Stores 2020  
 (3) Reflects ARKO's store count as of 12/31/20; excludes 1,614 wholesale locations.

~50 Years Average Local Brand History



ROI-Focused Acquiror of Choice

- ✓ Differentiated Strategy Preserves Long-Established Community Brand Equity
- ✓ Centralized Procurement and Merchandising Leverage Network Scale
- ✓ Optimized Purchasing and High-Performing In-Store Product Offerings Drive ROI
- ✓ Common Loyalty Program Enables Network-Wide Promotions and Marketing Initiatives



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SITES 265 YEAR ACQ. 2018

STATE(S) OF OPERATION  
AR, LA, OK, TX



SITES 213 YEAR ACQ. Legacy

STATE(S) OF OPERATION  
CT, DE, IA, IL, IN, KY, MD, MI, NC, NE, PA, TN, VA



SITES 144 YEAR ACQ. 2013

STATE(S) OF OPERATION  
NC, SC, TN, VA



SITES 126 YEAR ACQ. 2016

STATE(S) OF OPERATION  
IN, MI



SITES 88 YEAR ACQ. 2015

STATE(S) OF OPERATION  
IL, IN, MI, OH



SITES 92 YEAR ACQ. 2017

STATE(S) OF OPERATION  
NC, SC, TN, VA



SITES 44 YEAR ACQ. Multiple

STATE(S) OF OPERATION  
IL, IA, KY, IN, NE, MI



SITES 51 YEAR ACQ. 2019

STATE(S) OF OPERATION  
WI



SITES 38 YEAR ACQ. 2016

STATE(S) OF OPERATION  
KY, VA



SITES 28 YEAR ACQ. 2015

STATE(S) OF OPERATION  
IN, MI



SITES 27 YEAR ACQ. 2013

STATE(S) OF OPERATION  
SC



SITES 22 YEAR ACQ. 2013

STATE(S) OF OPERATION  
SC



SITES 17 YEAR ACQ. 2019

STATE(S) OF OPERATION  
FL



SITES 16 YEAR ACQ. 2016

STATE(S) OF OPERATION  
IL, MO



SITES 16 YEAR ACQ. 2015

STATE(S) OF OPERATION  
TN



SITES 11 YEAR ACQ. 2018

STATE(S) OF OPERATION  
MI



SITES 63 YEAR ACQ. 2020

STATE(S) OF OPERATION  
AZ, CO, FL, NM, TX

Note: Store count as of 12/31/20; excludes ten Dunkin' locations, two standalone Subway locations, as well as 57 additional stores carrying banners with less than ten locations across network.



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**CONTINUE CORE ACQUISITION STRATEGY**

- Highly fragmented U.S. convenience store industry
- Well-developed acquisition and integration capabilities
- Ability to acquire both small and large chains; ARKO reviews all opportunities
- Actionable pipeline of opportunities
- In-house M&A team performs in-depth reviews of several target opportunities per annum

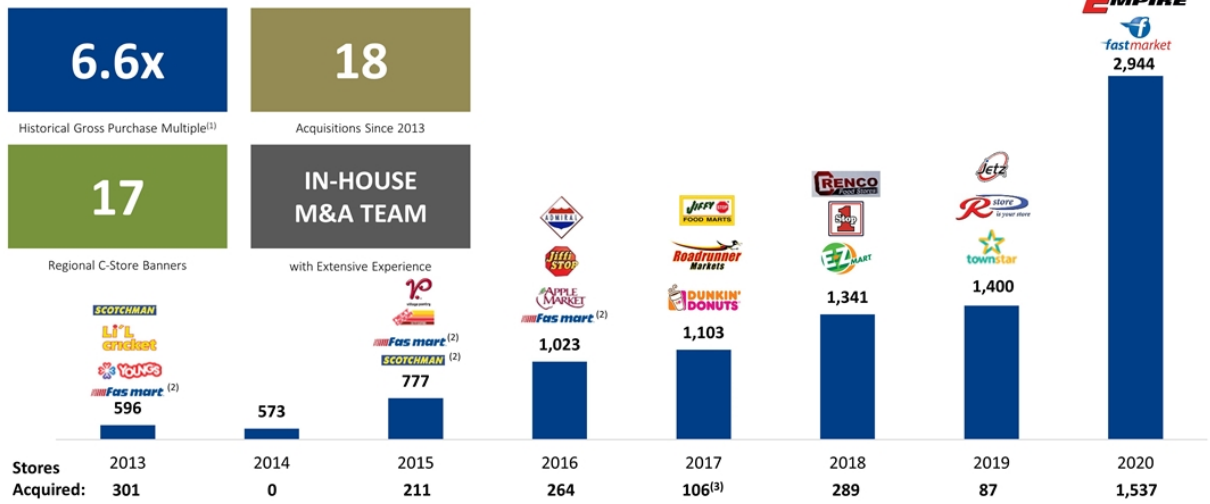
**AGGRESSIVE REMODEL OPPORTUNITY**

- Team built to optimize acquired assets; remodel prototype underway
- Traffic counts and demographics analyzed to identify ~700 candidates
- Foodservice will be a key feature of store reinvestment program
- 360 sites projected to be remodeled over the next three to five years
- Estimating ~\$70 million of incremental EBITDA and pre-tax ROI of 20%+

**ROBUST WHOLESALE PLATFORM: EMPIRE ACQUISITION**

- Low overhead wholesale operations
- Enhances cash flow stability (long-term contracts) and diversification
- Widens range of acquisition targets; certain competing consolidators have difficulty acquiring wholesale operations
- Scale enhances leverage with suppliers and synergy potential

ARKO has consistently acquired quality assets at attractive multiples relative to publicly disclosed industry transactions. The Company has exercised demonstrable price discipline and creative approaches to transaction structuring which has historically resulted in attractive returns over time.

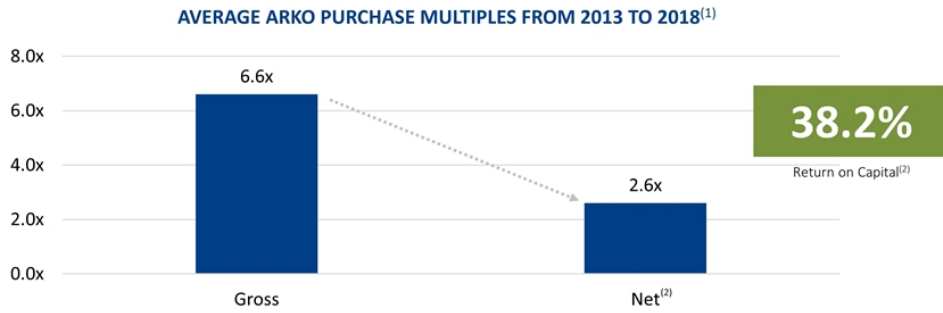


(1) Sample size based on 14 transactions completed (excludes 2019 and 2020 acquisitions for lack of visibility into post-transaction performance).  
 (2) Gas Mart, Road Ranger, Arey Oil, and Hurst Harvey stores rebranded post-closing under Company's existing brands.  
 (3) Includes Broyles Hospitality locations, a seven unit Dunkin' franchisee in Tennessee and Virginia.





ARKO has maintained purchase price discipline over time and focused intently on capturing cost savings and synergies post-transaction. Thorough diligence on the front end has been key to avoid mis-pricing assets that erode the Company's ability to meet return hurdles. Looking forward, we believe that the scale of the platform will enable the Company to achieve greater levels of synergies.



**ARKO'S DISCIPLINED APPROACH TO M&A**

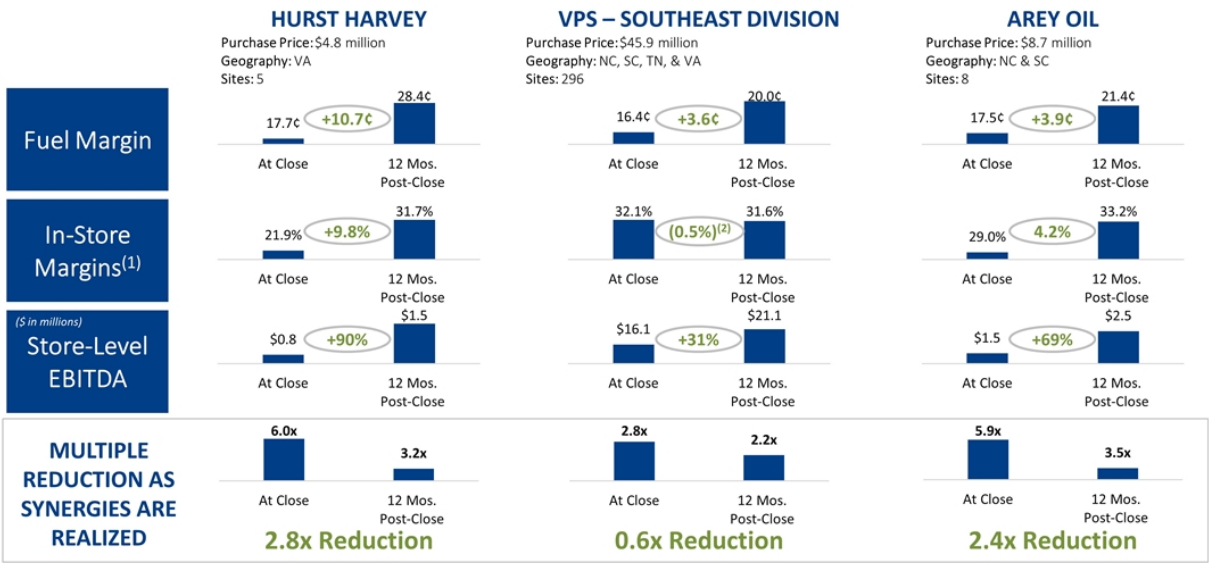


Note: Sample size based on 14 transactions (excludes 2019 and 2020 acquisitions for lack of visibility into post-transaction performance); "Net" multiple based on EBITDA generated one-year after closing of acquisitions and is illustrated as a weighted average across all transactions.  
 (1) Purchase price based on store-level EBITDA.  
 (2) Before incremental G&A expenses from acquisitions; capital reduced by value structured real estate financing.





ARKO's scale and purchasing power are leveraged to significantly improve the performance of acquired operations



(1) In-store margin does not include adjustments for inventory over/short, spoilage, or deferred loyalty sales.  
 (2) ARKO adopted an alternate cigarette pricing strategy post-transaction, voluntarily sacrificing profit margin for higher volumes to drive store traffic.



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Following significant acquisition growth, ARKO is re-investing in the in-store experience with numerous initiatives to drive sales and enhance returns

### SIGNIFICANT STORE REMODEL PROGRAM<sup>(1)</sup>

- Significant, embedded growth opportunity with high return store refresh program

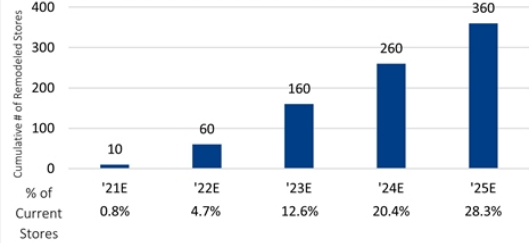


(1) Will include select raze & rebuilds.

### PROGRAM OVERVIEW

- Identified candidates after analysis of traffic counts, local demographic information and remodel feasibility studies
- Plans to spend ~\$360 million over next three to five years with an anticipated return on capital of at least 20%; estimated ~\$70 million of EBITDA upside over three to five years
- Program will emphasize brand development with regional brands featured alongside national ARKO brand for network consistency
- Emphasis on enhanced foodservice offering

### ESTIMATED TOTAL STORES REMODELED OVER TIME





(\$ in 000's)

- Investment: \$2,174.0
- ROI: 28.6%
- Payback: 3.5 years

**STORE 57 – RAZE & REBUILD**



ARKO HAS EXPERIENCED SIGNIFICANT SUCCESS WITH PAST REMODEL EFFORTS GENERATING RETURNS IN THE ~30% TO 60% RANGE



**STORE 27 – “SOFT” REMODEL**

- Investment: \$199.5
- ROI: 28.1%
- Payback: 3.6 years



**STORE 33 – “HARD” REMODEL**

- Investment: \$358.6
- ROI: 60.2%
- Payback: 1.7 years



Note: ROI defined as EBITDA lift divided by total investment.  
 (1) Follows a three month re-opening period.  
 (2) Store #57 located in Quinton, Virginia.



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BreadBox



fast market



Remodel Platform to Drive Increased Foot Traffic and Inside Sales

Numerous in-store sales growth and margin enhancement opportunities exist across the Company's expansive footprint; despite its size, ARKO is extremely nimble as evidenced by its ability to fully stock stores with essential items ahead of competitors at the onset of the pandemic

**PRIVATE LABEL EXPANSION & ESSENTIAL ITEMS**

- High margin snacks and packaged beverages and post-pandemic essential items



**LOYALTY PROGRAM ENHANCEMENT**

- Launch of revised customer relationship-focused program in November



**PLANOGRAMMING**

- Data-driven placement of top-selling SKUs across all categories with regional customization



**GAMING INTRODUCTION**

- Machines installed at 65 Virginia stores play began July 1, 2020<sup>(1)</sup>



**PRODUCT MIX OPTIMIZATION**

- Optimized space planning, movement analysis and forward-looking category mix in post-pandemic world



**MOBILE ORDER / CURBSIDE PICKUP**

- DoorDash – expansion of delivery in approximately 600 stores
- We also partner with UberEats, Grub Hub, and Postmates



**PROMOTIONAL EVENTS**

- Popular promotions in tandem with loyalty program expansion



**ENHANCED FOODSERVICE**

- Expansion of grab n go, frozen food and adding value menu



(1) ARKO also operates gaming machines at 12 sites in Illinois. Virginia is allowing for gaming for a short period of time with fees being paid to a COVID Relief Fund and GPM is taking advantage of this window for the full period gaming is permitted.





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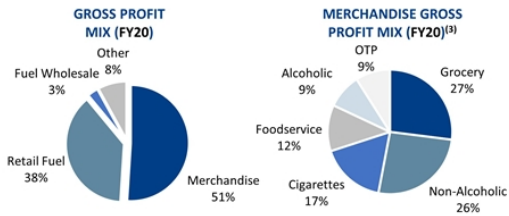
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**DIVERSIFIED GROSS PROFIT MIX FOR THE ARKO BUSINESS**



**HISTORICALLY STABLE FUEL MARGINS**



Note:  
 (1) Reflects ARKO's store count as of 12/31/20.  
 (2) Includes 'Q1 - 'Q3 2020 contribution of Empire in addition to ARKO's FY2020 results.  
 (3) Excludes wholesaler allowances.

**EMPIRE ACQUISITION ADDS ADDITIONAL SCALE, ENHANCES CASH FLOW STABILITY, AND GREATLY EXPANDS ARKO'S EXPOSURE TO WHOLESALE FUEL DISTRIBUTION OPERATIONS**



**~1 Billion** Fuel volume excluding Empire Petroleum (FY20) → **~2.0 Billion** Fuel volume including Empire Petroleum<sup>(2)</sup>

Empire acquisition doubled Company's scale

**ARKO**  
A Family of Community Brands  
**COMBINED**  
33 States & Washington, D.C.  
2,944 Stores<sup>(1)</sup>  
(1,330 Retail, 1,614 Wholesale)



■ ARKO ■ New Empire states

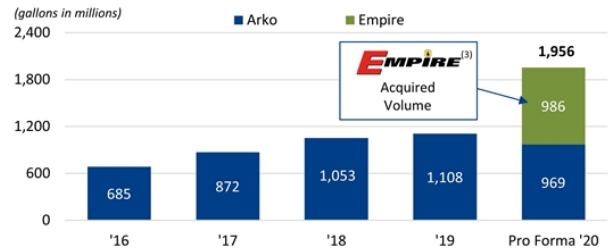




**EMPIRE COMPANY OVERVIEW**

<b>1,537</b>	<b>23</b>
Total Stores Operated and/or Supplied <sup>(1)</sup>	Acquisitions Since 2011
<b>Top 10</b>	<b>1.0 Billion</b>
Super-Jobbers <sup>(2)</sup> in the U.S.	Fuel Gallons Distributed in 2020

**ARKO HISTORICAL TOTAL FUEL VOLUME**



**TRANSFORMATIVE TRANSACTION**

**BENEFITS TO COMBINATION**

- Announced: 12/17/19
- Closed: 10/6/20
- Purchase Price: \$353 million<sup>(4)</sup>
- Multiple Paid: 7.6x EBITDA (pre-synergies)
- Materially increased footprint (10 new states of operation & D.C.)
- Further diversified ARKO's cash flow and provided ARKO with a scaled wholesale platform
- ARKO expects to achieve significant synergies from the transaction moving forward
- Enhanced ARKO's competitiveness as an acquirer
- Empire's wholesale volume in FY 2020 was 872K gallons of which approximately 83% is sold on a rack plus basis and the remaining 17% is sold on a consignment basis



(1) Empire store count at closing (as of 10/6/20).  
 (2) Per management estimates; super-jobbers defined as fuel distributors with volumes greater than 1 billion gallons annually and significant scale with multiple major oil companies.  
 (3) Includes 'Q1 - 'Q3 2020 contribution of Empire in addition to ARKO's FY2020 results.  
 (4) Excludes five year deferred payment of \$20.0 million and potential post-closing contingent amounts of up to an additional \$45 million.



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**ARIE KOTLER**  
*Founder, Chairman & CEO*

19 YEARS  
EXPERIENCE

- Acquired GPM Investments, LLC in 2011; operated and supplied 320 sites at the time
- CEO and Chairman of ARKO Holdings Ltd., a public company traded on the Tel Aviv Stock Exchange from 2005 until creation of ARKO Corp.
- Spearheaded various real estate and fuel transactions totaling over \$2 billion



**EYAL NUCHAMOVITZ**  
*Executive Vice President*

19 YEARS  
EXPERIENCE

- Joined in January 2012 as Executive Vice President
- Served as the Executive Vice President and CFO of Tarragon Corporation
- Served as CEO of ARKOs USA, a U.S. subsidiary of ARKO Holdings Ltd.



**DON BASSELL**  
*Chief Financial Officer*

37 YEARS  
EXPERIENCE

- Served as CFO since April 2014 and previously from 2004 through 2010
- Oversees accounting, finance, tax, treasury and financial reporting
- Served as the CFO of Mid-Atlantic Convenience Stores (Catterton-backed and sold to Sunoco)



**CHRIS GIACOBONE**  
*Chief Operating Officer*

26 YEARS  
EXPERIENCE

- Joined with the acquisition of sites from DB Marts in 2004
- Oversees operations, fuel pricing, supply, transportation and facilities
- Served on the Board of Directors for the New England Convenience Store Association



**MICHAEL BLOOM**  
*Executive Vice President & CMO*

39 YEARS  
EXPERIENCE

- Joined in 2019 from Fred's Inc., a publicly traded pharmacy and value general merchandise chain where he was CEO
- Oversees product assortment, merchandising, store brands, pricing, advertising, PR, in-store services, delis, store prototype development, loyalty and franchises
- Prior to working at Fred's Inc., served as President and COO of Family Dollar and EVP of Merchandising, Marketing and Supply Chain at CVS Health



**MAURY BRICKS**  
*General Counsel*

18 YEARS  
EXPERIENCE

- Joined in 2013 from Greenberg Traurig, an international law firm
- Oversees legal matters including M&A, financing, governance, contracting and litigation management
- Worked in finance for the pipeline and retail natural gas divisions of Shell Oil Company

*Other Senior Management*

20-40 YEARS  
EXPERIENCE

- Experienced individuals covering operations, finance, marketing, IT, merchandising, and M&A diligence and integration



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**FY 2020 EARNINGS ANNOUNCEMENT**



- Full year net income was \$30.1 million for 2020
- Adjusted EBITDA, net of incremental bonuses for the year was \$183.4 million, an increase of 135%
- Same store merchandise sales increase 3.5% for full year, with an increase of 4.5% in the period from April to December 2020

**PENDING ACQUISITION OF EXPRESS STOP**



- In March 2021, ARKO announced that it has signed an agreement to acquire 61 convenience stores with gas stations in Michigan and Ohio operating under the ExpressStop banner
- This acquisition will complement GPM's existing 165 stores in Michigan and 9 stores in Ohio

**PILOT WITH CHAKRATEC**



- In February 2021, ARKO announced that it has signed a strategic memorandum of understanding with Chakratec, an Israel-based developer of electric vehicle (EV) charging technology, to distribute the kinetic storage systems for fast charging of electric vehicles.
- ARKO and Chakratec will conduct a preliminary pilot in the U.S. next year, with the goal of an extensive deployment of fast charging points for electric vehicles throughout North America by 2030





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SCOTCHMAN



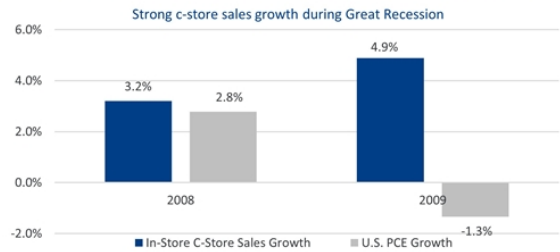
fast market

**ATTRACTIVE INDUSTRY DYNAMICS:**

- Strong fundamentals
- Large, mature industry
- Consistent industry-wide sales and profitability growth; acquiring share from other retail channels
- Stable industry store count
- Highly fragmented
- Recession-resistant
- Minimal impact of Covid-19 (net beneficial to ARKO)
- Perpetual value of convenience
- Historically adaptable in the face of headwinds

Source: EIA, Department of Transportation, and Bureau of Economic Analysis.  
Note: PCE = Personal Consumption Expenditures.

**U.S. IN-STORE C-STORE SALES VS. U.S. CONSUMPTION INDEX**



**U.S. CONVENIENCE STORE IN-STORE SALES OVER TIME**

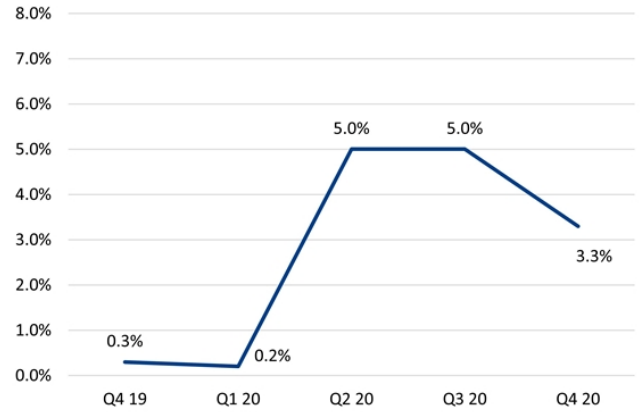




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Slight retreat during the worst of the pandemic; accelerated in more recent months as consumer behavior shifted and state re-openings were initiated



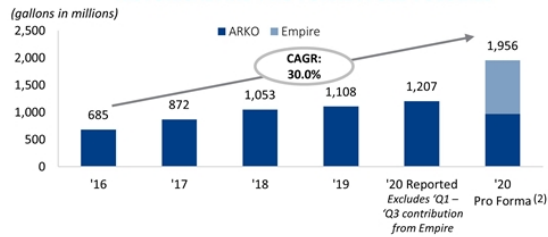


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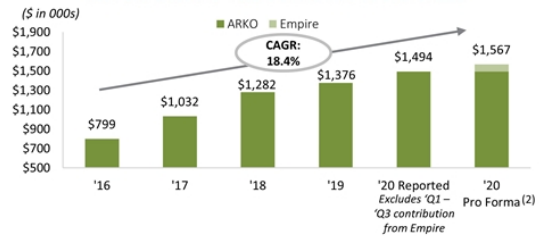


ARKO is an industry leader with strong projected earnings and sales growth

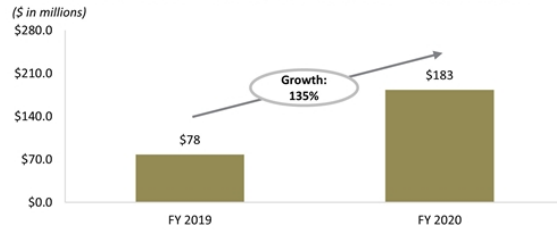
**HISTORICAL AND PRO FORMA FUEL VOLUMES**



**HISTORICAL AND PRO FORMA IN-STORE SALES**



**FY 2020 ADJUSTED EBITDA, NET OF INCREMENTAL BONUSES(1)**



**CONTINUED STRONG GROWTH(2)**

**18.4%**  
In-Store Sales CAGR  
(2016-2020 PF)

**30.0%**  
Fuel Volume Sales CAGR  
(2016-2020 PF)

(1) Adjusted EBITDA, net of incremental bonuses is calculated as EBITDA adjusted to exclude the gain or loss on disposal of assets, impairment charges, acquisition costs, other non-cash items, other unusual or non-recurring charges and incremental bonuses based on 2020 performance. Refer to Appendix for reconciliation  
 (2) Includes 'Q1 - 'Q3 2020 contribution of Empire in addition to ARKO's FY2020 results



## ARKO Capital Structure Summary

(\$ in millions)	ARKO as of 12/31/20
GPM Investments	-
PNC Line of Credit <sup>(1)</sup>	-
Ares Term Loan	215.4
M&T Term Loans	27.9
Other	3.5
<b>Total GPMI Debt</b>	<b>\$246.8</b>
<b>GPM Petroleum LP:</b>	
Capital One Revolver <sup>(2)</sup>	394.0
PNC Term Loan	32.4
<b>Total GPM Petroleum LP Debt</b>	<b>\$426.4</b>
<b>Arko Holdings, Ltd:</b>	
<b>Bonds<sup>(3)</sup></b>	<b>76.6</b>
<b>Total Arko Holdings Ltd Debt</b>	<b>76.6</b>
<b>Total Debt</b>	<b>\$749.8</b>
Cash and Cash Equivalents <sup>(4)</sup>	(296.4)
Restricted Cash <sup>(4)</sup>	(31.8)
<b>Net Debt</b>	<b>\$421.6</b>
Add: Capital Leases	\$234.3
Add: Preferred Stock	100.0
Add: Equity Value <sup>(5)</sup>	1,220.6
<b>Total Implied Enterprise Value</b>	<b>\$1,976.5</b>

1) Total capacity of up to \$140 million.

2) Current availability of \$100 million with the option to add an accordion facility of \$200 million.

3) Bonds are denominated in New Israeli Shekels (NIS). USD value at 12/31/20 was ~\$76 million (fully paid on March 30, 2021).

4) ARKO cash and restricted cash includes \$34.3 million of posted cash collateral.

5) Equity Value reflects closing price as of April 1, 2021.







(\$ in millions)	FY 2020	FY 2019
<b>Net income (loss)</b>	<b>\$30.1</b>	<b>(\$47.2)</b>
Interest and other financing expenses, net	50.4	41.8
Income tax (benefit) expense	(1.5)	6.2
Depreciation and amortization	74.4	62.4
<b>EBITDA</b>	<b>\$153.4</b>	<b>\$63.2</b>
Non-cash rent expense (a)	7.1	7.6
Acquisition costs (b)	6.0	6.4
Gain on bargain purchase (c)	-	(0.4)
Loss (gain) on disposal of assets and impairment charges (d)	6.1	(1.2)
Share-based compensation expense (e)	1.9	0.5
Loss from equity investee (f)	1.3	0.5
Non-beneficial cost related to potential initial public offering of master limited partnership (g)	-	0.1
Settlement of pension fund claim (h)	-	0.2
Merchandising optimization costs (i)	-	1.0
Fuel taxes paid in arrears (j)	0.8	-
Other (k)	(1.0)	0.3
<b>Adjusted EBITDA</b>	<b>\$175.6</b>	<b>\$78.2</b>
Incremental bonuses (l)	7.8	-
<b>Adjusted EBITDA, net of incremental bonuses</b>	<b>\$183.4</b>	<b>\$78.2</b>

- |   |  |
|---|--|
| <p>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.</p> <p>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.</p> <p>c) Eliminates the gain on bargain purchase recognized as a result of the Town Star acquisition in 2019.</p> <p>d) Eliminates the non-cash loss (gain) from the sale of property and equipment, the gain recognized upon the sale of related leased assets, including \$6.0 million related to the sale of eight stores in 2019, and impairment charges on property and equipment and right-of-use assets related to closed and non-performing stores.</p> | <p>e) Eliminates non-cash share-based compensation expense related to the equity incentive program in place to incentivize, retain, and motivate our employees and officers.</p> <p>f) Eliminates our share of loss attributable to our unconsolidated equity investment</p> <p>g) Eliminates non-beneficial cost related to potential initial public offering of master limited partnership.</p> <p>h) Eliminates the impact of mainly timing differences related to amounts paid in settlement of a pension fund claim filed against GPM.</p> <p>i) Eliminates the one-time expense associated with our global merchandising optimization efforts in 2019.</p> <p>j) Eliminates the payment of historical fuel tax liabilities owed for multiple prior periods.</p> <p>k) Eliminates other unusual or non-recurring items that we do not consider to be meaningful in assessing operating performance.</p> <p>l) Eliminates incremental bonuses based on 2020 performance.</p> |
|---|--|