



Energy. Capital. Advisory.



Investment Banking & Retail Real Estate
Annual Report
2022-2023

2022 Review & 2023 Outlook

and

Services Overview



Andy's Corner Note

Happy 2023!

This past year seemed to be a tipping point in our industry in many ways. Regulatory and economic headwinds hit us “full-on”, yet what is wonderful about our industry is that marketers and retailers did not miss a beat. Margins made up for a lot challenges, and the transactional side of our industry keeps going. The demand for our industry’s products and services remains strong – whether for buying food, filling-up, or buying your business. Customers, acquirors, and investors are still knocking on your door. We see no change in the demand for good assets and good companies, while we do see higher interest rates impacting “peer-to-peer” transactions which is expected in this part of the business cycle. It was a stellar financial year for most.

In addition to our 2020 relocation to Austin, TX, in 2022 we launched a new affiliate, Corner Realty LLC, to provide full-service real estate brokerage for our industry. We believe that our team’s industry expertise can be of benefit to smaller transaction sizes and to single sites. We hope we can become a trusted advisor for the real estate needs of your operations - including Net Lease, divestiture of poor performers, and financing options. Our partnership with KellerWilliams Commercial allows us to broker single-sites across the entire U.S.

In this year’s Annual Report, we cover the normal topics including *i)* regional and national M&A activity, *ii)* big events and interesting trends, *iii)* Corner Realty overview of services, and *iv)* some of Corner Capital’s transactions. Perhaps most interesting, we researched the resource challenges facing the EV industry which leans heavily towards regulatory and political power at the expense of science and economics. We hope you find this Report a “good read” and helpful as you navigate 2023. As always, please reach out to the throw the ball around anytime!

Sincerely,

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2022 National Headlines

Overall downstream M&A activity in 2022 reflects a reversion due to an exceptionally busy year in 2021, largely supported by the Speedway & 7-Eleven transaction. No benchmark transactions occurred in 2022, yet aggregate M&A values remain near pre-pandemic levels. We've seen deal flow in our industry closer to historical levels, across smaller portfolio sizes overall. Corner Capital believes that inflation concerns, rising interest rates, and industry regulation will continue to impact acquisitions in 2023.



GPM Investments (under parent company, ARKO Corp.) closed/announced several major acquisitions totaling more than \$900MM in 2022, including the assets of Pride Convenience Holdings, the retail, wholesale & fleet fueling assets of WTG Fuels, the assets of fuel distributor & retailer Transit Energy Group, and the assets of Quarles Petroleum. Since 2013, the SPAC has closed 22 acquisitions.

The Pride transaction was valued at \$230MM, the WTG assets went for \$140MM, Transit Energy Group sold for \$375MM, and the Quarles Petroleum transaction closed at a price of \$170MM. With Oak Street Real Estate Capital's pledge of more than \$1 billion, ARKO has plenty of dry powder to pursue acquisitions in 2023 and beyond, should the pledge remain in place.



Majors Management has been on a growth tear over the past three years (closing 18 acquisitions across 14 states), and 2022 was no different. In March, the acquirer purchased 69 locations from Circle K across Alabama, Florida, Louisiana, North Carolina, South Carolina and Virginia. The convenience retailer and fuel distributor went on to close three more acquisitions in November, including a distressed truck stop (K&H Truck Plaza), six stores in Alabama from Bay Shores Oil, and the branded retail, wholesale, and commercial fuels assets of Morgan Oil in East Texas. Majors Management went on to close a 13-store purchase from Maritime Energy, it's first deal in Maine, which gave the Company a presence in every state along the East Coast. At the end of December, Majors completed its purchase of 21 c-stores and 11 commission marketer locations from Davis Oil in Michigan.

Majors Management also made some strategic divestitures to focus on retail and dealer wholesale, including the commercial fuels business and two bulk plants it acquired previously from Tri-State Petroleum. The assets were sold to Bruceton Farm Service of Morgantown, West Virginia.



Parkland Corp acquired M&M Food Market in a \$322M deal. Parkland Corp. has taken control of M&M's 300 stand-alone & 2,000 Express Outlets across 25 countries. The deal represents one of the steps Parkland is taking in its retail diversification strategy to expand its proprietary food offering, customer reach and innovation pipeline, the company said.

2022 National Headlines - Continued



Global Partners LP acquired more than 60 convenience stores and over 50 dealer fuel supply contracts in 2022. In January, Global completed its purchase of 26 Wheels convenience stores and 22 fuel supply agreements from Consumers Petroleum of Connecticut. The Company additionally expanded its presence in the mid-Atlantic with the acquisition of 15 convenience stores from Tidewater Convenience, and 23 convenience stores plus 22 dealer fuel supply contracts from Millers Energy.



Global also completed/announced several notable terminal transactions this year. In the second quarter, the company completed the previously announced sale of the Revere terminal to a Blackstone affiliate for \$150MM. In conjunction with the sale, Global entered into a lease agreement with the buyer, retaining the use of certain tanks, dock access rights and loading rack infrastructure. In December, Global agreed to buy five refined product terminals in the Northeast from Gulf Oil for \$273MM.



In February, Sunoco executed a definitive agreement to acquire a transmix processing and terminal facility in Huntington, Indiana from Gladieux Capital Partners, LLC for \$190 million. The facility is the largest transmix plant in North America with a processing capacity of 23,000 barrels per day and onsite product storage of approximately 750,000 barrels.

Sunoco also expanded its midstream and fuel distribution business into Puerto Rico & the Caribbean through the \$70MM acquisition of Peerless Oil & Chemicals, Inc. The transaction added nearly 100 contracted service stations, almost all of which carry the proprietary EcoMax brand, as well as a terminal with 1.6MMB of refined product storage.



Inflation concerns, rising interest rates, and industry regulations likely contributed to “wobbly” capital markets in the last three quarters of 2022.

In Parkland’s third quarter earnings call, the Company announced that it had “paused acquisitions”, citing higher interest rates and increased cost of capital as driving factors. However, Parkland has completed nearly \$3.0B in acquisitions over the past three years, and management acknowledged their shift in focus to integration and reducing leverage.

Yesway/Allsup’s had originally planned to go public in 2020, but COVID and challenging equity markets put Yesway/Allsup’s IPO plans on hold until finally being abandoned in 2022. There is ongoing speculation that the convenience store chain and multi-state marketer may eventually be sold to a major oil company.

Alimentation Couche-Tard Inc., the parent company of Circle-K, supposedly is/was in talks with EG Group about the acquisition of their 6,200 sites across Europe, the United States and Australia. It appears talks have gone cold, as no meaningful developments have hit the newswires since summer 2022.

2022 - Major Oil Continues Repositioning



LANDMARK INDUSTRIES

timewise

In 2022, Shell completed the previously announced acquisition of the remaining 50% stake not owned in the JV with Landmark for their Timewise Stores in Houston, Texas. This included 184 company-owned fuel & convenience retail sites, and 117 supplied sites. Additionally, in December 2021, Shell's subsidiary - Shell New Energies US LLC, recently acquired Savion, a large-scale solar and energy storage developer. The acquisition will significantly help Shell's goal of becoming a net-zero emissions company, as well as expanding their energy storage business.



Chevron's acquisition of REGI indicates a strategy focused on production of alternative fuels. It remains to be seen what Chevron will do with REGI's acquisition of Southern California diesel distributors for the "last mile" reach to customers.



BP Midstream Partners



bp ventures

As of April 5th, 2022, BP acquired all outstanding units of BPMP not already owned by BP, resulting in the de-listing of BPMP from the NYSE. BPMP is now classified as a wholly-owned subsidiary under BP. Additionally, BP has invested over \$800M across more than 60 companies in effort to innovate and transform their operations as well as the renewable energy industry.

ExxonMobil



Exxon Mobil acquired Materia, Inc., a company which specializes in developing structural polymers, at the end of 2021. The acquisition plans to bring more durable and efficient materials for wind turbines as energy transitions towards renewables. Exxon has also continued to invest in their carbon capture and storage projects, as well as their plans for new commercial partnerships to reduce emissions.

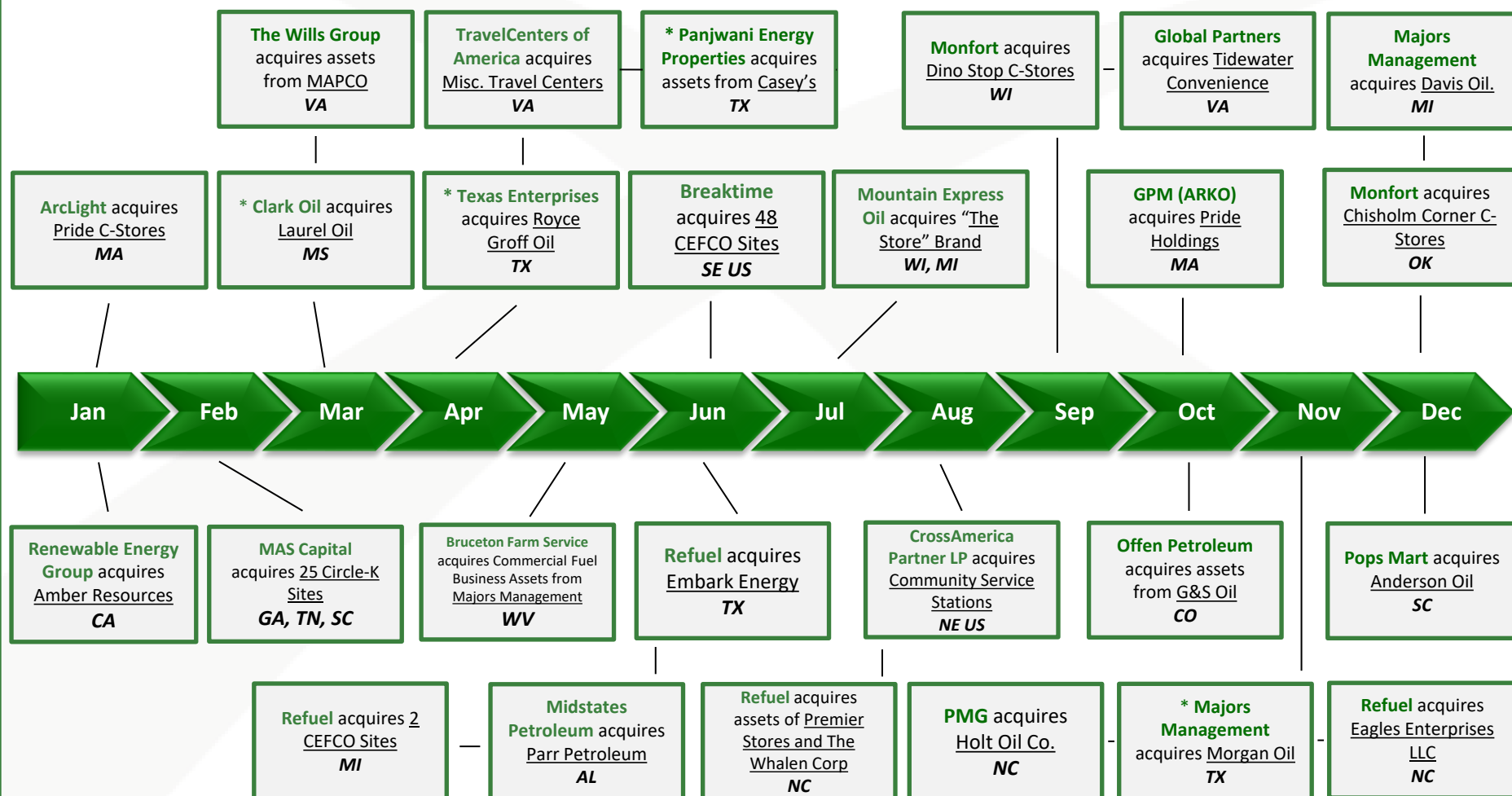


P66/Fortress, through its United Pacific JV affiliate Alta C-Stores, acquired 46 Petro-Mart convenience stores and 39 wholesale dealers from Western Oil, a petroleum marketer and c-store retailer in the greater St. Louis region in Missouri and Illinois.

eFuel Inc. in California, primarily a wet-hose and diesel distributor, was purchased by P66 in support of its Rodeo, California refinery's conversion to renewable fuels.

2022 Regional Headlines

As larger aggregators continued to expand their geographies with “bolt-on” acquisitions in 2022, regional players closed noteworthy transactions. We expect local and platform lenders to constrain their lending with conservative advance rates, higher margin spreads, and more conservative debt covenants going forward. This, coupled with an overall increase in interest rates may make regional players less competitive than larger aggregators in deal pricing going forward, which could reduce the number of “peer-to-peer” transactions in 2023 and beyond.



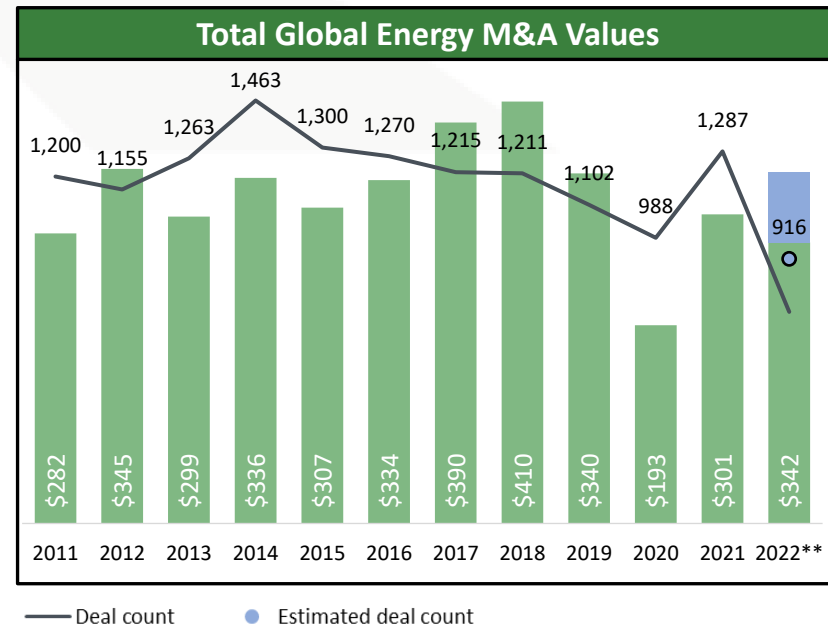
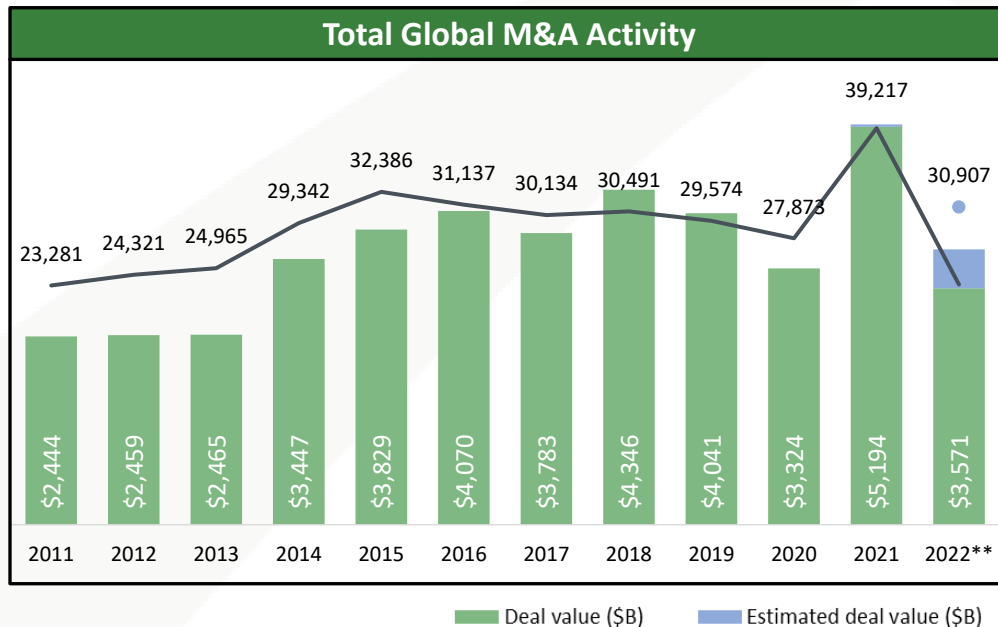
* Transactions closed by Corner Capital

Note: 2022 Regional Headlines reflects a sample list of transactions and is not comprehensive.

2022 Global M&A and Capital Markets Review

Aggregate Global M&A declined year-over-year, which we view as a correction from last year's frenzied deal activity. However, the aggregate value of global M&A deals in 2022 was only 12% lower than pre-COVID 2019 deal value. The total number of M&A transactions in 2022 (as opposed to the dollar size of deals), came in ahead of 2019's figure by approximately 5%. That said, capital markets activity was impacted by five interest rate hikes from the US Federal Reserve (driven by inflation expanding to its highest level since the 1980s), which increases acquirers' cost of capital and decreases valuations for potential target companies. This year, we also saw public equity markets tumble as valuations adjusted across sectors, and M&A activity slowed as investors paused to reassess potential acquisition targets. Despite increasing fears of a recession and transaction multiple compression, global private equity investors still have an estimated \$1.2 trillion in dry powder* to execute deals, and strategic acquirers with strong cash flows & balance sheets have not shied away from acquisitions.

Global M&A values in 2022 for the Energy sector surpassed 2021 values by about 14%, despite a 29% decrease in number of deals. This was largely driven by activity in Europe, as the conflict in Ukraine drove companies to try to lower their reliance on Russian supply and increase scale to take advantage of commodity price increases. In August, PKN ORLEN closed on its acquisition of Grupa LOTOS for \$10.1B in order to increase Poland's energy independence. In the same month, Germany confirmed its nationalization of gas importer Uniper, buying out Finnish company Fortum's stake for \$16.8B. The trend of elevated M&A activity in renewables continued in 2022, with a Macquarie Asset Management-led consortium's \$2.9B purchase of Reden Solar, a French company that finances, develops, and operates solar power facilities across Europe and South America. Shell also paid \$1.6B for Sprng Energy, a developer and manager of renewable energy facilities like solar and wind farms. According to Shell, this acquisition triples the oil major's renewable capacity and helps to achieve its target of becoming a profitable net-zero emissions energy business by 2050.



Aggregate and Energy Global M&A Data: Pitchbook Q3 2022 Global M&A Databook.

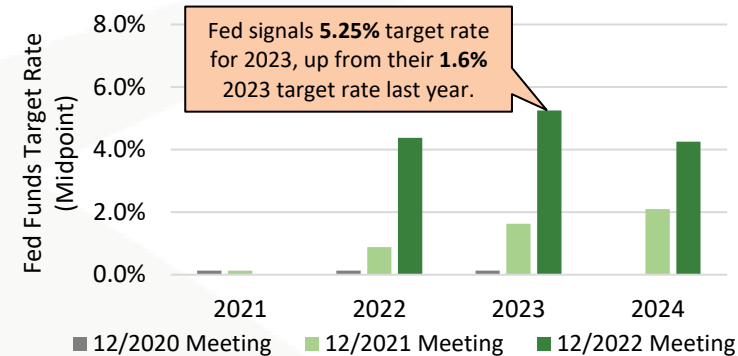
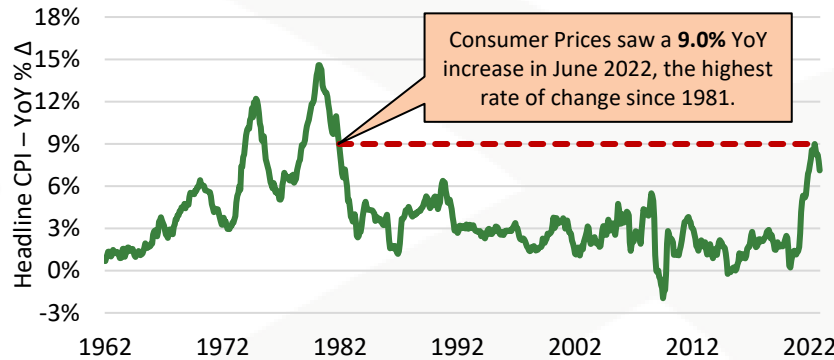
*Private equity dry powder estimate source: Pitchbook

**2021 M&A values reflect actuals through 9/30/22 and Pitchbook estimates from 9/30/21 through 12/31/22.

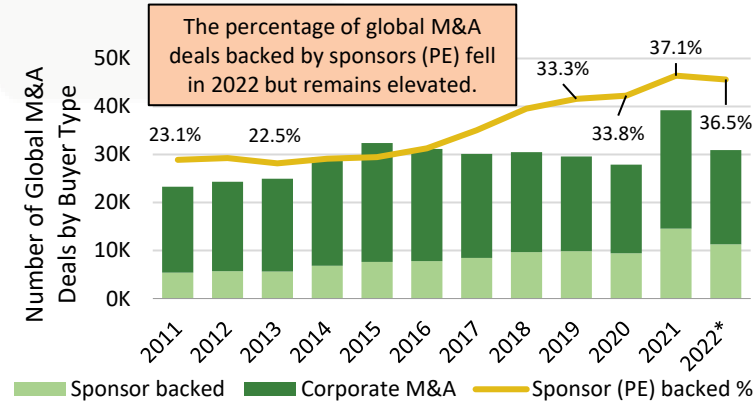
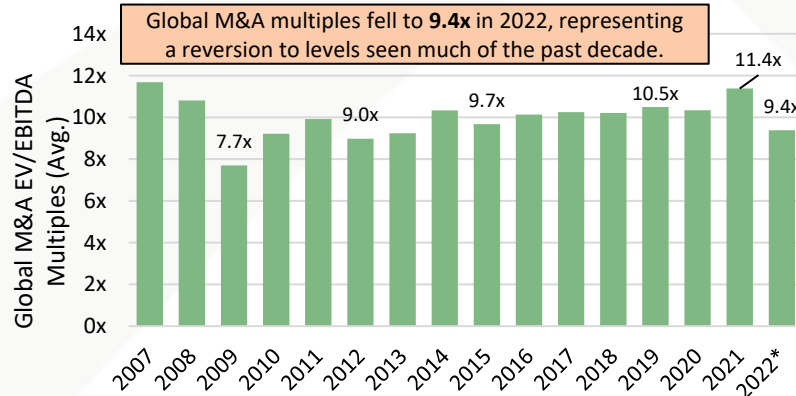
2022 Global M&A and Capital Markets Review - Continued

As discussed on the previous page, aggregate global M&A transaction values and deal counts declined from 2021's abnormally elevated level of activity due, in part, to an increased cost of capital and economic uncertainty. Compared to a year ago, the Fed has taken a more aggressive approach to interest rate increases (upper-right chart), with four interest rate hikes of 75 basis points. However, improved inflation data towards the end of the year (upper-left chart) caused the FOMC to slow their rate of tightening with a 50 basis point rate hike in December, rather than the 75 basis point increases seen through most of 2022. Even though the most acute phase of the tightening cycle may have come to an end, inflation is still running well-above the FOMC's target, and a tight labor market is likely adding to pricing pressures. This indicates that interest rates may continue to rise, albeit at a slower pace, and remain elevated for some time.

Rising Inflation & Interest Rates



Global M&A Multiples & Buyer Types



The impact of higher interest rates on global M&A and capital markets can be seen in the lower-left and lower-right charts. Although EBITDA multiple compression in our industry was relatively benign in 2022 (discussed on the following pages), aggregate multiples across all industries retreated meaningfully from 11.4x in 2021 to 9.4x in 2022, which is below pre-pandemic levels. Since 2011, sponsor (private equity)-backed acquirers have comprised a rapidly increasing percentage of total M&A deals (lower-right chart), but 2022 saw this percentage decline (slightly) for the first time in nine years. Large strategic acquirers with strong balance sheets and investment grade credit ratings may be better positioned than private equity buyers to keep their cost of capital at bay when making acquisitions going forward.

Headline CPI: U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items in U.S. City Average [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis.

Fed Funds Target Rate Source: Federal Open Market Committee - Summary of Economic Projections Reports (12/16/20, 12/15/21, & 12/14/22).

Global M&A Multiples: Pitchbook Q3 2022 Global M&A Databook. *2022 data is through 9/30/2022.

Global M&A Deals by Buyer Type: Pitchbook Q3 2022 Global M&A Databook. *2022 data is through 9/30/2022.

2022 Downstream M&A Review

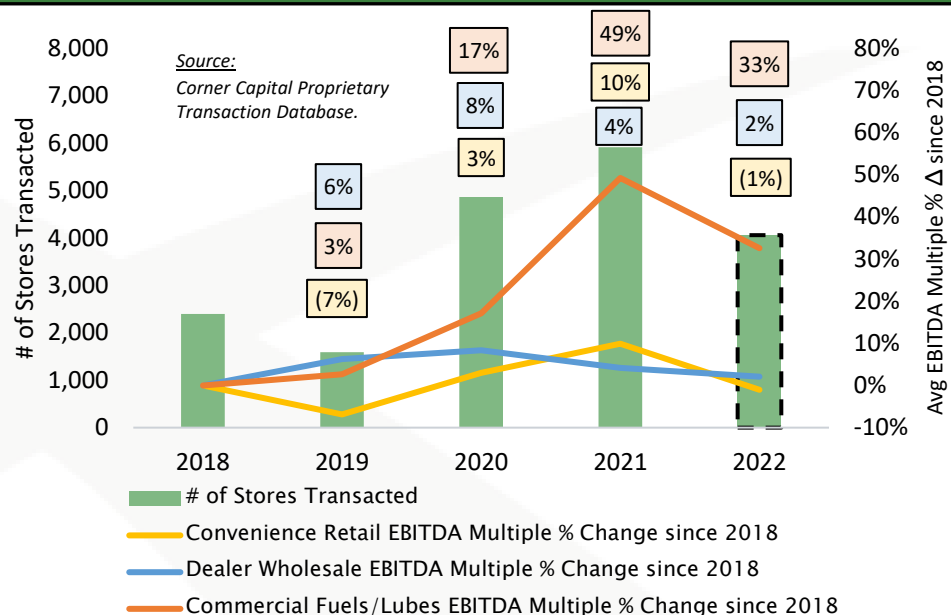
In the context of global M&A activity across all sectors discussed in the previous pages, transaction volumes and values in our industry proved robust (as seen in the chart on the right, which was prepared based on data from Corner Capital's Proprietary Transaction Database). Due to the absence of benchmark transactions (i.e., 7-11/Speedway), the number of c-stores that changed hands in 2022 was down compared to 2021. However, the number of sites transacted this year was roughly in-line with 2020, and ahead of pre-pandemic (2019) levels. Demand remains strong for quality retail, dealer wholesale, and commercial assets due to their demonstrated resilience across market cycles.

Although transaction multiples across all trade channels were lower than their 2021 highs, multiples were still ahead of pre-pandemic levels. We attribute a small portion of the year-over-year decline in downstream M&A multiples to cost of capital increases, but a larger component of the multiple reversion is likely due to transactions of smaller portfolio sizes with assets of lower quality rather than broad economic factors.

Convenience Retail

Despite a slight dip in transaction volumes and multiples in 2019, convenience retail multiples in 2021 expanded 10% compared to the 2018 average based on Corner Capital's Proprietary Transaction Database. This multiple expansion was driven by headline transactions of considerable size (which trade for a premium over smaller deals, all else equal) such as 7-11/Speedway, BP/Thorntons, Casey's/Buchanan, and several major acquisitions from Parkland. In 2022, Convenience Retail transaction multiples were down compared to 2021, roughly flat compared to 2020, and higher than in 2019. We expect to see 2022's trend in Convenience Retail M&A of smaller portfolio sizes with fewer high-quality assets to continue in 2023, and anticipate that multiples will largely hold their ground due to strong investor demand for this resilient asset class despite higher interest rates and economic uncertainty.

Downstream M&A Trends by Trade Channel



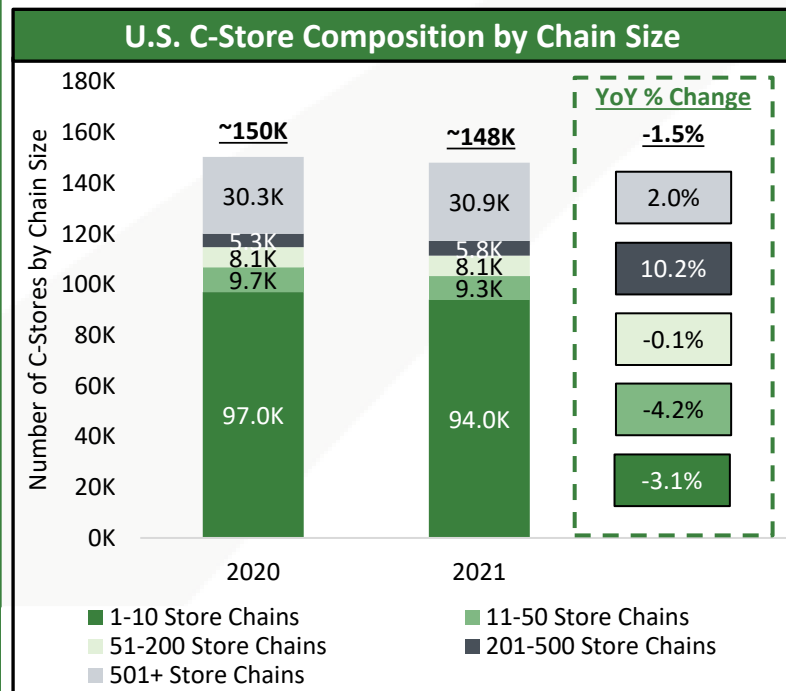
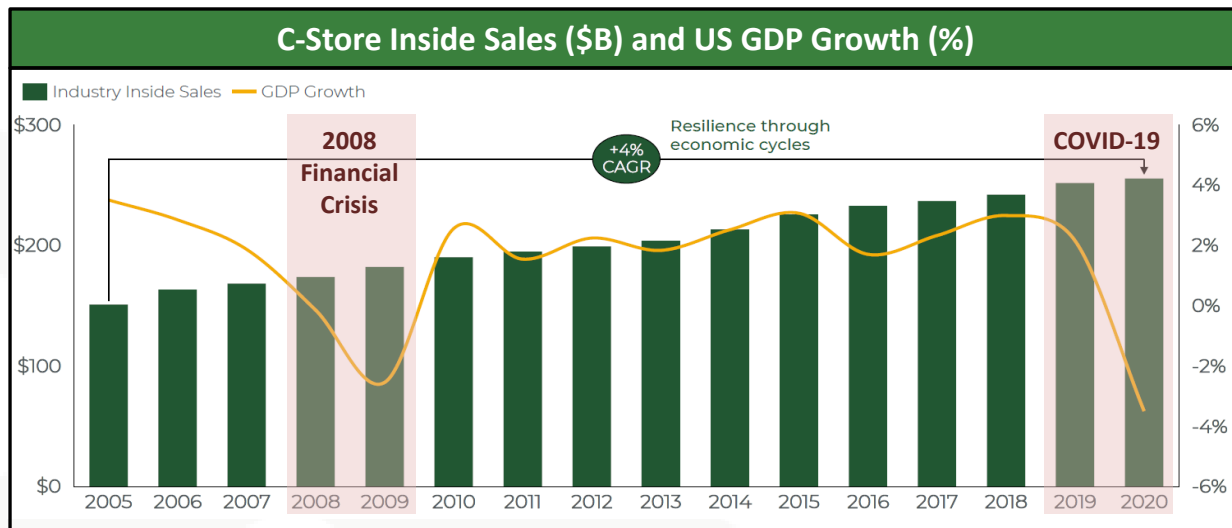
Dealer Wholesale / Commercial Fuels & Lubes

Overall, transaction multiples for dealer fuel supply accounts have not changed materially since 2018. Our view is that differences in portfolio characteristics (weighted-average contract life and other contract terms), not changes in investor demand or economic conditions, drove the variance in dealer wholesale multiples over the observation period.

Commercial Fuels & Lubes multiples saw the biggest increase of any downstream trade channel over the past several years. But, again, our view is that differences in portfolio composition, rather than changing economic conditions, was the contributing factor. For example, 2020 was comprised of more lube distributor deals, which usually trade at higher multiples than bobtail businesses, and the past two years have seen notable cardlock transactions (Flyers/World Fuels), which trade even higher.

Market Trends & Outlook – Convenience Retail

The Industry's resilience is evidenced through c-store sales' performance during all economic and pandemic disruptions, despite volatile U.S. GDP data (yellow line in the upper-right chart). C-store inside sales have expanded at roughly the same pace as inflation (depending on the year) over the past two decades, despite changing economic conditions. Looking ahead, we expect convenience retail to continue to attract capital from operators/distributors, private equity, real estate investors, lending institutions and private credit funds. Thus, compared to other industries, we believe M&A activity/multiples in the retail trade channel will be relatively insulated from rising interest rates and other economic factors.

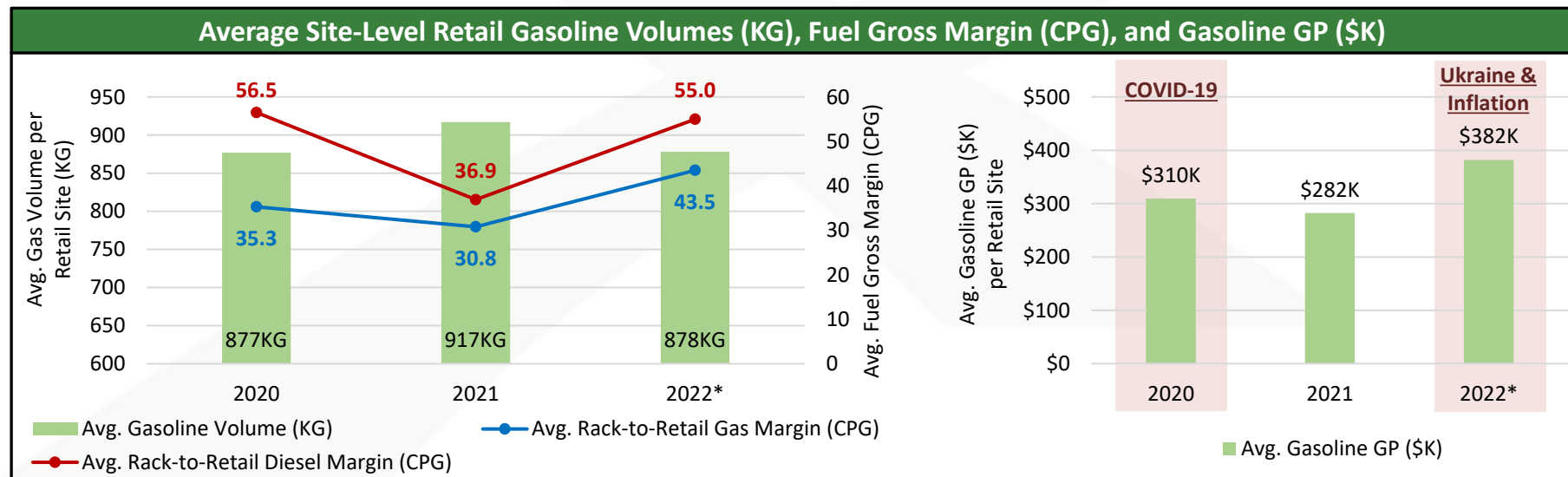


C-store operations remain fragmented, as can be seen in the chart to the bottom-left. Driving this fragmentation was major oil's exit from retail operations during 2000-2010, which created massive opportunities for existing retailers and distributors to "prune and fertilize" retail chains across the country. Today, the majority of stores still reside in the 1-10 chain size, while Circle K, 7-11, QuikTrip, and others have grown significantly. Based on NACS data (which is reported on a one-year lag), notable consolidation took place between 2020 and 2021: chain sizes between 1-15 locations fell by over 7%, while chain sizes of over 200 stores grew in excess of 12%. In the near-term, we believe consolidation will continue as smaller operators are less equipped to weather the rising operating expenses of today's inflationary environment than larger players that benefit from economies of scale.

However, our assessment of the 1-10 c-store chain size is that they are commonly comprised of assets with shorter remaining useful lives. In the long-run, we believe small chains will continue to comprise the majority of the market as consolidation is partially offset by larger operators optimizing their portfolios (selling underperforming assets to small dealer-operators).

Market Trends & Outlook – Wholesale Fuel

Fuel distributors demonstrated resilient fuel profitability at company-operated locations over the past several years, despite the global pandemic, tensions surrounding the conflict in Ukraine and elevated inflation. Based on the OPIS MarginPro data shown in the charts below, increases in gasoline margins more than offset the lower volumes seen during 2020 and 2022 (on average). It should be noted, however, that retail operators are not completely insulated from inflationary pressures. As gasoline prices rise at the street, credit card fees take a more meaningful bite out of the bottom line. Cash flows also become more heavily burdened by labor, freight costs and other operating expenses. Should inflation continue to run well-above historical averages, smaller operators may have difficulty offsetting these rising costs compared to larger distributors, who have lower break-even margins due to scale, geographic diversity, buying power, and more attractive supplier incentives. We anticipate this will lead to increased M&A activity across smaller portfolio sizes, as smaller players consider an exit, larger acquirers attempt to offset cost headwinds with scale, and underperforming assets are “dealerized”.



Dealer fuel supply account profitability (on average) also increased in 2022, driven by volume and margin trends similar to the company-operated trade channel noted above.** We anticipate that portfolios of long-term dealer contracts will continue to attract capital as acquirers seek ratable volume with (relatively) lower operating expense burdens. The company-owned, dealer-operated (CODO) trade channel is especially attractive in inflationary environments, as dealer rent step-ups and property values provide fuel distributors with an attractive hedge against rising prices.

Relative to other industries, we expect deal flow and transaction multiples in wholesale fuel distribution to hold steady as tight margins, major brands competing for market share in a declining demand curve, and costly "up front" funds required to secure quality sites continue to drive consolidation.

*Through December 17th, 2022.

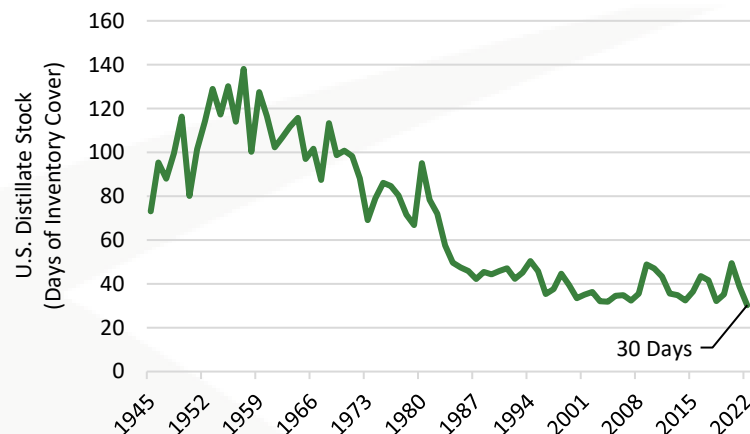
**Based on Corner Capital's analysis of client and publicly available financial information.

Market Trends & Outlook – Midstream & Supply Dynamics

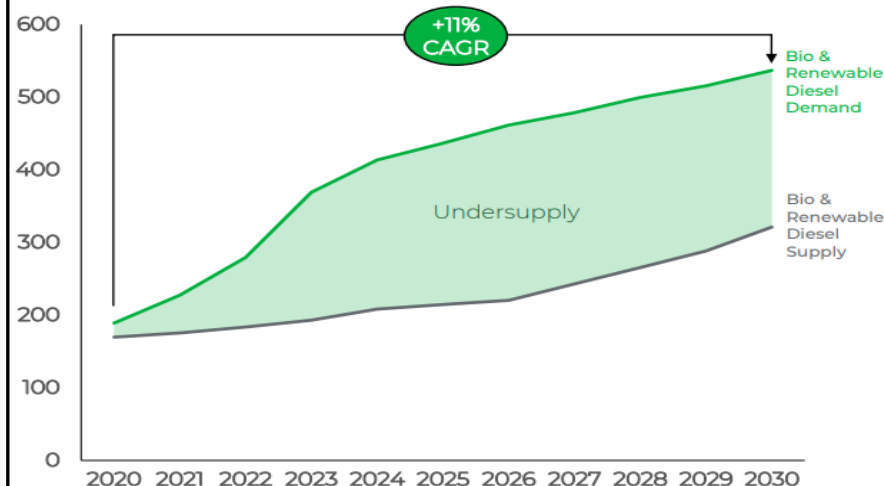
U.S diesel inventories, measured in terms of consumption, fell to 30 days of demand in July 2022, the lowest seasonal level in monthly EIA records going back to 1945 (upper-right chart). A slew of unprofitable terminal/refinery closings over the past decade contributed to supply bottlenecks, but the most significant factor was the cutoff of Russian imports. Prior to Russia's invasion of Ukraine, the U.S. was importing nearly 700k barrels per day of petroleum products. Most of those imports were finished products and refinery inputs that boosted distillate supplies in the U.S.

In an effort to further integrate their distribution networks and increase storage capacity, MLPs such as Sunoco and Global Partners announced/completed several notable terminal transactions this year. In 2022, Sunoco announced two terminal acquisitions from Gladioux Capital and Peerless Oil, and Global Partners agreed to buy five Northeast terminals from Gulf Oil. We anticipate more midstream & terminal transactions in 2023 as vertically integrated distributors position themselves to take advantage of supply/demand dynamics and higher refined product margins.

U.S. Diesel Inventories (Days of Inventory Cover)



North American Bio & Renewable Diesel Demand (MMB/D)



As regulators continue to introduce and advance clean fuel standards, demand for bio & renewable diesel is likely to expand at a higher rate than supply, according to a Wood Mackenzie study (lower-left chart). Producers made increased efforts this year to support future bio & renewable diesel demand—a trend that we believe will continue in 2023 and beyond. eFuel Inc. in California, primarily a wet-hose and diesel distributor, was purchased by P66 in support of its Rodeo, California refinery's conversion to renewable fuels. The conversion received final approval in 2022, is expected to cost \$850MM, and begin commercial operations in the first quarter of 2024. In September, Marathon announced the closing of its Martinez renewables JV with Neste. By the end of 2023, the facility is expected to produce 730MMG of renewable fuels annually. Last year, Global Partners received and shipped its first load of renewable diesel at the Port of Columbia County Terminal in Oregon. Additionally, Global has a long-term agreement in place to throughput renewable diesel via this Oregon terminal. W2 Fuel LLC's biodiesel plant in Iowa faced challenges this year and is struggling to retain the necessary staff to run at full capacity, the company said.

Primer:

Net Zero Emissions (NZE) Momentum - U.S., United Nations, & California

With the S&P 500 down **18%** and NASDAQ down **33%** in 2022, the energy sector delivered the only positive performance of the year with a **66%** increase.* If your 401(k) and money manager allocated to ESG mandates, they may be looking for jobs in 2023. In this short primer we try to observe hurdles which are either economically or foundationally unrealistic, and thus encourage clear thinking to a more realistic conversion approach. The media often treats the NZE efforts as a silver bullet to climate change. Our analysis confirms that the NZE movement has not integrated trade-offs into the conversion equation. The three most prominent sets of legislation impacting our industry are outlined below.

Legislation/Pledge

U.S. Inflation Reduction Act 2022

U.N. Paris Agreement 2015

(U.S. re-joined)

California Executive Order N-79-20

Key Energy Goals & Objectives

US federal law which aims to invest in domestic energy production while promoting clean energy. The bill states that it will foster compliance with the Paris Accords Agreement to reduce greenhouse gas emissions by 50% by 2030. Incentives and subsidies will be used to support wind, solar & nuclear energies, decarbonization of industrial sites, EV conversion incentives, charging facilities, and grid infrastructure.

The 2015 Paris Agreement developed at the direction of the United Nations seeks compliance from its members to long term goals including **i)** limit the global temperature increase to 1.5 Celsius through emissions reduction, **ii)** review member commitments every 5 years, and **iii)** provide financing to developing nations to mitigate climate change. It is a legally binding agreement that requires the 194 committed nations to submit “Nationally Determined Contributions” every 5 years and encourages an updated Long-Term Plan as well. At the COP27 meeting in Nov 2022, it established a Loss & Damage Fund to be sponsored by member nations.

California executive order which seeks to eliminate the state’s largest contributor to carbon emissions, transportation, by enforcing all new vehicles sales in the state to be ZEVs by 2035 with drayage/cargo trucks following by 2045. CA Legislature approved \$2.7 billion in 2022-23, and \$3.9 billion over three years, for investment in ZEV adoption including clean mobility options for California’s most environmentally and economically burdened communities.

In 2022, California Air Resource Board (CARB) approved the Advanced Clean Cars II Rule codifying Newsom’s ZEV goal. To date, 14 states have adopted California’s ZEV program. Should these states adopt the Rule, a significant segment of the country’s energy demand, utilities, electrical infrastructure, and vehicle purchasers will be affected.

Spend Highlights

\$391B in Energy & Climate Change spending comprised of \$128B for Renewable Energy, \$13B EV incentives, \$36B in home energy, \$30B nuclear power.

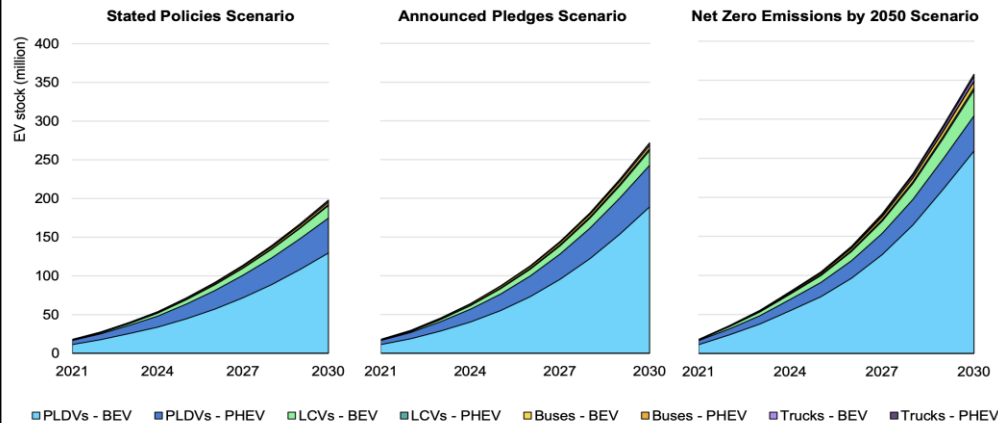
The most notable investments include \$400M for “Clean Cars 4 All” among other “equity” projects, \$525M for the “Clean Vehicles Rebate Program”, and \$300M invested to further build out California’s charging infrastructure.

Primer - Net Zero Emissions Delivery Fallacy?

The “top-down” imposition of regulatory requirements towards NZE has dampened creative market approaches to emission reduction, and regulatory fiat such as hydrocarbon elimination threatens farmers, food sources, workers’ livelihoods, and GDP production in all nations. Reliance on intermittent solar and wind power generation cannot be achieved without hydrocarbon backup and battery storage technology. Regulatory-imposed demand for EVs cannot be met by current mining resources and will likely be outsourced to developing nations where such mining creates disastrous environmental impacts.

Global EV Outlook

Global EV stock by mode and scenario, 2021-2030



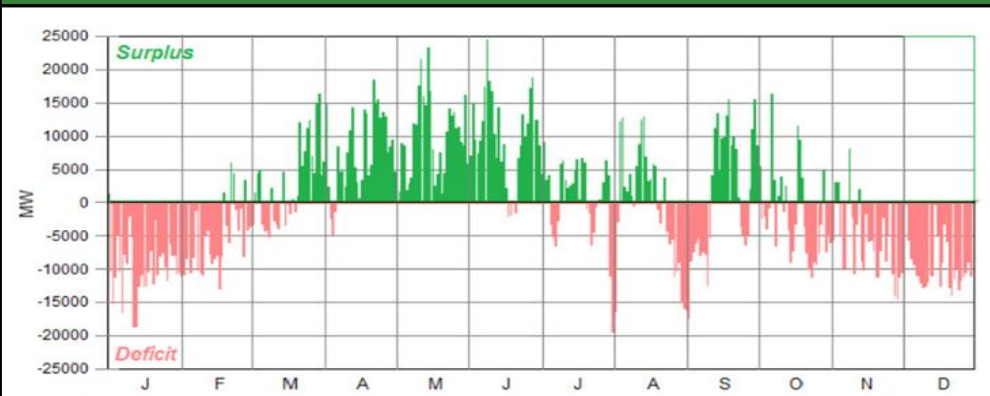
Electric Vehicle (EV) Population Scenarios:

- ✗ Current global EV stock is under 25MM vehicles in 2021.
- ✗ Global governments’ Stated Policies of EV stock reach 200MM vehicles in 2030, with a Net Zero scenario requiring over 350MM by 2030.
- ✗ On the Stated Policy alone, governments seem to require the EV stock to increase by 8X from its current base.

One might ask several questions about this policy:

- ✗ What resources are required to support the EV batteries’ production?
- ✗ From where will the electricity come to charge that many cars?
- ✗ How can undeveloped countries achieve these goals, especially when hydrocarbons are much cheaper?

Intermittent Solar/Wind Does Not Meet Demand



Electricity Production vs Demand:

- ✗ Wind power inefficiently operates in the U.S. at 35-40% capacity while solar operates lower at 20-25% capacity, dependent upon sunshine and wind. This intermittent generation is insufficient for demand, creating a “supply gap”.
- ✗ To be an efficient alternative, surplus supply periods must somehow store energy for deficit supply periods when power is derived from wind & solar.
- ✗ Storage technology does not exist to meet the Net Zero commitment. Backup supply options include nuclear and fossil fuels (natural gas, heating oil) but are adversely excluded from the Net Zero policy commitment.

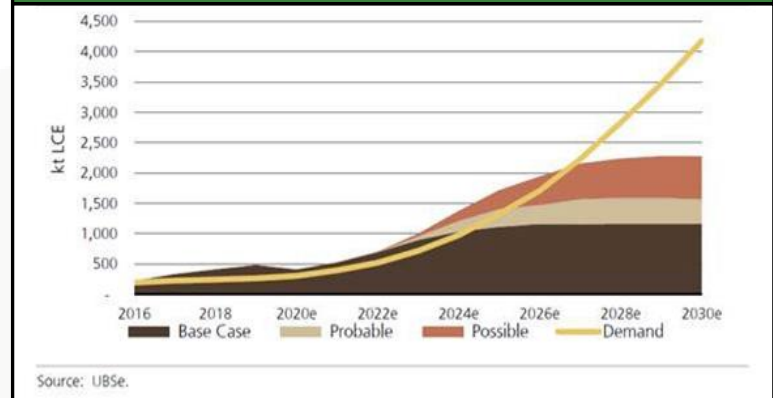
Primer – Commodity Resource Challenges for EV Batteries

To illustrate the ultimate scale of demand that EV mandates alone will place on mining, consider that a world with 500 million electric cars (still less than half of all vehicles) would require mining a quantity of energy minerals sufficient to build batteries for about 3 trillion smartphones. That's equal to over 2,000 years of mining and production for the latter...that many EVs would still eliminate only about 15% of world oil use due to necessary hydrocarbons for mining equipment and transportation (land and marine).

Lithium Extraction Complex, Bolivia



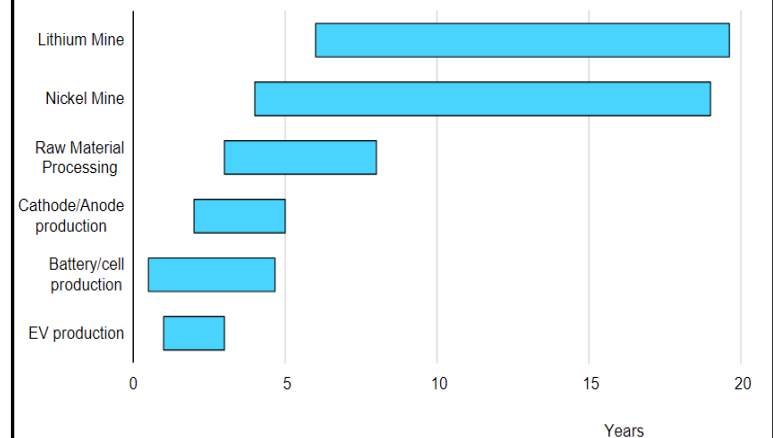
Lithium Supply vs Demand Balance



Resource issues for battery production:

- ✂ To construct a single half-ton EV battery, roughly 250 tons of earth must be mined/dug/moved.
- ✂ The majority of minerals used in EV batteries are mined in Asia, creating trade and geopolitical issues for the U.S. and Europe.
- ✂ As noted in the top right chart, battery (mineral) demand in 2030 almost doubles expected production capacities for Lithium mining.
- ✂ The near right chart identifies mineral mining lead times required for battery supply chain needs, creating a “production gap” in achieving Net Zero Emissions date pledges.

Range of typical lead times to initial production for selected steps in EV battery supply chain



Real Estate Market Outlook

Our database is comprised of 15,000+ convenience store transactions that we share for our clients' market knowledge. Our ability to track the market allows us to assess unit-level economics, broader trends in the c-store market and ongoing changes amongst investors for this asset class.

We are pleased to present our key takeaways & market outlook within the c-store real estate market:

Key Trends & Market Outlook

Convenience Store Resilience

The convenience and gas (C&G) industry demonstrated impressive resilience in 2022, yet again, as consumer demand for c-store products remained strong and fuel margins widened. We expect more investor groups to enter the c-store real estate market in 2023 as a result of the industry's relative outperformance during the Great Recession from 2007 to 2009, the COVID pandemic and 2022.

Record Year For Net Lease Sector

With many sectors in commercial real estate adversely affected by higher cost of capital & uncertainty in 2022, the c-store net lease market had yet another record-breaking year. Investors' 'flight to safety' into the c-store market kept CAP rates historically low & transaction volumes higher than ever.

Commercial Lending Tightens

As the Fed continued its rate hikes to curb inflation in late-2022, commercial lending saw a steep decline which constrained investors' purchasing power. Limited financing availability from commercial banks remains a top concern amongst investors heading into 2023. We expect c-store operators & developers to focus on remodels and improvements using cash as opposed to developing-out NTIs which require construction financing.

Bonus Depreciation Tax Reform

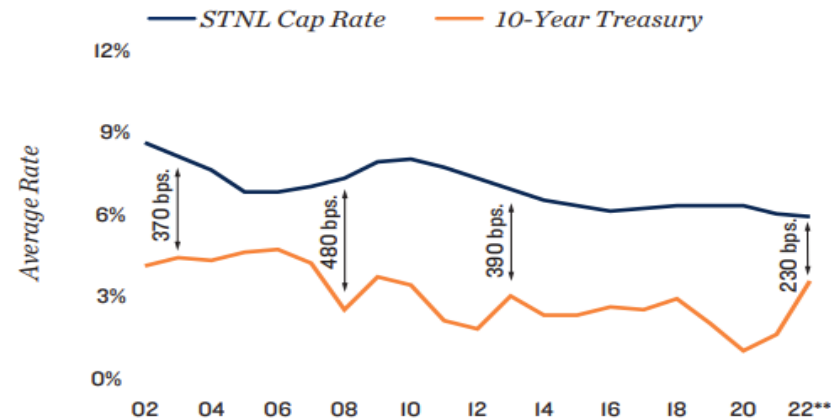
Following the 2018 Tax Cuts and Jobs Act (TCJA), investors will no longer be able to take advantage of 100% bonus depreciation on new or used c-store properties. With the new rate set at 80% for 2023, we anticipate a decrease in demand for net lease properties amongst institutional investors drawn to c-store assets for tax benefits.

Looking Ahead to 2023 - Net Lease Market

2023 Outlook: CAP Rates vs. 10-Year Treasury

- ✦ Net lease CAP rates remain at their lowest levels in 12 years and tend to respond slowly to changes in interest rates. After the Fed's interest rate hikes in 2022, the spread between the 10-year Treasury and net lease CAP rates is the tightest it has been in recent years.
- ✦ We expect CAP rates to increase throughout 2023 as rising costs of capital drives lower real estate values and lags rising interest rates.

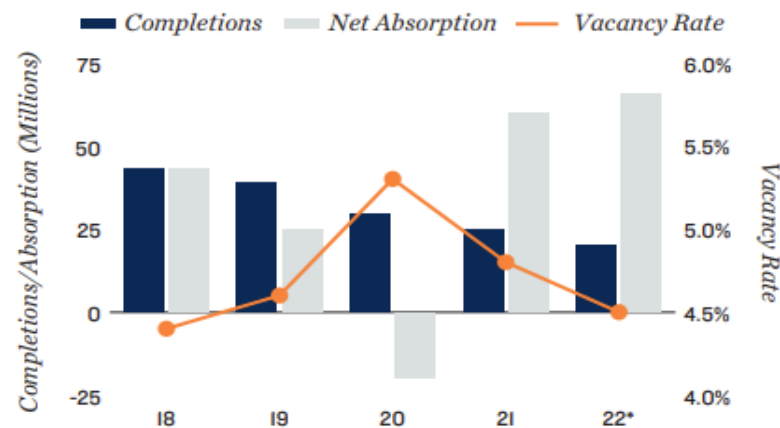
Single-Tenant CAP Rate Trends



2023 Outlook: New Construction Projects

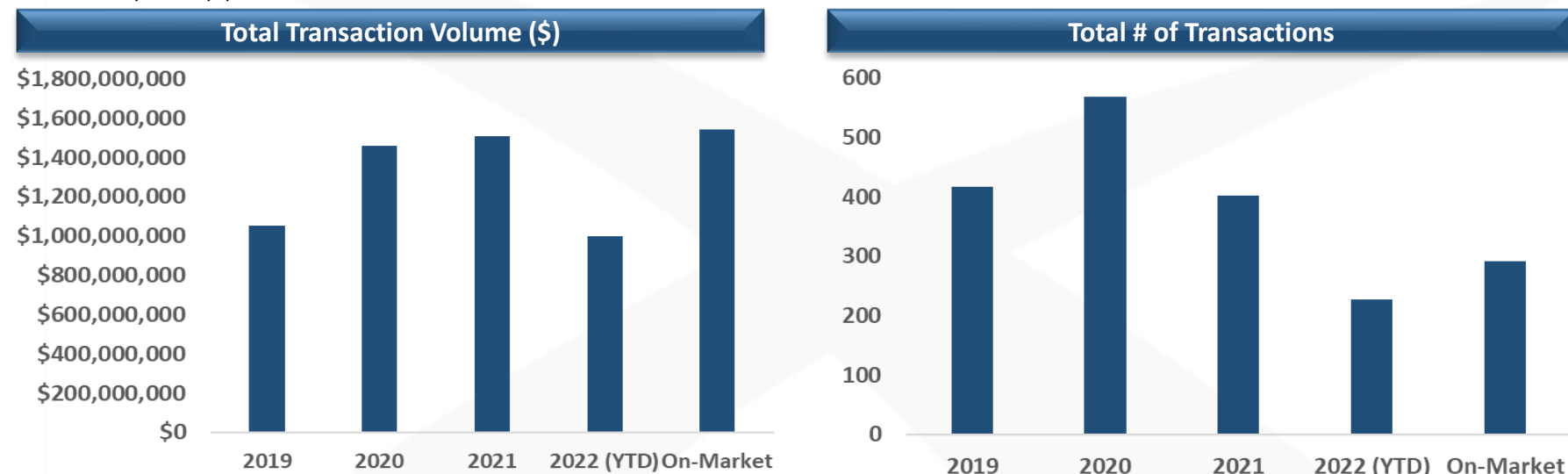
- ✦ After a steep drop-off during COVID, new developments quickly rebounded to meet strong demand among investors and retailers for growth. Throughout 2022, historically high inflation & construction costs dampened development yet again.
- ✦ If inflation moderates in the first half of 2023, we expect the development pipeline to increase closer to pre-pandemic levels.

Single-Tenant Supply & Demand



Net Lease Market – Historical Transaction Volume

The net lease market for c-stores has seen consistent growth in recent years as the market continues to consolidate and operators fuel their growth via new construction sale leasebacks. 7-Eleven continues to lead the market in transaction volume, while regional operators have been accelerating their development pipelines.



Transaction Volume								
	7-Eleven	Circle K	Wawa	QuikTrip	Sheetz	Murphy USA	Kum & Go	TOTAL
On-Market	\$892M	\$179M	\$306M	\$15M	\$20M	\$53M	\$79M	\$1,543M
2022	\$585M	\$105M	\$79M	\$71M	\$20M	\$13M	\$128M	\$1,000M
2021	\$776M	\$115M	\$261M	\$109M	\$24M	\$30M	\$194M	\$1,509M
2020	\$862M	\$140M	\$214M	\$20M	\$33M	\$18M	\$172M	\$1,459M
2019	\$479M	\$88M	\$217M	\$104M	\$21M	\$11M	\$133M	\$1,052M

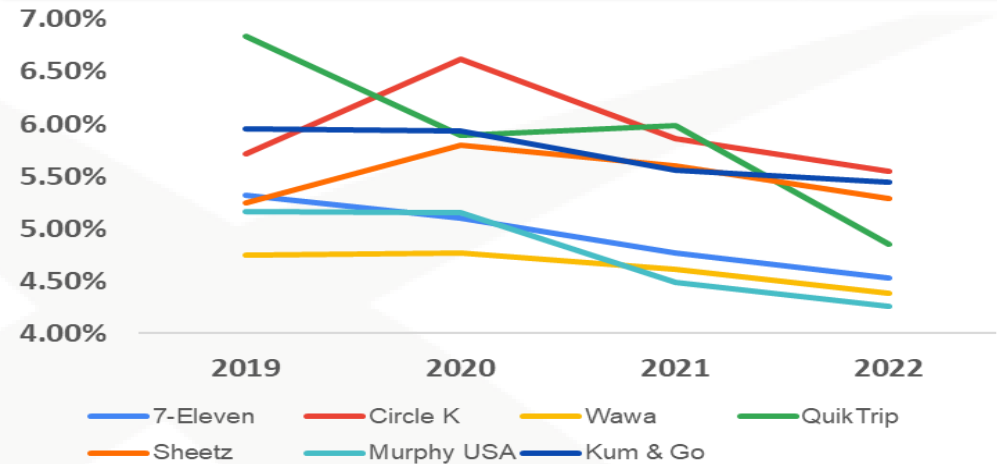
# of Transactions								
	7-Eleven	Circle K	Wawa	QuikTrip	Sheetz	Murphy USA	Kum & Go	TOTAL
On-Market	162	56	41	3	6	12	12	292
2022	120	38	15	16	5	5	28	227
2021	221	42	40	34	9	14	42	402
2020	337	102	38	23	13	11	44	568
2019	215	71	48	31	9	8	35	417

Net Lease Market – Historical CAP Rates By Tenant

✦ While 7-Eleven & Circle K remain c-store market leaders in terms of credit, many of their transactions have shorter lease terms resulting in higher average CAP rates. Private landlords facing shorter term leases have opted to sell in recent years as CAP rates have compressed.

✦ We expect CAP rates for investment-grade tenants to increase moderately throughout 2023 due to persistent inflation, higher cost of capital & market uncertainty.

Historical CAP Rate Compression



Average Sold CAP Rate

	7-Eleven	Circle K	Wawa	QuikTrip	Sheetz	Murphy USA	Kum & Go	Average
On-Market	-	-	-	-	-	-	-	-
2022	4.53%	5.54%	4.39%	4.86%	5.28%	4.26%	5.45%	4.90%
2021	4.77%	5.87%	4.62%	5.98%	5.61%	4.49%	5.56%	5.27%
2020	5.11%	6.62%	4.77%	5.89%	5.80%	5.16%	5.94%	5.61%
2019	5.32%	5.72%	4.75%	6.84%	5.25%	5.17%	5.95%	5.57%

Average Asking CAP Rate

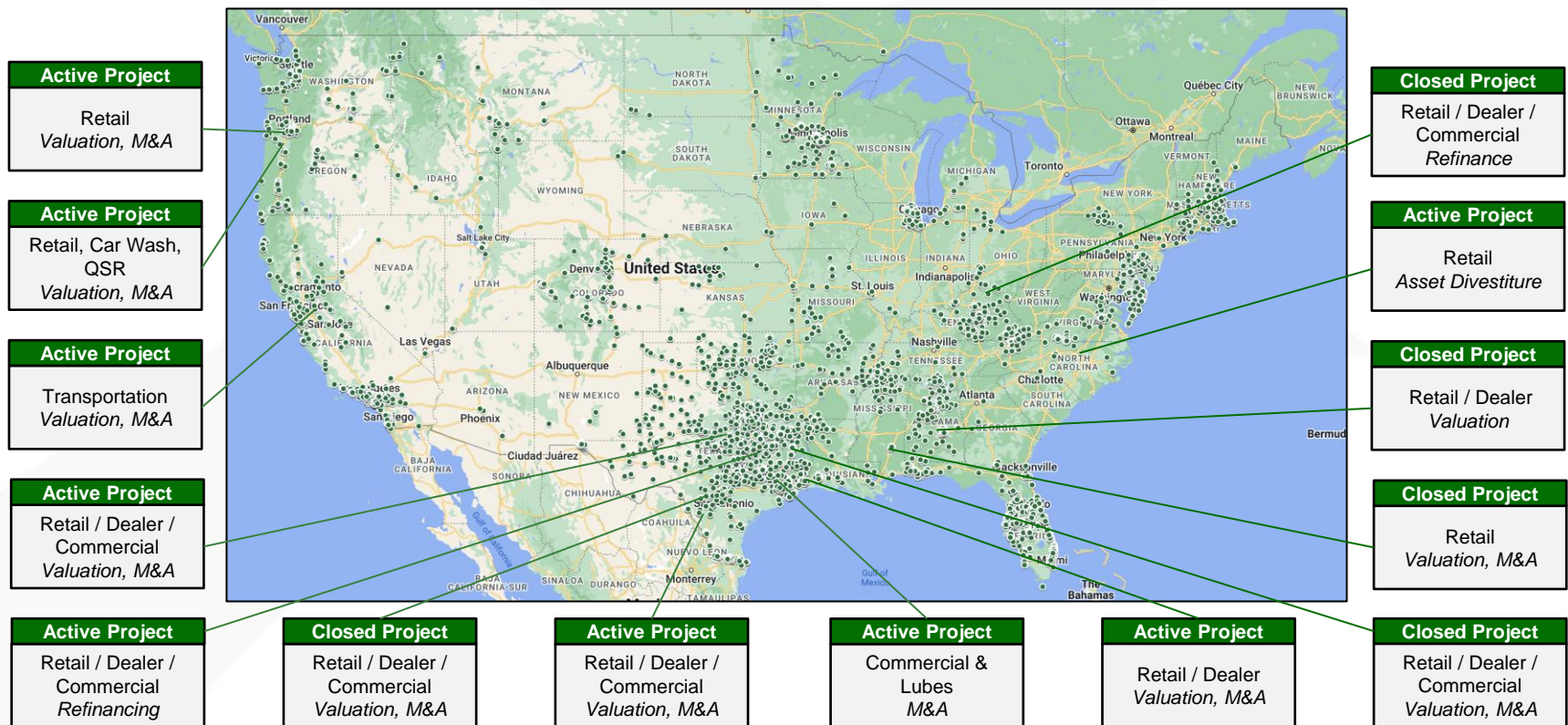
	7-Eleven	Circle K	Wawa	QuikTrip	Sheetz	Murphy USA	Kum & Go	TOTAL
On-Market	4.62%	5.46%	4.37%	5.42%	4.93%	4.44%	5.01%	4.89%
2022	4.37%	5.53%	4.31%	4.71%	4.58%	4.17%	5.31%	4.71%
2021	4.63%	6.07%	4.53%	5.28%	5.11%	4.44%	5.69%	5.11%
2020	5.03%	6.50%	4.58%	5.62%	5.02%	6.16%	6.02%	5.56%
2019	5.05%	5.84%	4.71%	5.90%	5.33%	5.07%	6.15%	5.43%

Corner Capital Overview & Services

Corner Capital 2023 Active Client Demographics

Corner Capital covers ALL segments of downstream energy across the U.S. as represented by our active projects and client operating profiles in the below map. We take pride in working with local family-owned and entrepreneurial operators, yet our national presence allows us to provide an independent market perspective for our clients' strategic planning needs.

Corner Capital Transacted Sites Map*



* Represents ~5,500 sites transacted through Corner Capital engagements for all trade channels

Service Lines

Corner Capital's unique experience provides its clients with creative financial engineering, optimizing business values, and the understanding of their strategic importance to your company. Our in-depth knowledge of the industry allows us to develop tailored structures and processes to achieve your financial and business goals. We have pulled tanks, financed accounts receivable, installed inventory accounting, created lending platforms, and sold our businesses – all specifically in the downstream energy industry.

Corner Capital Services

Valuations & Advisory

Valuation/Operational advisory for institutional and operator clients, providing opinions on asset values, market trends, deal dynamics, comparable analytics, and due diligence.

Mergers & Acquisitions

Representation of clients seeking liquidity through a sale of their Company, its assets or certain business divisions. Assistance with acquisitions of other companies, corporate unit divestitures, combined enterprise valuations, and market comparables.

Financial Engineering

Raising debt & other capital for recapitalizations, acquisitions, management buyouts. Restructuring and creditor/debtor representation for financially distressed credits.

Credit & Special Needs

Valuation and exits of distressed securities such as loan sales and restructuring options. Serving as Chief Restructuring Officer in pre/post bankruptcy situations.

Sponsor

Corner Capital will invest its own capital in a balance sheet structure to assist in unique opportunities in the industry.



National retail brokerage for accelerated store dispositions, net lease transactions, and retail real estate transactions.

How Clients Use Valuations

Corner Capital clients request our Fair Market Valuations for multiple purposes:

Valuation	Description	Rationale
Governance & Discipline	Many clients prefer to perform annual or bi-annual valuations as part of a best-practices effort to stay in touch with market values and trends. Valuations can be utilized to understand current market pricing for future acquisitions. For clients with other business holdings, the valuation is helpful for their portfolio assessments as well.	<i>Reporting to multiple shareholders or the Board of Directors</i>
Family & Shareholder Buyouts	In 2021, Corner Capital performed multiple valuations at the request of a Board of Directors or a controlling shareholder. In three of these projects, our Fair Market Valuation Report was utilized for related-party buyouts of another partner. In two of these cases, Corner Capital was able to structure and source capital for our clients to complete the partner buyout.	<i>Assistance with structuring, sourcing, and closing a partnership buyout</i>
Company or Segment Exits	Most clients tend to request valuations as a pre-cursor to selling their business or a segment of their business. Our clients desire to understand and optimize their business' values. Our valuation projects incorporate exit structures and scenarios to achieve the best results through our process and is driven by our clients' post-sale objectives and lifestyle needs.	<i>Determining whether now is the right time to keep or sell the company</i>

Mergers & Acquisitions Services

Since 2006 Corner Capital has represented clients seeking liquidity through a company sale or merger, acquisitions of other companies (buy-side advisory), and corporate business unit divestitures. Because every client has unique sale preferences, we target specific buyers that meet your transaction objectives. Our relationships across the U.S. and internationally allows us to reach decision-makers at MLPs, publicly-traded operators and suppliers, large regional/national retailers and jobbers, international entities, and private equity institutions which result in an efficient and profitable sale process.

M&A Services

Internal Communication

- ✗ Weekly scheduled communication throughout entire project with all team members
- ✗ ALL DISTRIBUTED documents to be approved by client before distribution
- ✗ Corner Capital team comprised of experienced relationship managers, project managers, and analysts
- ✗ Our team members are skilled in all transaction processes to provide clients with qualitative perspective

Buyer Audience

- ✗ Customized target list with color and transaction experience on each buyer
- ✗ MLP's, publicly traded and large privately held strategic companies, private equity financial buyers
- ✗ Regional consolidators, peer-to-peer buyers
- ✗ Tailored to client preference and objectives e.g., employees, key management, seller legacy issues

Transaction Documentation

- ✗ Develop CIM, diligence materials, sale terms & conditions
- ✗ Manage LOIs, Purchase Agreement(s), Exhibits, and Schedules related to the business
- ✗ Corner Capital assists attorneys with negotiating business terms throughout legal due diligence
- ✗ All turns of the Definitive Agreements to be reviewed and stored in an Internal data room

Data Room

- ✗ Client approves all diligence items to be included in data room
- ✗ For efficiency and speed, all communication with buyers exists via data room
- ✗ Clients' real estate group will coordinate title and surveys as needed
- ✗ Utilized during marketing and closing process for synthesis into overall transaction process

Negotiations

- ✗ Corner Capital negotiates with and manages the buyer group on LOIs, PSA, diligence, and closing items
- ✗ Corner Capital provides market expertise in PSA terms, valuation, diligence needs
- ✗ Experience with all deal point trades, bargaining concepts, PSA tactics, and negotiating styles after 17 years of transaction experience

Financial Engineering Services

Corner Capital's financial expertise and deep industry knowledge across all trade channels allows our firm to help clients facing special situations with unique needs. We work with operators and institutions for traditional refinancing and acquisition debt facilities, as well as play an intermediary role through distressed situations, balance sheet restructuring and sponsor-driven balance sheet investments.

Financing

Structure & sourcing of all classes of debt financing for industry operators:

- ✕ Senior Secured
- ✕ Asset-Based
- ✕ Cash-Flow
- ✕ Mezzanine
- ✕ Convertible
- ✕ Unsecured

Credit

Valuation of debt securities and underlying collateral

- ✕ Principal acquisition of mortgage and secured debt collateralized by any downstream energy asset
- ✕ Sale of mortgage debt held by institutions
- ✕ Valuation & execution advisory in support of institutional lenders

Recapitalization

Provide valuation and structuring services for operators seeking succession/transition plans

- ✕ Utilize the assets and cash flows of the Company to transfer control to other family members
- ✕ Source investor capital for leveraged situations

Distress

Cash flow challenges, extreme leverage, market shifts

- ✕ Advising operators in negotiation with lenders and other constituencies to avoid Reorganization
- ✕ Serving as Chief Restructuring Officer in Ch. 11
- ✕ Emergency sale of assets or interests in crisis situations

Client Service Value Drivers

Corner Capital's team members bring diverse skill sets to each engagement: valuation, operating history, investor perspective, regional and national market trends, and years of fuel, retail and distribution management skills. We focus on customer service and results, which allows us to competitively deliver premium returns to our clients' investment in our services.

CCA Attributes	CLIENT BENEFITS
Expertise	Our national and regional market knowledge, relationships, and insight into market valuation trends. Broad skill sets solve transactional challenges with over 150 career years in all trade channels of downstream energy.
Transaction History	Principals and team members have performed over \$1.5 billion in transactions strictly in downstream energy; Client's portfolio represents our preferred transaction size and market niche.
Service	Corner Capital's Principals will be directly responsible for managing each project. All team members contribute their skill sets to each project, creating a "hands-on" approach.
Results	A successfully managed process that allows our clients to remain focused on their daily responsibilities, while Corner Capital manages all aspects of the engagement. We successfully close the transaction to meet the Company's expected return.

Corner Realty Overview & Services

Corner Realty – Service Lines

Leveraging the strength and experience of Corner Capital and Keller Williams, Corner Realty and its dedicated brokers have decades of experience in retail portfolio management – financing, single site sale transactions, Net Lease investing, sale leaseback funding, and accelerated processes for larger portfolio divestitures to individual buyer/operators.

Corner Realty Services

Accelerated Sale Projects

Our buyer and investor networks seek single and portfolio acquisition opportunities through our relationships and marketing process. Corner Realty can market sites in every state in the U.S., and conducts accelerated divestitures for large portfolios in a single-site format to optimize proceeds.

Single Site Transactions

Working with chain retailers and individual owner/operators, our brokers can swiftly move sites to independent operators, investors, and “out of industry” acquirers through our nationwide network and database. Sites can be sold confidentially or heavily marketed through traditional methods through our website and our relationships.

Net Lease Investor Sales

Our specialist brokers have deep access to nationwide investors seeking Net Lease sites (property purchase subject to a long-term lease) to monetize real estate assets subject to cap rate and lease terms negotiated through the process.

Sale Leasebacks for Redeployment

We finance up to 100% of the cost on new construction projects and existing c-stores with operators, developers & fuel distributors across the country. We use the real estate as a financing vehicle to drive operators’ long-term growth strategy.



Company/Business Segment sales across the U.S. covering retail, branded/unbranded distribution channels, lubricants, transportation, and other constituents of Downstream Energy. Services include M&A, financing/capital raises, valuations, special credit and turnaround situations.

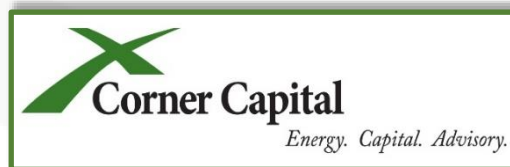
Corner Realty Partnerships

Corner Realty not only benefits from Corner Capital's 16 years of investment banking services, but also the creation of a national partnership with KW Commercial ([KW Commercial \(kwcommercialglobalpartners.com\)](http://kwcommercialglobalpartners.com)) to support marketing, advertising, technology utilization, and transaction processing for large, multi-site projects.



Real Estate & Site Services:

- ✧ Accelerated structured sale process
- ✧ Net Lease investment practice
- ✧ Independent to independent sales
- ✧ Site valuations
- ✧ Real estate market/trade area profiles
- ✧ National & regional market expertise
- ✧ Targeted database – operators, dealers, distributors, investors, brokers, developers



Investment Banking & Corporate Relationships:

- ✧ Corner Capital staff intimately involved in Corner Realty transactions & relationships
- ✧ Interconnected relationships for company & single site sales improves complicated structured sales
- ✧ Deep experience & relationships in local markets across the U.S.
- ✧ Trade channel expertise to support structured sale process for Corner Realty clients

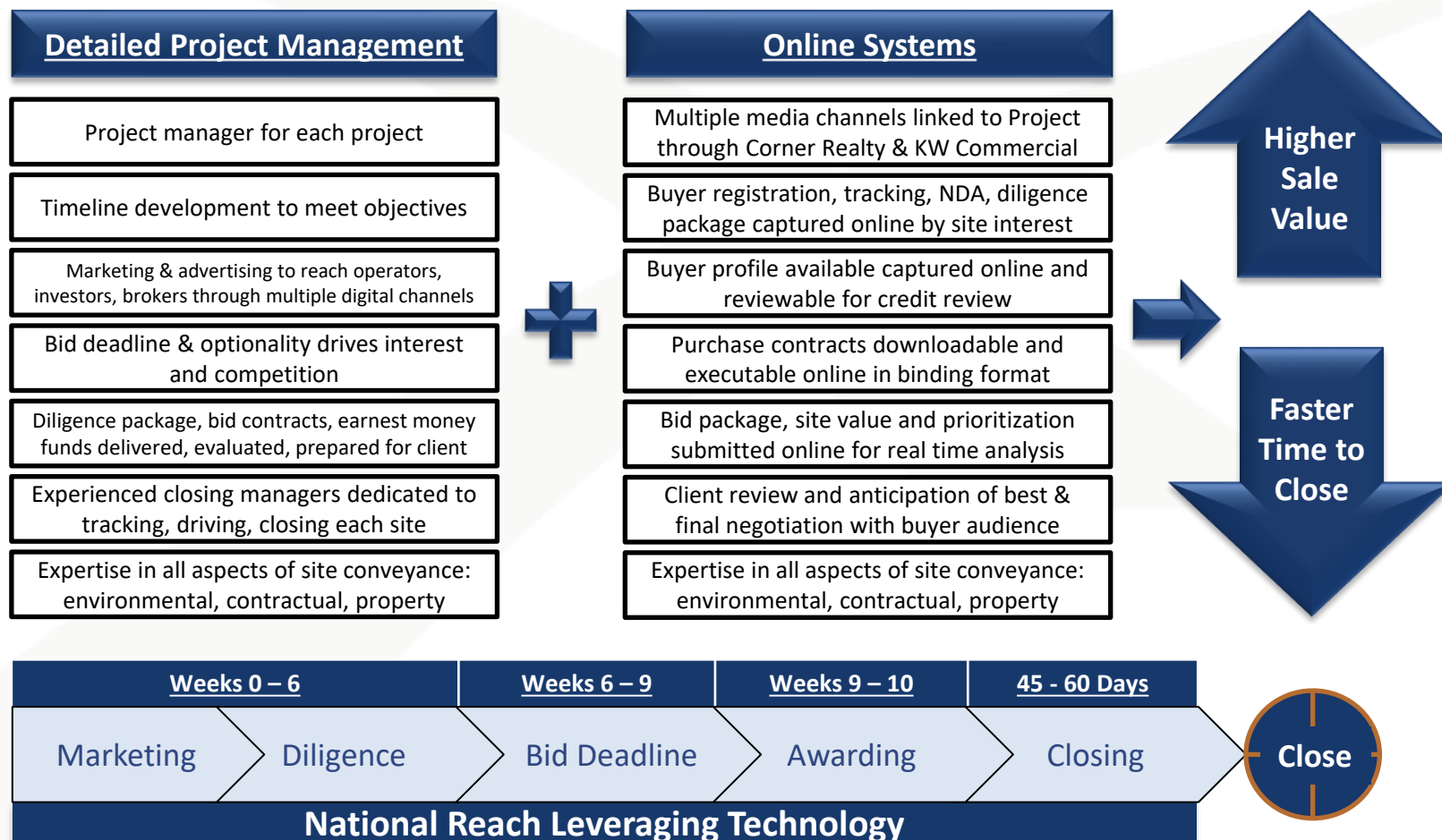


Partnership Support:

- ✧ National brokerage compliance
- ✧ National & regional database
- ✧ Leverage KW technology & research platform for petroleum transactions
- ✧ KW advertising & marketing support regionally/nationally
- ✧ Expert "Contract to Close" staffing for each site

Corner Realty Services – Accelerated Sale Projects

For accelerated sale projects comprised of multiple sites auctioned individually, Corner Realty’s team brings its principals and partnerships to produce a smooth, professional, and timely process optimizing sale proceeds by site.



Monetizing Real Estate for Redeployment

Existing Assets

- ✕ Free up capital to fund new developments & acquisition opportunities
- ✕ Increase liquidity & pay down debt
- ✕ Redeploy capital from real estate into higher yielding assets: retail operations & fuel distribution

New Construction Projects

- ✕ New construction project costs are at historically high levels. We can lower your basis in development projects while keeping your occupancy costs low
- ✕ As interest rates continue to rise, investors' appetite for net lease assets remains strong. Private investors can provide cheaper cost of capital than conventional financing

Acquisition Leasebacks

- ✕ We provide up to 100% financing on acquisition opportunities
- ✕ Use real estate as a financing vehicle to scale operations & fuel distribution
- ✕ Purchase Options & Right of First Refusals allow operators to control their real estate in the long-term, while monetizing the value today

Corner Realty Investor Relationships

Public & Private
REIT's

Private Equity &
Family Offices

Individual
Investors

1031 Exchange
Market

2022 Corner Capital Transaction Case Studies

Company Sale: Morgan Oil

Client

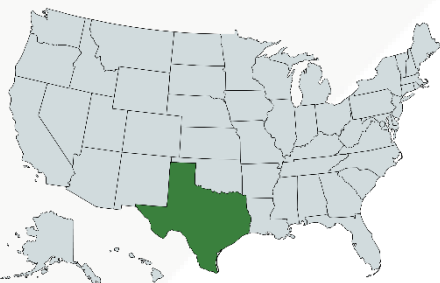
MORGAN OIL
C O M P A N Y

Headquarters: Nacogdoches, Texas
President/CEO: Ed Morgan
Founded: 1935

The Trigger

The Client sought retirement from the industry after having grown the business organically over the course of 87 years.

Geography



Client Description

Founded in 1935, Morgan Oil is a third-generation branded petroleum marketer, convenience retailer, and commercial fuels distributor headquartered in Nacogdoches, TX.

The Project

Corner Capital performed a Fair Market Valuation for Morgan Oil and outlined strategic options. The Company decided to pursue a structured sale process through Corner Capital.

Corner Capital sourced proposals from each of the potential buyers that it engaged under a non-disclosure agreement and sharing of the marketing material in Corner Capital's Confidential Information Memorandum & data room. Through two rounds of extensively negotiating the most competitive Letters of Intent, Majors Management, LLC was selected as the winning bidder to acquire Morgan Oil in Corner Capital's structured sale of the Client's business assets.

The Solution

Corner Capital worked closely with Morgan Oil from valuation, sourcing & negotiating LOIs, contractual negotiations, diligence, to closing.

Acquirer



The Result

The Client's operations and business assets were successfully marketed and sold to Majors Management, LLC, which closed on November 4, 2022.



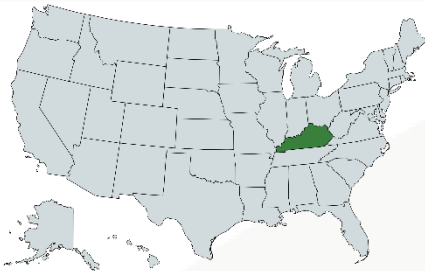
Debt Capital Raise: Estepp Energy, LLC & Affiliates

Client



Headquarters: Lexington, Kentucky
Founder: Steve Estepp
Founded: 2012

Geography



Client Description

Founded in 2012, the Company operates more than 10 locations, operates bulk plant facilities, leases numerous locations to branded dealer operators, and will distribute more than 80 million gallons of Shell, Marathon, Sunoco, BP, 76, and unbranded petroleum products to over 130 dealer and commercial customers throughout Central Kentucky.

The Trigger

The Client had recently purchased the dealer fuel supply, bulk plant/commercial fuels, and retail operations of a local competitor (Cumberland Lake Shell), significantly increasing the size and scale of the Company's operations.

As part of this transaction, the Company negotiated purchase options on the underlying real estate for the store operations purchased in the Cumberland Lake Shell transaction. One of the main goals of this capital raise was to secure acquisition financing to exercise these purchase options.

Additionally, Estepp's growth trajectory had surpassed their local bank's ability to provide flexible and attractively priced debt capital. In short, the Company's rapid growth required a larger commercial banking relationship with an institution that understood their business, could loan on cash flows/total enterprise value, and offered quick, flexible access to capital via a development line.

The Project

Corner Capital was tasked with sourcing, structuring, and negotiating the following debt facilities:

- I. Senior term debt to refinance substantially all of the Company's existing debt, and finance the exercise of certain purchase options negotiated through Estepp's acquisition of Cumberland Lake Shell.
- II. Revolving credit facility for working capital needs, secured by inventory and receivables.
- III. Development line of credit for new builds on existing properties, securing new real property for NTI builds, and smaller bolt-on acquisitions.

The Solution

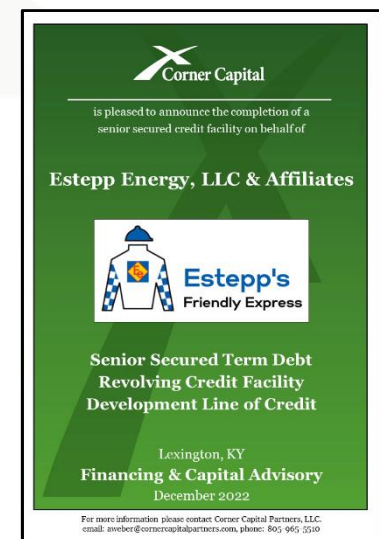
As Estepp had recently undergone a transformative acquisition, and was in the process of implementing PDI, Corner Capital performed intensive underwriting and financial modeling (using several legacy sources) to present the Company's financials and cash flows on a consolidated basis.

Corner Capital analyzed collateral/cash flow from all the Company's business segments to develop and propose a financing solution that accomplished Estepp's goals.

The Result

Corner Capital successfully marketed and executed the proposed financing solution, presenting the Client with multiple competitive proposals, increased financing flexibility, and a new banking relationship with a large institutional lender.

Estepp was able to refinance its existing debt, finance the exercise of certain purchase options, secure a revolving credit line for working capital needs, and negotiate a development line of credit to support future growth. This transaction was closed on December 13th, 2022.



Company Sale: Royce Groff Oil Company

Client



Headquarters: Castroville, Texas

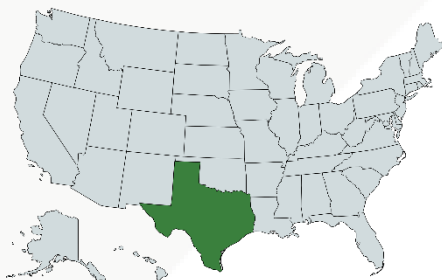
Founder: Royce Groff

Founded: 1969

The Trigger

Client sought retirement from the industry after having grown the business organically over the course of over 50 years but wanted to retain long-term cash flow from ownership of the real estate underlying the business assets.

Geography



Client Description

Founded in 1969, Royce Groff Oil Company d/b/a Valley Mart is a branded petroleum marketer and convenience retailer serving consumer and commercial customers in Medina and surrounding counties in South Texas.

The Project

Corner Capital performed a Fair Market Valuation for Royce Groff Oil Company and outlined strategic options. The Company decided to pursue a structured sale process through Corner Capital.

Corner Capital sourced proposals from each of the potential buyers that it engaged under a non-disclosure agreement and sharing of the marketing material in Corner Capital's Information Memorandum and data room. Through two rounds of extensively negotiating the most competitive Letters of Intent, Texas Enterprises, Inc. was selected as the winning bidder to acquire Royce Groff Oil Company in Corner Capital's structured sale of the Client's business assets.

The Solution

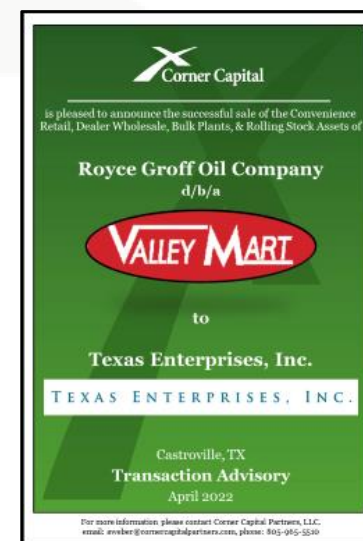
Corner Capital worked closely with Royce Groff Oil Company from valuation, sourcing and negotiating LOIs, contractual negotiations, diligence, to closing.

Acquirer

T E X A S
ENTERPRISES, INC.

The Result

The Client's operations and business assets were successfully marketed and sold to Texas Enterprises, Inc., which closed April 1, 2022. Corner Capital structured Net Leases for the real estate properties providing long-term income for members of the Client's family.



Buyside Advisory: Panjwani Energy Properties, LLC

Client

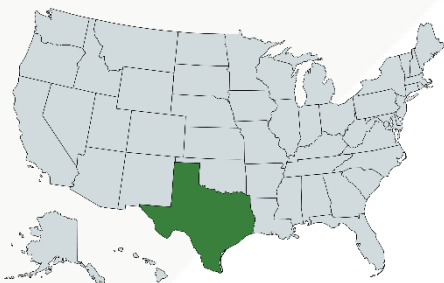


Headquarters: Houston, Texas
Founder: Mike Panjwani
Founded: 1985

The Trigger

The Client requested M&A advisory services from Corner Capital upon learning that Casey's Stores would be divesting four of the Houston-area c-store and retail fueling locations (as well as one vacant development property) it had recently acquired from Omaha-based Buchanan Energy that operated under the "Buckys" brand name.

Geography



Client Description

Founded in 1985, Panjwani Energy Properties, LLC and its affiliates are all closely held by Mike Panjwani, CEO, and his family members who assist in managing the business. The Company currently owns and operates 120 convenience stores in the Houston, San Antonio, and Austin markets primarily under the Star Stop brand, among others, while holding branded marketer agreements with Shell, Chevron, ExxonMobil, and Valero.

The Project

Corner Capital performed a Fair Market Valuation for the four existing sites, as well as value guidance for the one vacant development property. Corner Capital then worked closely with our client to determine an initial bidding range for the first-round of LOIs. Since this was a highly competitive process with several interested parties (many larger than our client), Corner Capital stressed the importance of making a competitive bid while still leaving some "fuel in the tank" for best and final rounds.

Corner Capital competitively positioned the Client's proposal against other (larger) potential Buyers, who may have to contend with Hart-Scott-Rodino hurdles. This allowed our Client to be selected as the winning bidder, despite not being the most competitive offer solely based on purchase price.

The Solution

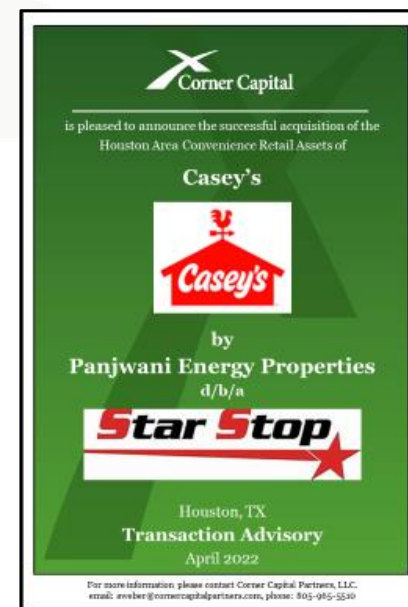
Due to the limited amount of information that was shared with target buyers by the Seller, our Client relied heavily on Corner Capital's expertise for variable and fixed cost models, fuel volume projections and other forecasting estimates. After several rounds of negotiations, our client Panjwani Energy Properties, LLC was selected as the winning bidder to acquire Casey's divested business assets. Corner Capital continued to work alongside Panjwani Energy through definitive contract negotiations, diligence, and closing.

Seller



The Result

The Seller's Houston-area convenience retail assets were successfully divested and sold to our client Panjwani Energy Properties, LLC. The transaction closed on April 5, 2022.



Company Sale : Laurel Oil, LLC

Client

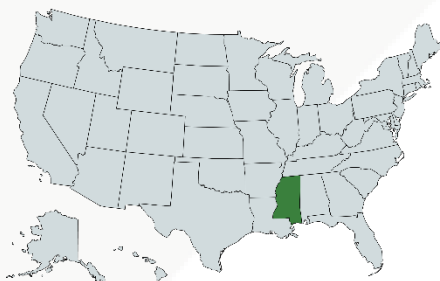


Headquarters: Laurel, Mississippi
President/CEO: Tom Saucier
Founded: 1923

The Trigger

The Client sought retirement from the industry after having grown the business organically over the course of nearly 100 years.

Geography



Client Description

Founded in 1923, Laurel Oil is a fourth-generation branded petroleum marketer and convenience retailer serving communities in Jones County, MS.

The Project

Corner Capital performed a Fair Market Valuation for Laurel Oil and outlined strategic options. The Company decided to pursue a structured sale process through Corner Capital.

Corner Capital sourced proposals from each of the potential buyers that it engaged under a non-disclosure agreement and sharing of the marketing material in Corner Capital's Confidential Information Memorandum & data room. Through two rounds of extensively negotiating the most competitive Letters of Intent, Clark Oil Company, Inc. was selected as the winning bidder to acquire Laurel Oil in Corner Capital's structured sale of the Client's business assets.

The Solution

Corner Capital worked closely with Laurel Oil from valuation, sourcing & negotiating LOIs, contractual negotiations, diligence, to closing.

Acquirer



The Result

The Client's operations and business assets were successfully marketed and sold to Clark Oil Company, Inc., which closed March 31, 2022.



Company Sale: W.G. Johnson Oil Company

Client

W.G. Johnson Oil Company

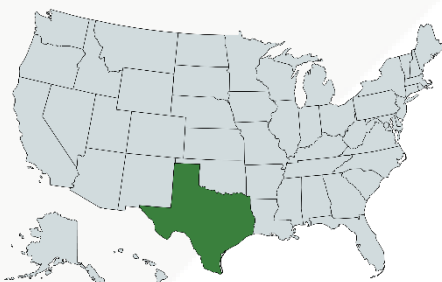


Headquarters: Corsicana, Texas
Founder: Bill Johnson
Founded: 1985

The Trigger

The Client sought retirement from the industry after growing business over the course of 36 years.

Geography



Client Description

Headquartered in Corsicana, TX, the Company was founded in 1985 when Bill Johnson purchased the distributorship and its Exxon branded agreement from its previous owner. Johnson is a fuel and lubricants distributor for the Shell and Exxon brands to independent operators across East Texas. In addition, the Company operates its own convenience retail network throughout Corsicana and East Texas.

The Project

Corner Capital performed a Fair Market Valuation for W.G. Johnson Oil Company and outlined strategic options for the Company. The Company decided to pursue a structured sale process through Corner Capital.

Corner Capital sourced proposals from each of the potential buyers that it engaged under a non-disclosure agreement and sharing of the marketing material in Corner Capital's Confidential Information Memorandum and data room. After negotiating the most competitive Letters of Intent, Cole Distributing Company was selected as the winning bidder to acquire W.G. Johnson Oil Company's business assets.

The Solution

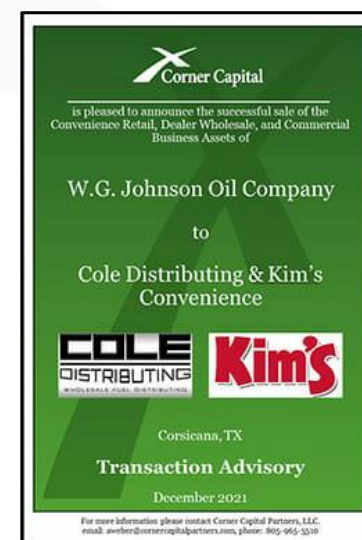
Because the Company operated in multiple channels, it was able to optimize value by targeting convenience retail, lubricants & commercial fuels specialists who would value each segment appropriately to conclude a transaction.

Acquirer



The Result

The Client's operations and business assets were successfully marketed and sold to Cole Distributing Company and Kim's Convenience Stores, which closed in December 2021 and January 2022.



Corner Capital & Corner Realty Teams

P.A. (Andy) Weber III - Founder



Andy Weber began his career at Shell Oil Company, serving in various sales and marketing management capacities, responsible for Shell's investments in dealer and company-operated retail markets including New Orleans, Birmingham, and Chicago. Subsequent to Shell Oil, Andy served as an international consultant in Arthur D. Little's Global Energy Practice, with a principal responsibility for the Downstream Strategy Practice. He and his team developed the Dynamic Brand Management practice model for ADL's marketing practice and utilized the methodology for country and market entries for multi-national energy companies including BP, Mobil, and Kuwait Petroleum in Asia and the United States.

Prior to founding Corner Capital, Andy spent 10 years at Roundtree Capital, a private equity group in Santa Barbara. During this time, Andy was a principal in the company and served as CFO and President with overall responsibilities for the growth of the business from 100 to 230 convenience stores, while distributing motor fuels for Chevron, BP, Fina, Mobil, and Marathon. Outside the retail industry, he conducted Roundtree's M&A and Treasury activity in its food manufacturing investments.

Andy earned his undergraduate degree from the University of Texas and his MBA from Rice University. He is active in the Santa Barbara community, having served on the Boards of Old Spanish Days, Montecito YMCA, All Saints by the Sea Episcopal Church, and the Santa Barbara Historical Museum, and in addition has two daughters graduated from the University of California at Berkeley and University of Kansas.

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3809 Juniper Trace Ste. 205, Austin, TX 78738

Carl Ray Polk, Jr. – Managing Partner



Carl Ray began his career with his family business Polk Oil Co., Inc., founded in 1937 in Lufkin, Texas. Through his early career, Carl Ray ran several business units including lubricants distribution, convenience retailing, QSR management, and wholesale fuel distribution for Exxon, Mobil, Chevron, and Texaco brands.

Carl Ray conducted a buyout of the family shares, and later sold the company to Brookshire Brothers, LTD in 2007. Subsequent to the sale, Carl Ray served as Executive Vice President and as a member of the Board of Directors through 2012.

He is the Past Board Chair of the Texas Petroleum Marketers Association, a former member of Coca Cola's National Retailers Council, served on several national committees for the National Association of Convenience Stores (NACS), and is Past Chairman of the Board of Lufkin's Chamber of Commerce. He is currently 1st VP of Texas & Southwestern Cattle Raisers Association.

Carl Ray received his education from Kilgore College and The University of Texas-Austin, with additional studies in the Mergers and Acquisition Program through the Anderson School of Business at UCLA.

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Don Mitchell – SVP, Business Development



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2519 Golden Pond Drive, Kingwood, Texas 77345

Don Mitchell, Senior Vice President of Business Development, began his career with Exxon in 1971. After managing several different retail markets in North Carolina, Georgia, and Texas, Don was instrumental in Exxon's national entry into convenience retailing in the 1980's. In the early 1990s, Don managed Exxon's state and federal public, legislative, and regulatory affairs activities (including API) and also served as their Western Area Public Affairs Manager. From 1995 until retirement, Don was involved in numerous key branded distributor activities on a regional and national level and served as Area Manager and Market Development Coordinator for ExxonMobil's Western Distributor Area at the time of his retirement.

As a leader within ExxonMobil and throughout the state and local marketing associations, Don developed deep relationships in the distributor community and industry overall. Don is a graduate from Lenoir-Rhyne University in Hickory, NC, with a degree in Economics and Marketing, and offices near Houston, Texas.

Rob Thomas – SVP, Business Development



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Inlet Beach, Florida

Rob Thomas, Senior Vice President of Business Development, spent 34 years of service with both Shell Oil Company and Motiva LLC. Rob most recently served as Sales Manager in the Southeast U.S for Shell Oil Company. Early in his career, Rob served in numerous capacities in the field for Shell, responsible for petroleum product sales and managing retail districts from Louisiana to Florida to the Carolinas, as well as Delaware to Maine in the Northeast. Rob also held management positions in Shell's Houston corporate office, including Manager for Credit Card Products & Services, and Manager for Retail Supply & Logistics. Rob's extensive experience and relationships throughout his career builds on Corner Capital's platform of providing in-depth transactional advice to all constituents in the downstream energy sector.

Rob earned an undergraduate degree in Nautical Science & Transportation from the United States Merchant Marine Academy and subsequently spent several years working as a marine deck officer on cargo ships, offshore drilling rigs, and shipyard marine construction. Having become familiar with the energy sector through his family's petroleum distribution business in New Mexico, Rob joined Shell Oil Company in 1986. Rob also earned an MBA from Florida State University.

Corner Capital Team

Sean Stewart, CFA – Director

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Sean Stewart, Director, began his career in Hall Capital's New York City portfolio management group, managing investment portfolios for high net-worth families and institutions across various strategies including fixed income, equities, hedge funds, private equity, and real assets.

Subsequently recruited to Advent Capital to work with institutional investors in their long-only convertible strategies, Sean advised on performance drivers for Advent's strategies including benchmarking, portfolio positioning and projected outlook. He also built quantitative tools to help portfolio managers analyze client portfolios and conducted research that aided the company's marketing efforts. During his time at Advent, Sean became Product Manager for Advent's domestic long-only convertible strategies.

Sean also spent a year training with the US Army, where he created geospatial intelligence products. Sean finished Geospatial Engineering School at the top of his class as the Distinguished Honor Graduate and continues to serve in the Army Reserve for the foreseeable future.

Mr. Stewart received his undergraduate degree in Finance from the University of Arkansas, and he is a CFA Charter holder.

Barton Taylor – Associate

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3809 Juniper Trace, Suite 205, Austin, TX 78738



Barton Taylor, Associate, began his career in Amegy Bank's Energy Lending Group, managing relationships for clients whose operations spanned the entire energy value chain in all major North American resource plays. During this time, Barton focused on originating and syndicating large credit facilities for clients comprised of private equity sponsored portfolio companies, closely-held middle market companies, publicly traded firms and MLPs.

After business school, Barton joined the sales team at Dimensional Fund Advisors (DFA), a leading global mutual fund family and investment manager. At DFA, Barton coordinated business development and client service activities for the firm's Wirehouse/Broker-Dealer distribution channel.

Barton received his Undergraduate degree in Finance from the University of Texas and his Master of Business Administration (MBA) from Rice University.

Ben Achilles - Analyst

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3809 Juniper Trace, Suite 205, Austin, TX 78738



Ben Achilles, Analyst, assists Corner Capital clients in all aspects of project management, from diligence analysis, market research, financial modeling, and project outreach. Ben began his career as a financial analyst for Public Consulting Group, managing client relationships, developing financing models for client projects, producing financial statement forecasts, and strategy scenario modeling. He was also responsible for developing internal financial systems utilized by clients to assist in projecting strategy options.

In his collegiate career, Ben was selected as one of the ten students to manage Texas Tech's Student Managed Investment Fund as a consumer discretionary industry analyst. During this time, Ben received his undergraduate degree in finance from Texas Tech University

Nick Stricker, CPA – Analyst

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3809 Juniper Trace, Suite 205, Austin, TX 78738



Prior to joining Corner Capital, Nick Stricker, Analyst, worked in the audit practice at KPMG in Dallas. Nick assisted in the completion of financial statement audits across multiple industries, primarily for asset management clients. Nick led several audit engagements from inception to completion. He performed analytical procedures of various business processes including cash, debt, PP&E, acquisitions, dispositions, derivatives, taxes, and revenue recognition. Additionally, Nick worked with the KPMG Valuation Services group on matters related to real estate valuation and tax effects.

Nick received his undergraduate degree in accounting and master's degree in finance from Texas A&M University. He is licensed as a CPA in the state of Texas.

Corner Realty Team

Randy Toth – Senior Associate



Randall began his career in 1984 with Suntronics, manufacturers of the first “Point of Sale” system for the Downstream Energy industry. He support major oil companies and set up the sales and service distribution network in the USA. Subsequently, he worked for Tokheim, based in Ft Wayne, IN. Fun Fact: He was involved in training and installing at Arco, BP, and Getty Petroleum the first card readers and cash acceptors in the USA. Randall then focused on the downstream energy real estate market. Working with NRC as a developer, he secured the Sunoco account and started working the BP/Arco, Swifty Serve, Clark Petroleum accounts.

Randall received his education from Porter Chester and The University of Phoenix; he holds a degree in computer electronics. Randall and his wife of 35 years reside in New England, and they have four adult children, two in New England and two in Maui, HI.

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3809 Juniper Trace, Suite 205, Austin, TX 78738

Brad Craig – Real Estate & Business Sales



Brad joined Corner Realty in 2022 as a Real Estate Manager – Southern California. His 42-years of petroleum industry knowledge, fuel marketing and operations experience, and long-term wholesale dealer relationships, will benefit Corner Realty and our clients. As a professional Business Development Manager, Brad consistently generates high rates of return on branded fuel supply and corporate real estate development projects to the mutual benefit of both the customer and the organization.

Brad began his career in 1980 with Union Oil Company, working for the 76 brand for 27 years in numerous field and management positions. He has worked in Petroleum Industry product sales positions with Tower Energy, Chevron-Oronite, and Circle K Wholesale Fuels. In 2020 Brad began working for 7 Eleven Inc. with SEI Wholesale Fuels.

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1607 Via Ameno, San Clemente, CA 92672

Corner Realty Team

Will Hartshorn – Net Lease Specialist



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3809 Juniper Trace, Suite 205, Austin, TX 78738

Will Hartshorn began his career as a commercial real estate broker at Sands Investment Group where he focused exclusively on the downstream energy sector across the country. Throughout his career, he has advised operators, distributors, developers and private investors with their acquisition, disposition and development projects. He specializes in sale leaseback financing, site selection and 1031 exchange engagements within the c-store and travel center industry.

Will previously worked for Strategic Investment Group, an investment management firm based in D.C., on their risk management and real estate private equity teams. He received his undergraduate degree in Economics from Wake Forest University.

Jack Matlock – Real Estate Analyst



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3809 Juniper Trace, Suite 205, Austin, TX 78738


Jack Matlock began his career serving as a research analyst on JLL's capital markets team where he specialized in market research, analysis and financial valuations. He has experience in supporting office, industrial and retail leasing efforts, composing market reports, and managing internal databases.

Jack Matlock joined Corner Realty in January 2023 as Senior Analyst. Jack graduated from Pepperdine University with a degree in Finance in May 2021.

Selected Closed Transaction & Representative Clients


Selected Closed Transactions

Corner Capital has been the trusted advisor for the following recently closed, selected transactions within the convenience retail & downstream energy industry:

 Corner Capital

is pleased to announce the completion of a senior secured credit facility on behalf of

Estepp Energy, LLC & Affiliates



Senior Secured Term Debt
Revolving Credit Facility
Development Line of Credit

Lexington, KY
Financing & Capital Advisory
December 2022

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital

is pleased to announce the successful sale of the Convenience Retail, Dealer Wholesale, and Commercial Fuel Supply Assets of

Morgan Oil Company, Inc.




to

Majors Management, LLC




Nacogdoches, TX
Transaction Advisory
November 2022

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital


is pleased to announce the successful acquisition of the Houston Area Convenience Retail Assets of

Casey's



by

Panjwani Energy Properties
d/b/a



Houston, TX
Transaction Advisory
April 2022

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital

is pleased to announce the successful sale of the Convenience Retail, Dealer Wholesale, Bulk Plants, & Rolling Stock Assets of

Royce Groff Oil Company
d/b/a



to

Texas Enterprises, Inc.
TEXAS ENTERPRISES, INC.

Castroville, TX
Transaction Advisory
April 2022

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital

is pleased to announce the successful sale of the Convenience Retail and Shell Branded Distribution Assets of

Laurel Oil, LLC
d/b/a




to

Clark Oil Company, Inc.



Laurel, MS
Transaction Advisory
March 2022

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540


 Corner Capital

is pleased to announce the successful sale of the Convenience Retail, Dealer Wholesale, and Commercial Business Assets of

W.G. Johnson Oil Company

to

Cole Distributing & Kim's Convenience



Corsicana, TX
Transaction Advisory
December 2021

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital

is pleased to announce the successful sale of the Motor Fuel and Lubricants Distribution Assets of

Classic Star Group, LP & Ziptron, Inc.




To




Fort Worth, TX
Transaction Advisory
October 2021

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital


is pleased to announce the successful sale of the Convenience Retail and Shell Branded Fuel Distribution Assets of

Herndon Oil Company



to

Tri Star Energy



Abbeville, AL
Transaction Advisory
September 2021

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital

is pleased to announce the successful sale of the Convenience Retail Assets of

Wag-A-Bag, LLC



to

Refuel Operating Co. LLC



Austin, TX
Transaction Advisory
June 2021

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

 Corner Capital

is pleased to announce the successful sale of the Convenience Retail, Dealer Wholesale, and Commercial Fuels Business Assets of

Story Distributing Company



to

Parkland Corporation



Bozeman, MT
Transaction Advisory
February 2021

For more information please contact Corner Capital Partners, LLC.
email: awebster@cornercapitalpartners.com, phone: 803-955-5540

Selective List of Recent Clients



ExxonMobil



Story Distributing Co.
Fuels & Lubrication Marketing

