

Parkland Files Management Information Circular for Arrangement with Sunoco

*Unlocks Immediate and Significant Value for Parkland Shareholders
Establishes a Scalable Platform for Long-Term Value Creation*

CALGARY, AB, May 28, 2025 /CNW/ - Parkland Corporation ("Parkland", "we", the "Company" or "our") (TSX: PKI) today announced the filing of its Management Information Circular (the "Circular") and accompanying materials for the upcoming annual and special meeting (the "Meeting") of the Parkland shareholders (the "Company Shareholders") in connection with its previously announced strategic transaction involving Sunoco LP ("Sunoco"), and a wholly-owned subsidiary of Sunoco group ("SunocoCorp").

This transformative transaction marks a pivotal moment for Parkland, delivering immediate value to Company Shareholders while positioning the combined company for long-term growth. The transaction will be implemented by way of a plan of arrangement (the "Plan of Arrangement") under the Business Corporations Act (Alberta) (the "Arrangement").

The Best Path Forward for Parkland and Our Shareholders

Parkland's board of directors (the "Parkland Board") unanimously recommends that Company Shareholders vote **FOR** the special resolution approving the Arrangement (the "Arrangement Resolution").

Key benefits of the Arrangement include:

Immediate Value and Future Upside

- The Arrangement represents a 25% premium based on the 7-day volume-weighted average price of both the Parkland shares and Sunoco units as of May 2, 2025.
- Company Shareholders benefit from the flexibility to choose one of three forms of consideration:
 - C\$19.80 in cash and 0.295 common units of SunocoCorp (which will be a newly listed NYSE public company that holds an interest in Sunoco);
 - C\$44.00 in cash¹; or
 - 0.536 SunocoCorp common units¹.
- Company Shareholders who receive SunocoCorp common units will be able to participate in future upside, including potential dividend growth, resulting from the combined business. For two years post-closing, holders of SunocoCorp common units will receive dividends on their units equal to the distributions made to holders of Sunoco common units.

¹ Subject to the proration, maximum amounts, and adjustments in accordance with the Plan of Arrangement.

The Strategic Rationale for the Arrangement

- The combined company will be one of the largest independent fuel distributors in the Americas, creating greater scale and stability, and is expected to grow returns, improve margins and increase distributable cash flow per unit.
- The transaction leverages the complementary strengths of both companies to create a more diversified portfolio spanning Canada, the U.S., and the Caribbean, reducing single-industry exposure while improving earnings resiliency and minimizing volatility.
- The combined company is expected to achieve US\$250 million in annual run-rate synergies by the third year, strengthening financial performance and boosting shareholder returns.

Sunoco's Commitment to Responsible Stewardship and Growth in the Markets Parkland Serves

- Sunoco will maintain a Canadian headquarters in Calgary and significant employment levels in Canada.
- Sunoco is committed to ongoing investment in Canadian operations, including the Burnaby Refinery and Parkland's transportation energy infrastructure expansion plans.
- The combined company's expanded free cash flow will provide additional resources for reinvestment in Canada, the U.S., and the Caribbean in support of both existing and new opportunities.

These commitments affirm a vote of confidence in Canada, with Sunoco returning to a country where it has a long history of investment.

Additional Factors

The Arrangement is the result of arm's length negotiations between Parkland and Sunoco with the Company Special Committee (the "Special Committee") actively overseeing the process and guiding management and advisors. Following this thorough process, the Special Committee and the Parkland Board concluded that the consideration payable to Company Shareholders reflects Sunoco's highest price.

The Special Committee and the Parkland Board evaluated the Arrangement in light of Parkland's financial condition, operational performance, strategic alternatives, and market conditions. After reviewing fairness opinions provided to the Parkland Board by Goldman Sachs Canada Inc. and BofA Securities Inc., as well as a fairness opinion provided to the Special Committee by BMO Nesbitt Burns Inc., all of which deemed the consideration fair from a financial perspective, the Special Committee unanimously determined the Arrangement is in the best interests of Parkland and its shareholders.

Based on this determination, the Special Committee recommended, and the Board unanimously endorsed, the Arrangement. The transaction is not subject to financing conditions, and Sunoco has demonstrated a strong commitment to completing it efficiently. The reasons for the Parkland Board's unanimous recommendation are more fully described under the headings "*The Arrangement* –

Recommendation of the Parkland Board" and "The Arrangement – Reasons for the Recommendations" in the Circular.

The Arrangement is subject to court approval, Company Shareholder approval, regulatory approvals and other customary closing conditions.

Other Business at the Meeting

In addition to considering and voting on the Arrangement Resolution, Company Shareholders will also deal with several important matters at the Meeting (the "Annual Matters"), the first three of which will be subject to a shareholder vote. These include:

1. **Election of Directors:** Company Shareholders will be asked to elect the slate of current Parkland Board members (other than Lisa Colnett who is not standing for re-election): Felipe Bayon, Nora Duke, Robert Espey, Sue Gove, Timothy Hogarth, Richard Hookway, Michael Jennings, Angela John, James Neate, and Mariame McIntosh Robinson to the Parkland Board to complete the Arrangement. The Company did not receive any nominations under its advance notice bylaw.
2. **Appointment of Auditor:** Company Shareholders will vote on the reappointment of PricewaterhouseCoopers LLP as the auditor of Parkland for the upcoming fiscal year and authorize the Parkland Board to fix their remuneration.
3. **Advisory Vote on Executive Compensation:** Company Shareholders will have the opportunity to cast a non-binding advisory vote on Parkland's approach to executive compensation.
4. **Review of Financial Statements:** Company Shareholders will receive the Company's audited financial statements for the fiscal year ended December 31, 2024, along with the accompanying auditor's report.

The Parkland Board recommends that Company Shareholders vote **FOR** each of the Annual Matters to ensure strong governance and operational excellence during this transitional period.

Meeting and Voting Details:

The Meeting will be held on **June 24, 2025, at 9:00 a.m. (Calgary Time)**, in person at the Calgary TELUS Convention Centre in Calgary, Alberta. Company Shareholders are encouraged to review the Circular, which provides detailed information about the Arrangement and voting instructions. Company Shareholders are urged to vote well in advance of the Meeting and in any event, prior to the **Voting Deadline, on June 20, 2025, at 9:00 A.M. (Calgary Time)**.

The mailing of the Circular and accompanying materials to Company Shareholders of record as of May 23, 2025 has commenced.

The Circular and related Meeting materials can be found on Parkland's SEDAR+ profile at www.sedarplus.ca, as well as at ParklandSunoco.ca. Company Shareholders may request copies of the Circular and Meeting materials by electronic mail or by courier by sending an email to legal@parkland.ca no later than 10 business days prior to the Meeting, or any adjournment or postponement thereof.

If you have questions or need assistance voting, please contact Kingsdale Advisors at 1-888-518-6832 (toll-free in North America) or 1-647-251-9740 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com.

Vote Online

Registered Company Shareholders: Visit www.investorvote.com with your 15-digit control number.

Beneficial Company Shareholders: Visit www.proxyvote.com with your 16-digit control number.

Vote by Telephone

Registered Company Shareholders: Call toll-free at 1-866-732-8683 (in North America) or 1-312-588-4290 (in countries outside of North America) with your 15-digit control number.

Beneficial Company Shareholders: Call 1-800-474-7493 for English and 1-800-474-7501 for French (in Canada) or 1-800-454-8683 (in the United States) with your 16-digit control number.

Vote by Mail

Registered Company Shareholders: Complete, sign and date your **BLUE** form of proxy and return it in the postage paid envelope included in your package by mail in accordance with the instructions therein.

Beneficial Company Shareholders: Complete, sign and date your **BLUE** voting instruction form and return it in the postage paid envelope included in your package by mail in accordance with the instructions therein.

Questions? Need Help Voting?

If you have questions or need assistance voting when you receive the Circular and accompanying materials, please contact Kingsdale Advisors at 1-888-518-6832 (toll-free in North America) or 1-647-251-9740 (text and call enabled outside North America), or by email at contactus@kingsdaleadvisors.com.

To obtain current information about the Arrangement and the Annual Matters, please visit ParklandSunoco.ca.

About Parkland Corporation

Parkland is a leading international fuel distributor, marketer, and convenience retailer with safe and reliable operations in twenty-six countries across the Americas. Our retail network meets the fuel, and convenience needs of everyday consumers. Our commercial operations provide businesses with fuel to operate, complete projects and better serve their customers. In addition to meeting our customers' needs for essential fuels, Parkland provides a range of choices to help them lower their environmental impact, including manufacturing and blending renewable fuels, ultra-fast EV charging, a variety of solutions for carbon credits and renewables, and solar power. With approximately 4,000 retail and commercial locations across Canada, the United States, and the Caribbean region, we have developed supply, distribution, and trading capabilities to accelerate growth and business performance.

Our strategy is focused on two interconnected pillars: our Customer Advantage and our Supply Advantage. Through our Customer

Advantage, we aim to be the first choice of our customers through our proprietary brands, differentiated offers, extensive network, competitive pricing, reliable service, and compelling loyalty program. Our Supply Advantage is based on achieving the lowest cost to serve among independent fuel marketers and distributors in the hard-to-serve markets in which we operate, through our well-positioned assets, significant scale, and deep supply and logistics capabilities. Our business is underpinned by our people and our values of safety, integrity, community, and respect, which are embedded across our organization.

About Sunoco LP

Sunoco (NYSE: SUN) is a leading energy infrastructure and fuel distribution master limited partnership operating in over 40 U.S. states, Puerto Rico, Europe, and Mexico. Sunoco's midstream operations include an extensive network of approximately 14,000 miles of pipeline and over 100 terminals. This critical infrastructure complements the Partnership's fuel distribution operations, which serve approximately 7,400 Sunoco and partner branded locations and additional independent dealers and commercial customers. Sunoco's general partner is owned by Energy Transfer LP (NYSE: ET).

Forward-Looking Statements

Certain statements contained herein constitute forward-looking information and statements (collectively, "forward looking statements"). When used in this news release, the words "commit", "ensure", "enhance", "expect", "increase", "ongoing", "will", and similar expressions are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things: the Arrangement, and the anticipated benefits thereof; the consideration payable to the Company Shareholders under the Arrangement; the business of the Combined Company after giving effect to the Arrangement; the expected value creation resulting from the arrangement; anticipated tax efficiencies associated with SunocoCorp structure; the anticipated dividends payable to holders of SunocoCorp Common Units; the listing of SunocoCorp on the NYSE; the business, financial performance, operations and size of the Combined Company; Sunoco's commitment to maintaining a Canadian headquarters in Calgary for the Combined Company; the Combined Company's free cash flow and anticipated uses thereof; the mailing of Parkland's Circular and accompanying materials to Company Shareholders; and the Meeting, and the anticipated timing and location thereof;

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These forward-looking statements speak only as of the date hereof. Parkland does not undertake any obligations to publicly update or revise any forward-looking statements except as required by securities laws. Actual results could differ materially from those anticipated in these forward-looking statements as a result of numerous risks, assumptions and uncertainties including, but not limited to: general economic, market and business conditions; the completion of the Arrangement on anticipated terms and timing, or at all, including obtaining court approval, Company Shareholder approval, regulatory approvals and other customary closing conditions; the anticipated benefits of the Arrangement may not be realized; the consideration to be received by Company Shareholders is subject to proration, such that a Company Shareholder may not receive all of the consideration in the form that they elect to receive; the SunocoCorp Common Units to be received by Company Shareholders as a result of the Arrangement will have different rights from the Company shares; the amount of any dividends or distributions to be paid by SunocoCorp following the Arrangement will not be guaranteed; anticipated tax treatment; potential litigation relating to the Arrangement that could be instituted against Sunoco or Parkland; potential adverse reactions or changes to business relationships, including with employees, suppliers, customers, competitors or credit rating agencies, resulting from the Arrangement; certain restrictions during the pendency of the Arrangement that may impact Parkland's ability to otherwise operate its business; the expected timing of the Meeting, the court approval and the anticipated effective date of the Arrangement may be changed or delayed; and other factors, many of which are beyond the control of Parkland. See also the risks and uncertainties described under the headings "Cautionary Statement Regarding Forward-Looking Information" and "Risk Factors" in Parkland's current Annual Information Form dated March 5, 2025, under the headings "Forward-Looking Information" and "Risk Factors" included in the Management's Discussion and Analysis dated May 5, 2025, and under the heading "Risk Factors" in Parkland's Circular, dated May 26, 2025, each as filed on SEDAR+ and available on Parkland's website at www.parkland.ca and www.parklandsunoco.ca.

The forward-looking statements contained herein are expressly qualified by this cautionary statement.

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CO: Parkland Corporation

CNW 17:07e 28-MAY-25