



ARA US HOSPITALITY TRUST

1Q 2022 BUSINESS & OPERATIONAL UPDATE

3 MAY 2022



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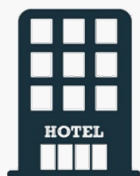
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Resilient Portfolio Managed by Experienced Teams

A diversified portfolio anchored by resilient fundamentals



41
upscale
hotels



5,340
rooms

38
sub-
markets



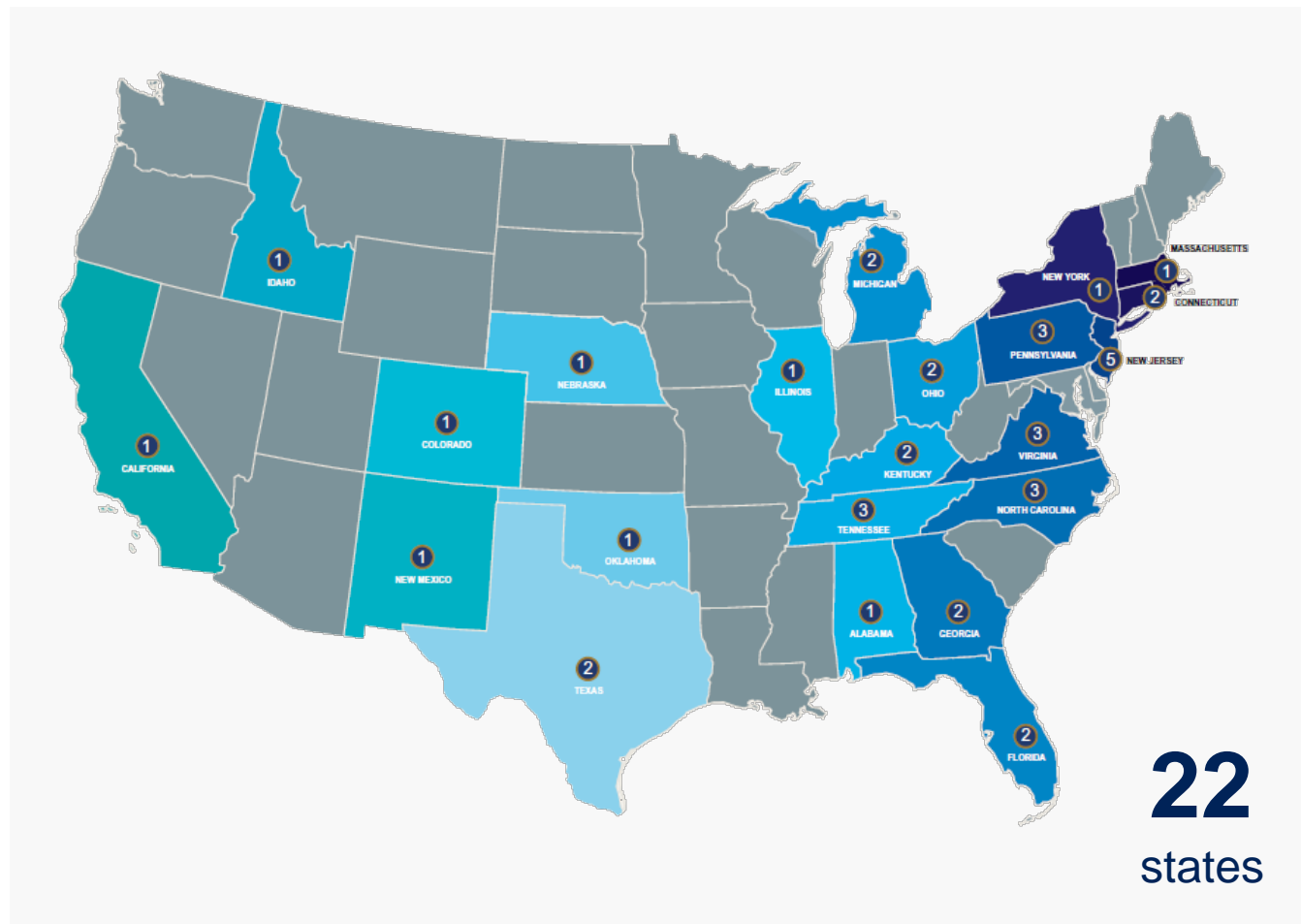
>90%
rooms-
focused
revenue



5
hotel
brands



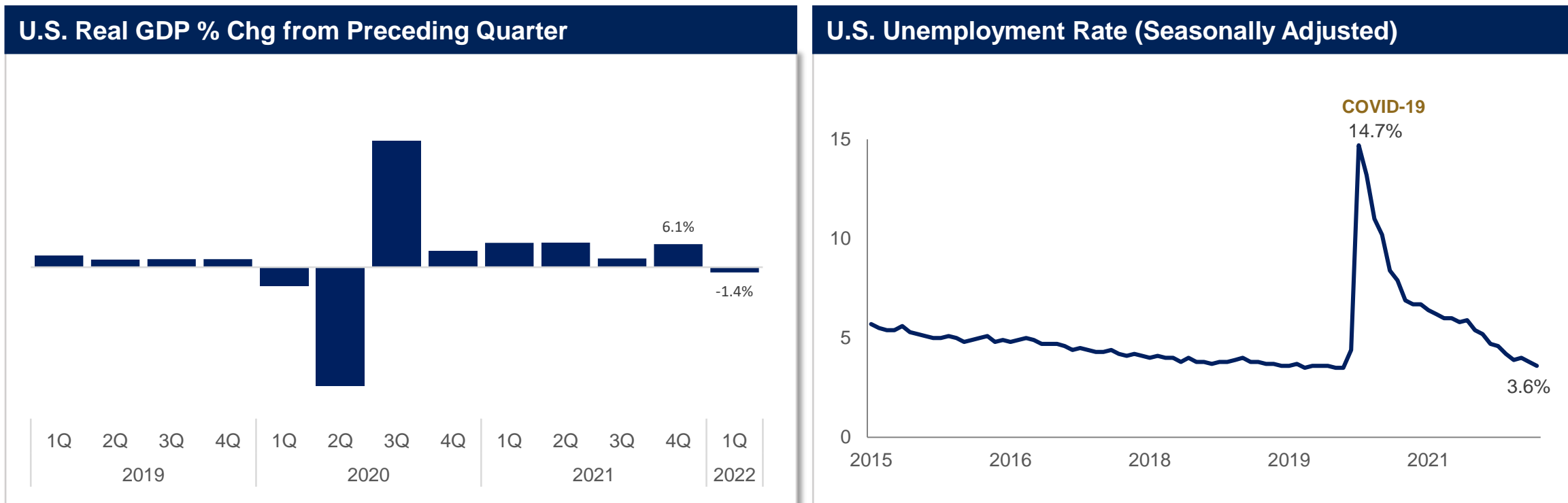
2
hotel
operators



U.S. MARKET UPDATE

U.S. Economic Growth Stalls in 1Q 2022

Disruption from the Omicron variant slowed economic expansion



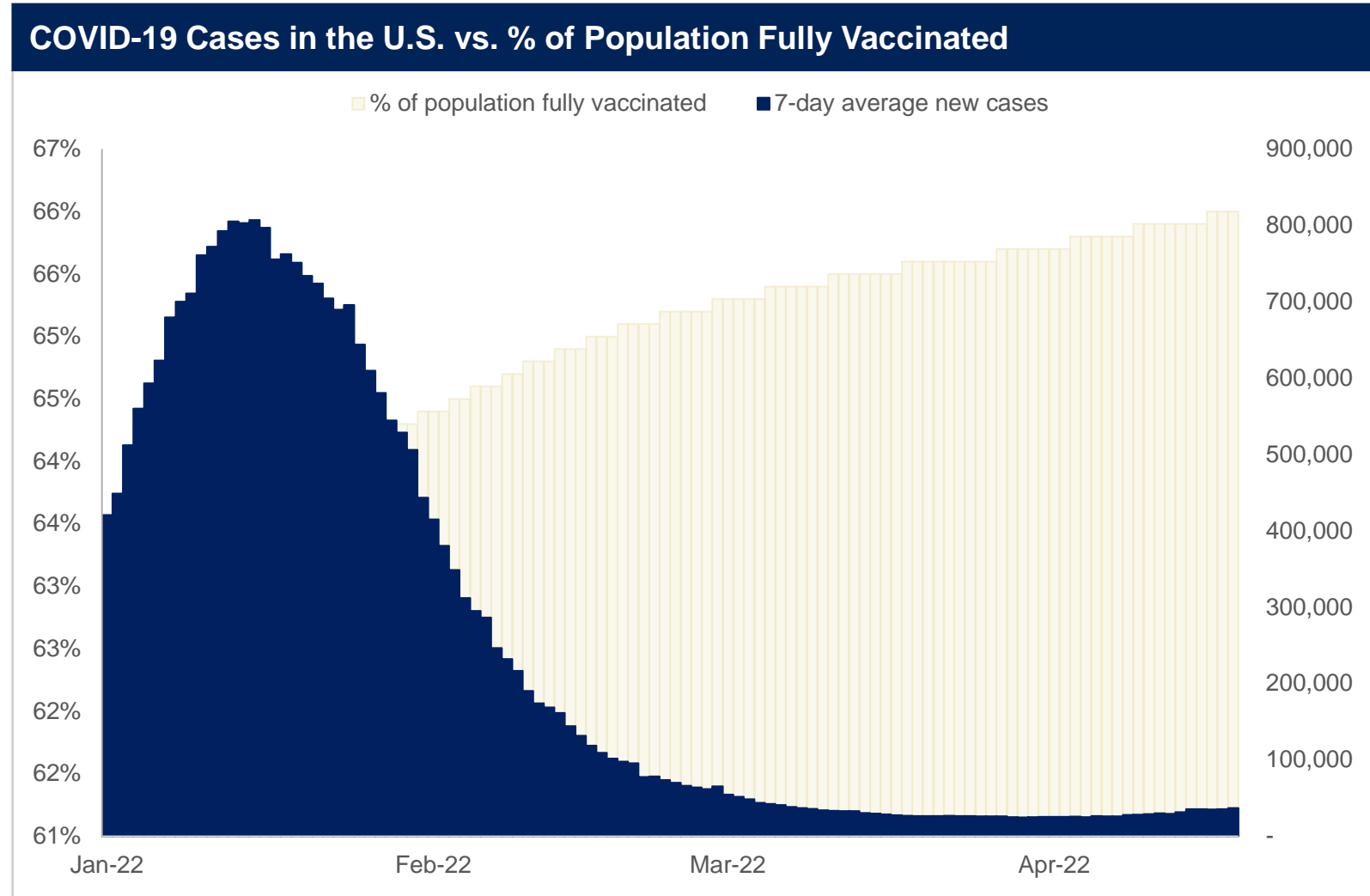
- GDP decreased by -1.4% for 1Q 2022 as government spending and trade decreases offset increases in consumer and business spending
- U.S. CPI* rose 8.5% in last 12 months ended March 2022, mainly due to increases in gasoline, shelter and food
- Unemployment rate improved to 3.6% in Mar 2022 compared to previous low of 3.5% in Feb 2019
- Federal funds rate increased to 0.5% in March 2022, with next FOMC meeting scheduled in May

* Consumer Price Index for all Urban Consumers; seasonally unadjusted
 Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, IMF

YTD 2022 COVID-19 Cases



Transition to endemic phase

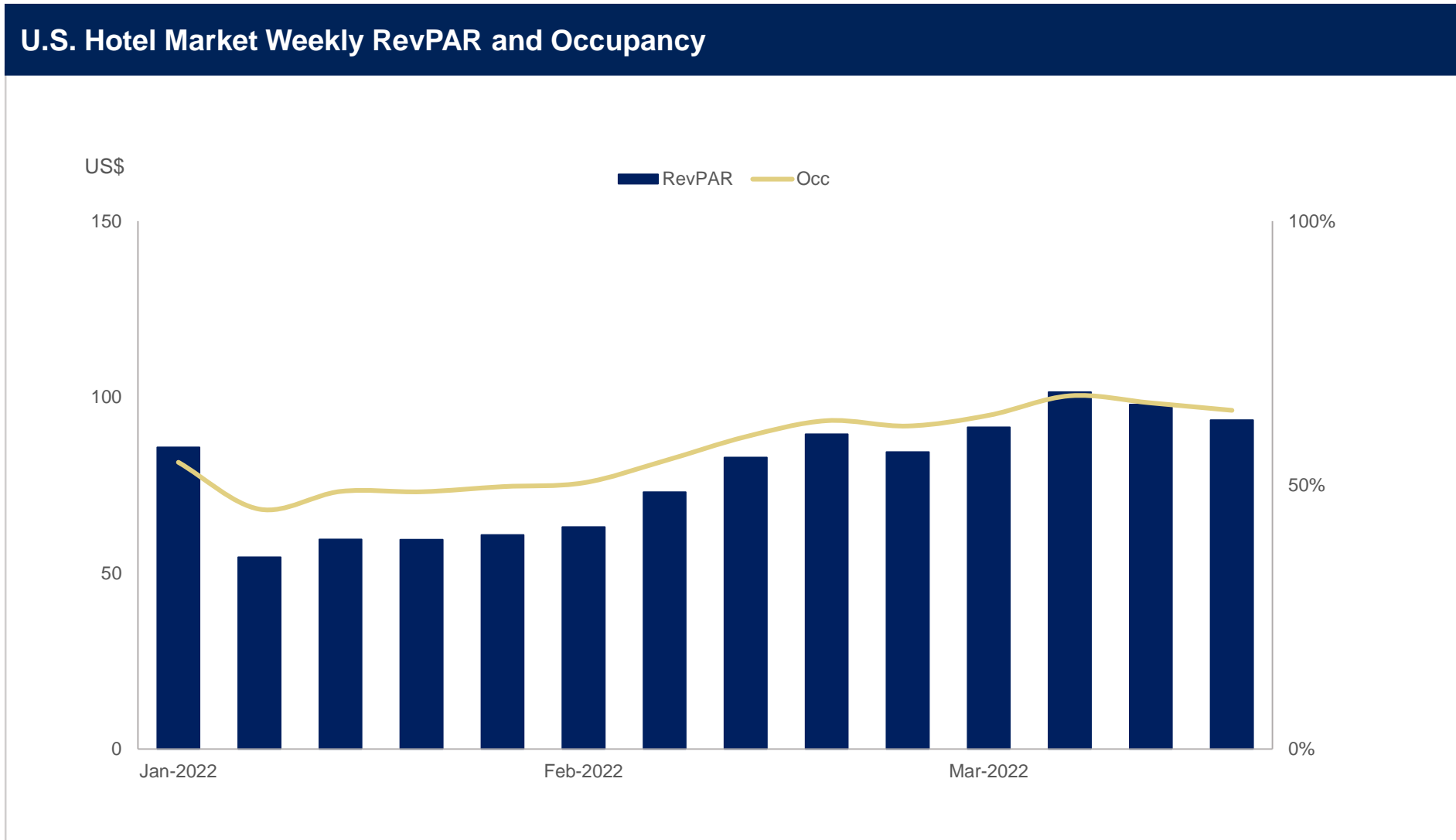


- U.S. COVID-19 vaccination rate at 66%
- Significant drop in new cases since peak of Omicron variant in January 2022
- Mask requirement on public transportation lifted in April 2022
- Hospitalisation and death rates continue downward trend

U.S. Hotel Market Recovery Supported by Strong Leisure Demand



Due to Omicron wave in Jan 2022, metrics dipped before rising again



PORTFOLIO PERFORMANCE



AC Hotel Marriott Raleigh North Hills

1Q 2022 Key Performance Indicators

Improvement across all performance indicators



54.6%
Occupancy ↑ 12.3pp y-o-y



US\$119
ADR ↑ 29.8% y-o-y

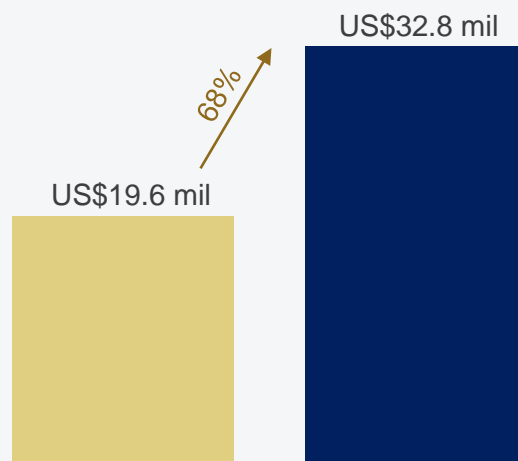


US\$65
RevPAR ↑ 67.4% y-o-y



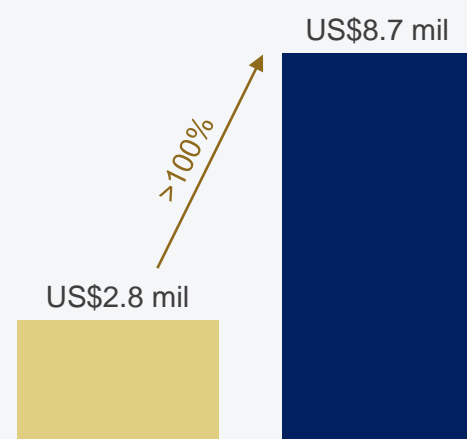
26.6%
GOP Margin ↑ 12.5pp y-o-y

Gross Revenue
US\$32.8 mil



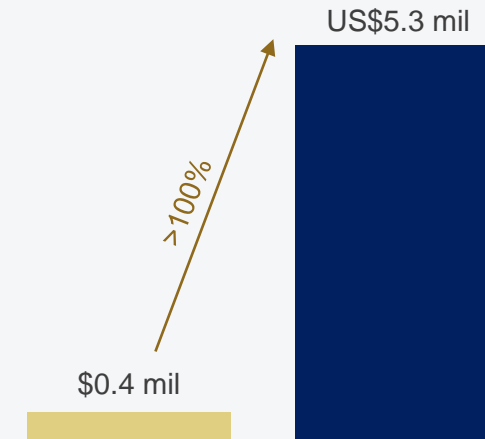
■ 1Q 2021 ■ 1Q 2022

Gross Operating Profit
US\$8.7 mil



■ 1Q 2021 ■ 1Q 2022

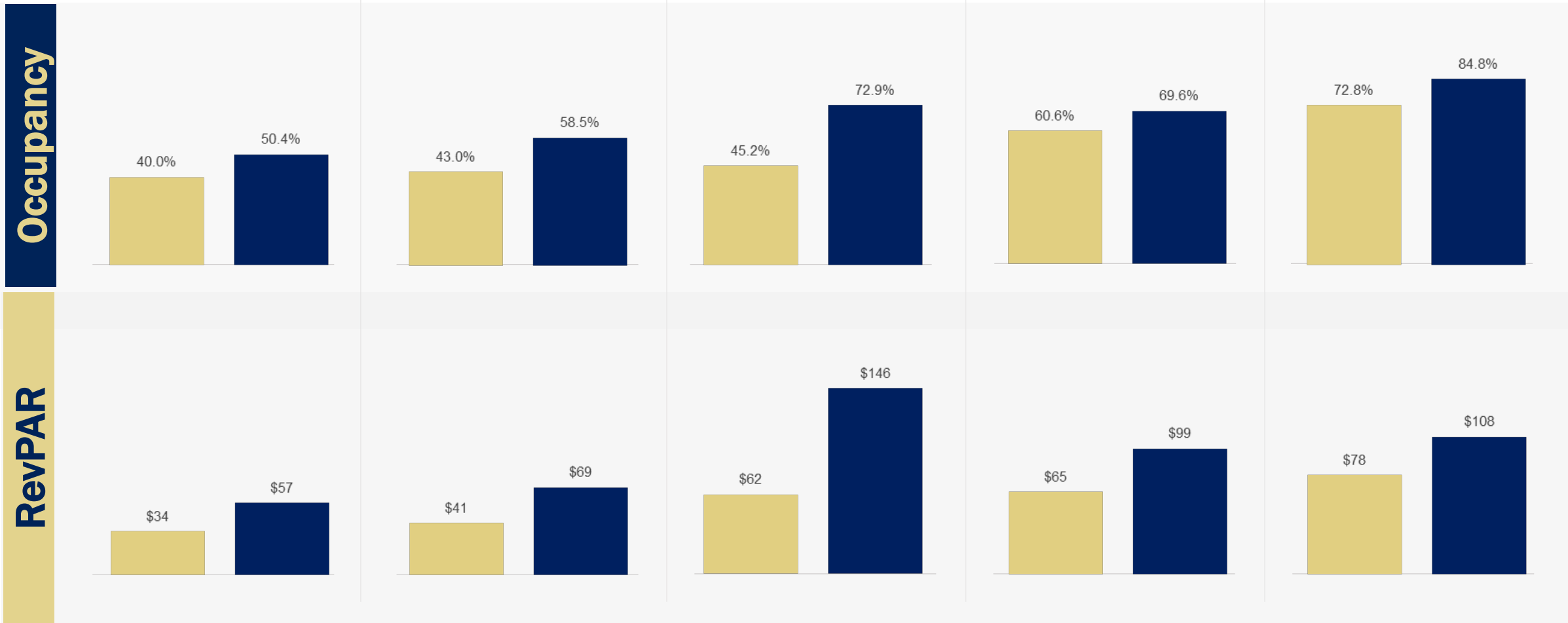
Net Property Income
US\$5.3 mil



■ 1Q 2021 ■ 1Q 2022

Portfolio Performance by Brands

Sustained recovery across the portfolio



■ 1Q2021 ■ 1Q2022

Sound Financial and Liquidity Position



Sequential improvement in ICR will create more debt headroom @ 50% gearing limit

	As at 31 Dec 2021	As at 31 Mar 2022
NAV per Stapled Security	US\$0.70	US\$0.70
Cash Balance	US\$19.2 mil	US\$17.7 mil
Total Debt Outstanding	US\$338.1 mil	US\$339.9 mil
Aggregate Leverage Ratio	44.3%	44.9%
Interest Cover Ratio	2.0x	2.3x
Weighted Average Debt Maturity	2.0 years	2.3 years
Average Cost of Debt (p.a.)	3.4%	3.6%
% of Fixed Debt	79.1%	78.6%

- New US\$95 mil 3-year unsecured facility partially drawn in 1Q 2022 - FY2022 loans due fully refinanced

LOOKING AHEAD



Recovery to Exceed Pre-pandemic Levels

Hotel industry fundamentals are forecasted to continue to improve

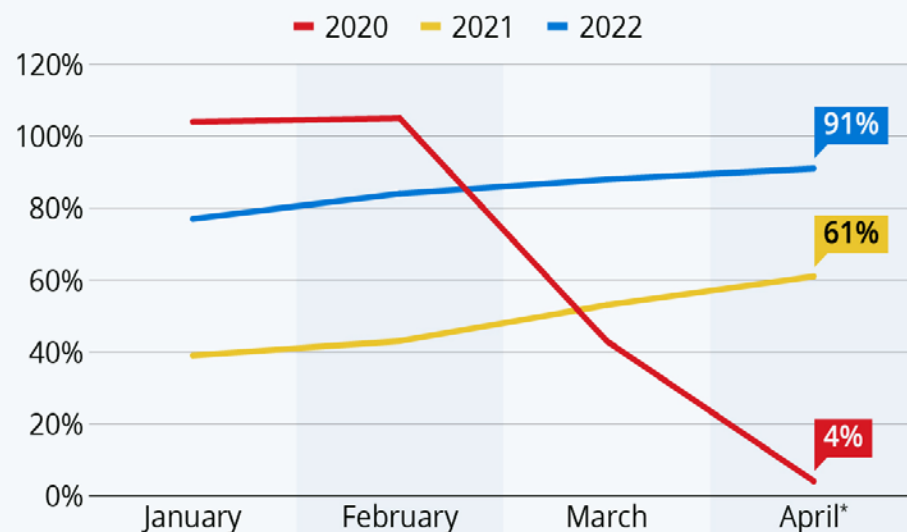
Year	2019	2020	2021	2022F	2023F	2024F
Occupancy	66%	44%	58%	64%	66%	67%
ADR	\$131	\$103	\$125	\$134	\$140	\$145
RevPAR	\$87	\$45	\$72	\$86	\$92	\$97
RevPAR compared w/ 2019	-	-50%	-17%	-1%	+7%	+12%

Air Travel Statistics Consistent with Hotel Trends

Travel volumes recovering close to pre-Covid levels

U.S. Airport Throughput Close to Pre-Pandemic Levels

Average daily number of travelers passing through TSA checkpoints at U.S. airports as a share of 2019 traffic



* through April 17

Source: U.S. Transportation Security Administration



statista

- All major US domestic airlines (American, United, Delta) report quick improvement over the last two months, particularly business travel
- United Airlines says large corporations are now returning to travel at faster rates than smaller companies
- A Delta Airlines survey revealed that 90% of their corporate accounts anticipate travel volumes to increase in the second quarter

Positive Factors With Challenges Ahead

Volatility amid continued recovery

- + Covid-19 transition from pandemic to endemic
- + Increased travel confidence and lifting of restrictions
- + Accelerating corporate and group travel



- Tight labor market
- High inflation
- Supply-chain disruptions
- Rising interest rates

Key Takeaways for 1Q 2022



- U.S. economic expansion continues into 2022 despite covid-related disruptions and geopolitical risks
- Travel continues to recover as Covid-19 transitions from pandemic to endemic
- Travel conditions to further improve with lifting of federal restrictions and return of corporate and group travel
- Our portfolio reflects general recovery pattern of U.S. lodging industry
- Sound financial and liquidity position and return of distributions

Thank You

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