



ARA US HOSPITALITY TRUST

1H 2021 FINANCIAL RESULTS

5 AUG 2021



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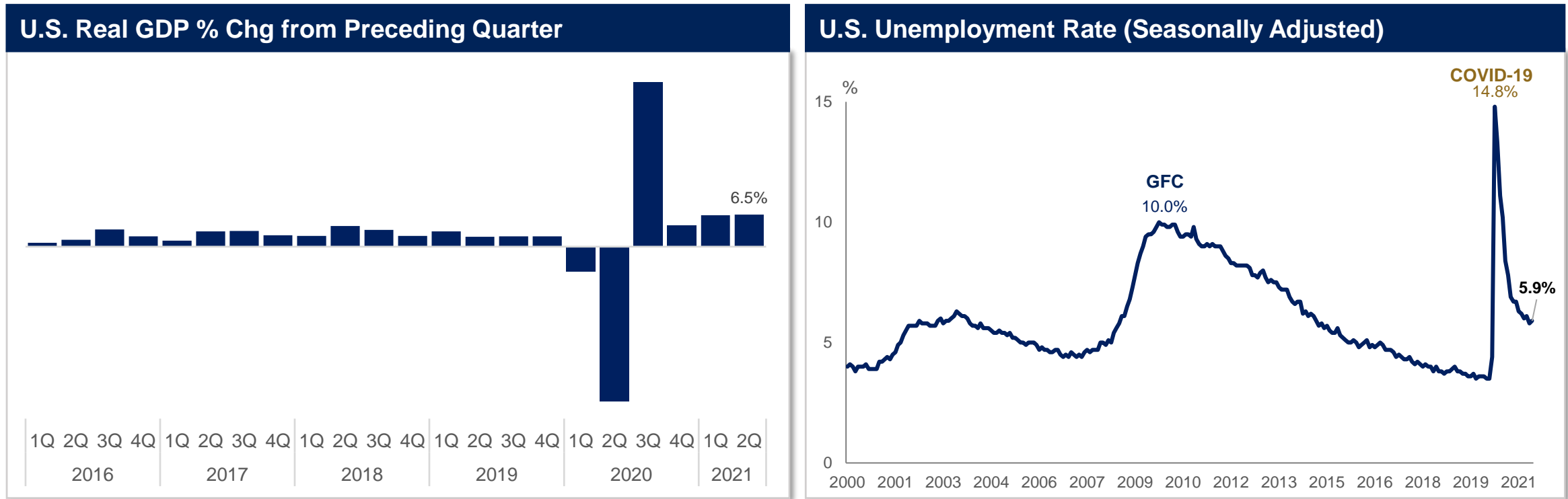
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A large American flag waving against a clear blue sky, positioned on the left side of the slide.

U.S. MARKET UPDATE

U.S. Economy Poised for Sustained Growth After Reopening

Sustained government spending and healthy economic momentum continue to support growth



- U.S. economy recorded fourth consecutive quarter of real GDP growth with 2Q 2021 at 6.5%
- U.S. CPI-U* increased by 0.9% in Jun 2021 – the largest 1-month change since Jun 2008
- Unemployment rate improved to 5.9% in Jun 2021 with continued job growth
- Federal fund rates continue to anchor near 0% in the near term

* Consumer Price Index for all Urban Consumers

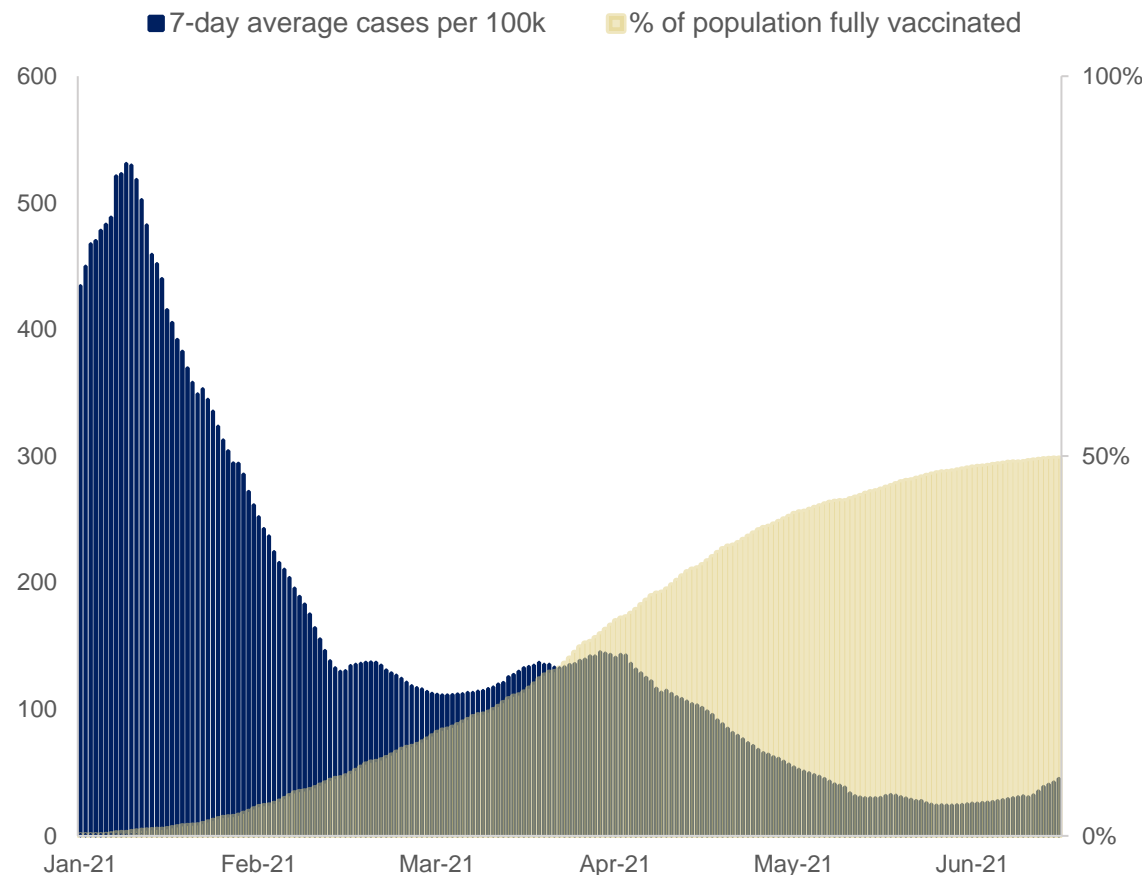
Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, IMF

Successful Vaccination Coverage Led to Lifted Travel Restrictions



COVID-19 cases declined significantly since Jan-21 peak

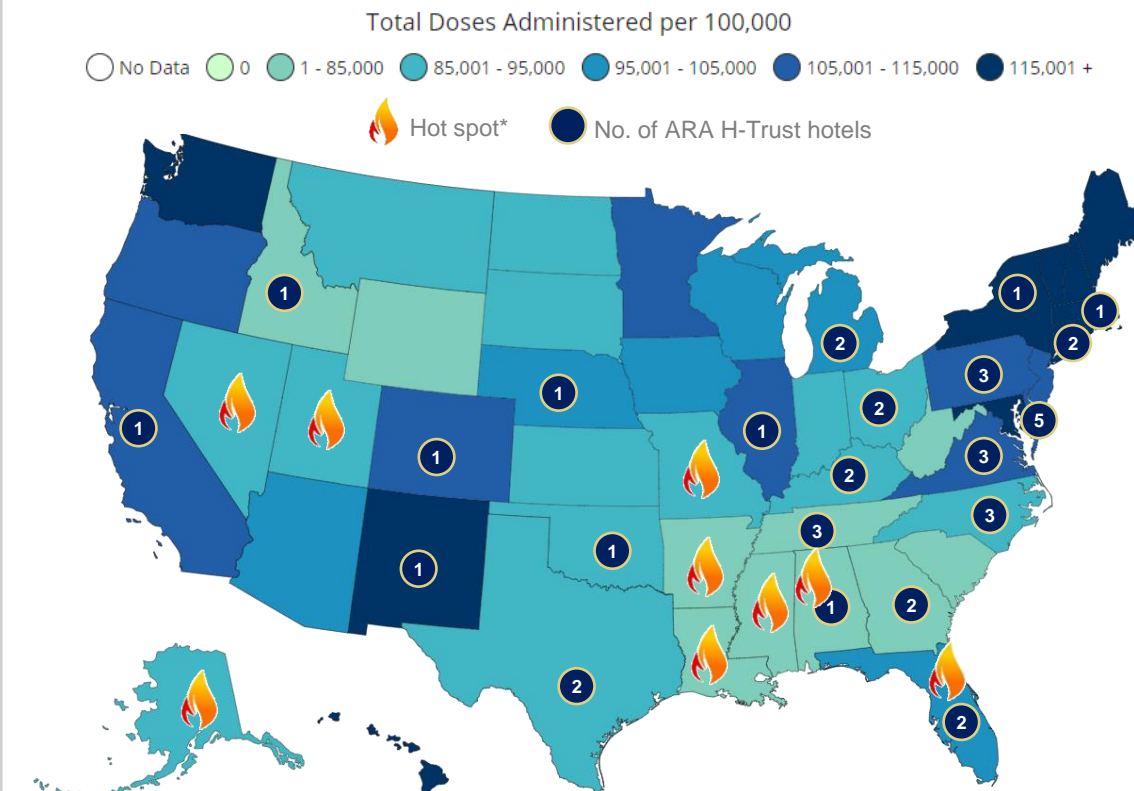
COVID-19 Cases in U.S. vs. % of Population Fully Vaccinated



Source: CDC

U.S. Vaccination Tracker by State & Hot Spots

As of 18 July 2021

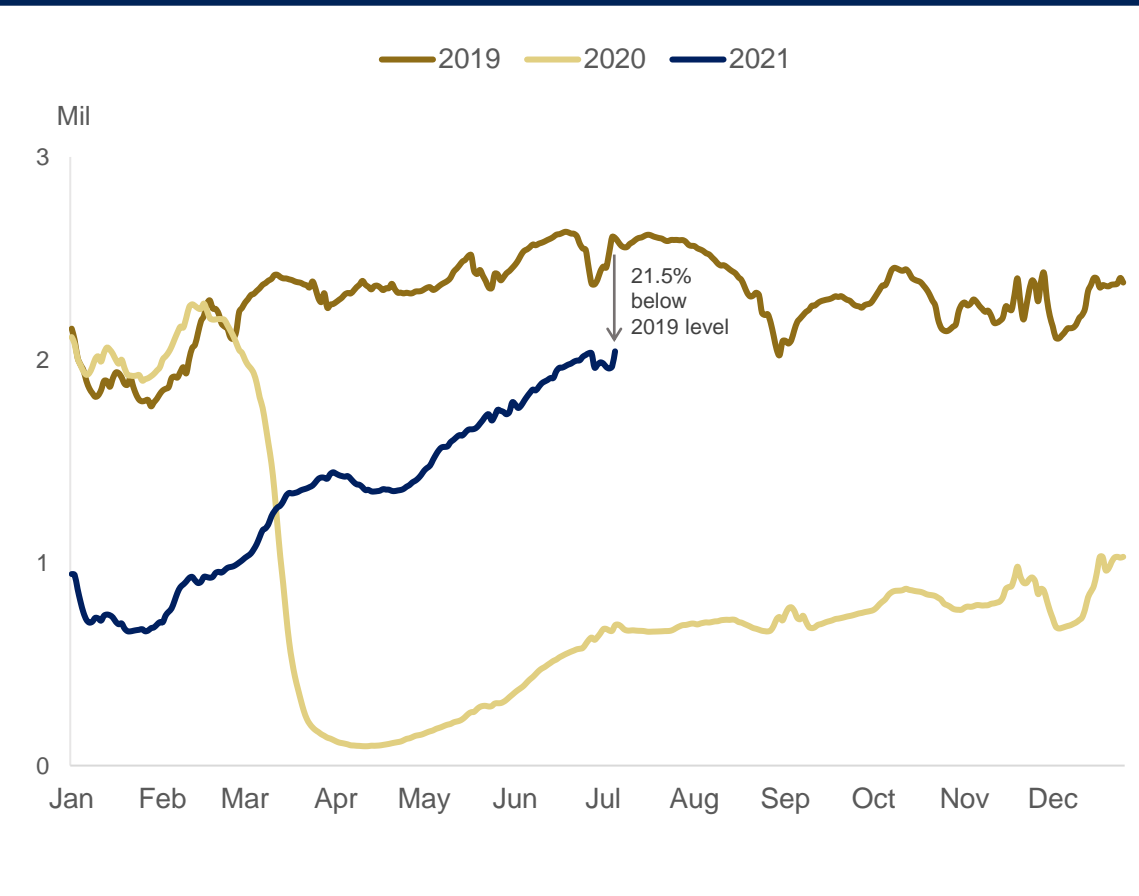


* Based on average >20 daily cases per 100k people in last 7 days

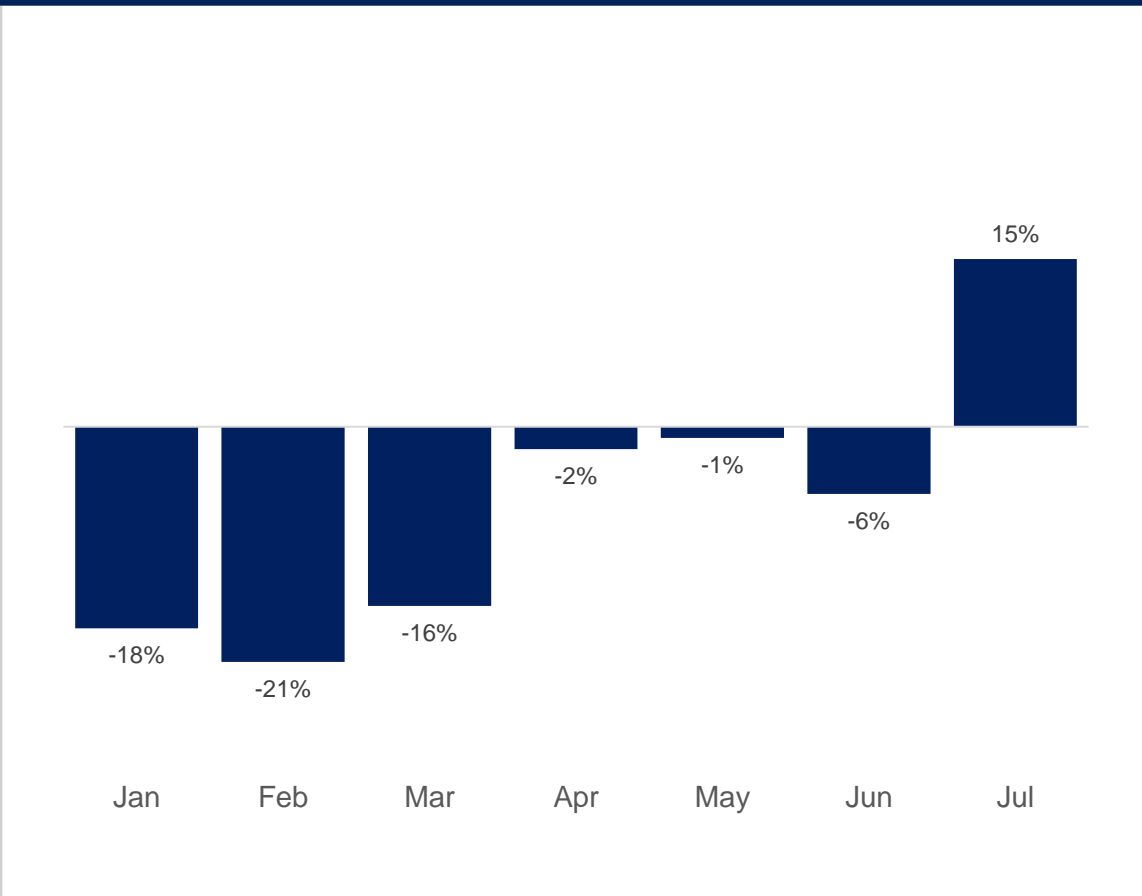
Leisure Air Travel and Road Trips Surged To Near Normalcy

Strong rebound following easing of restrictions and strong pent-up summer vacation demand

U.S. TSA Checkpoint Passenger Volumes



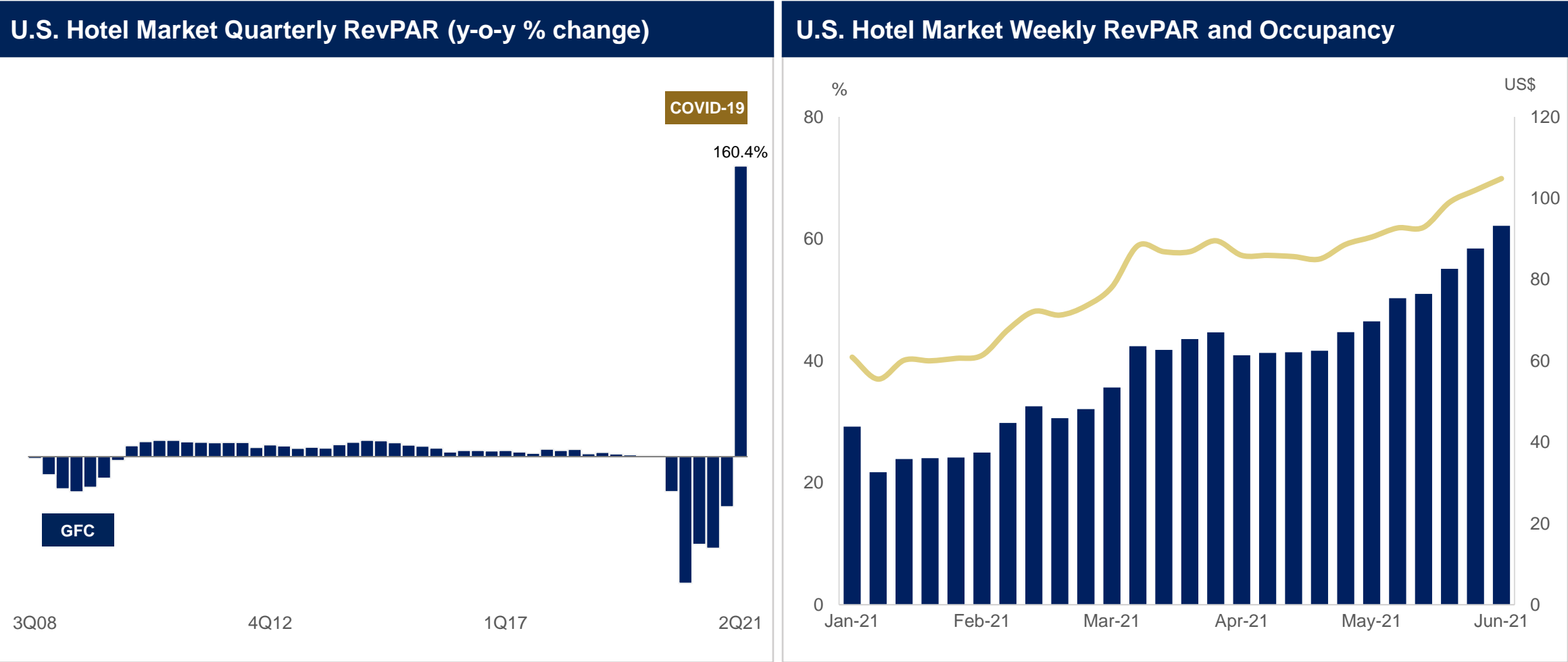
Arrivalist U.S. Travel Index¹ y-o-y Change (2021 vs. 2019)



¹ A measure of consumer road trips of 50 miles or more in the U.S.
Source: TSA, Arrivalist

U.S. Hotel Industry Continues Steady Rebound

Backed by pent-up leisure demand which strengthened hotel rates and occupancy

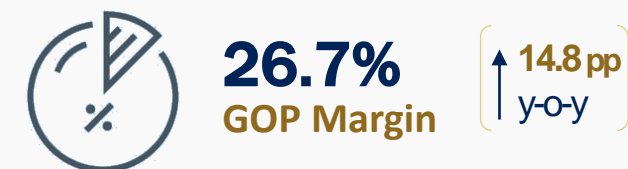




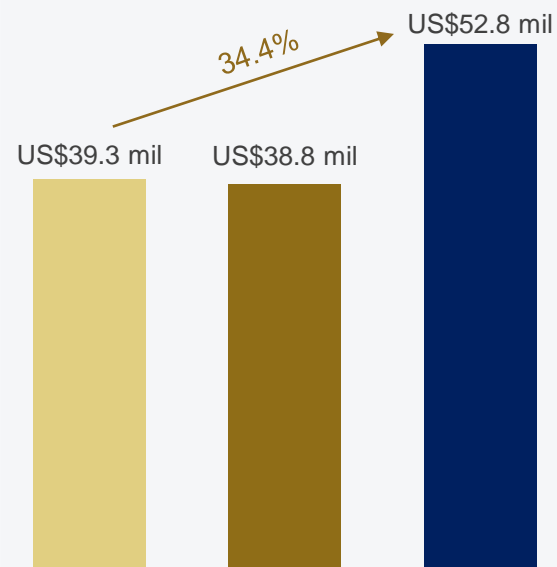
PORTFOLIO PERFORMANCE

1H 2021 Key Performance Indicators

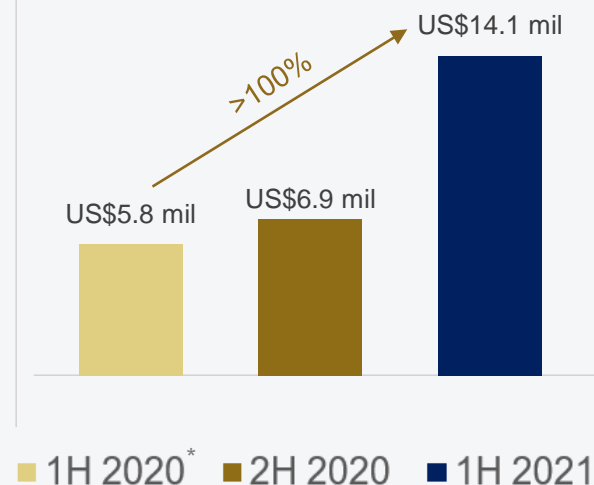
Continued upturn in performance



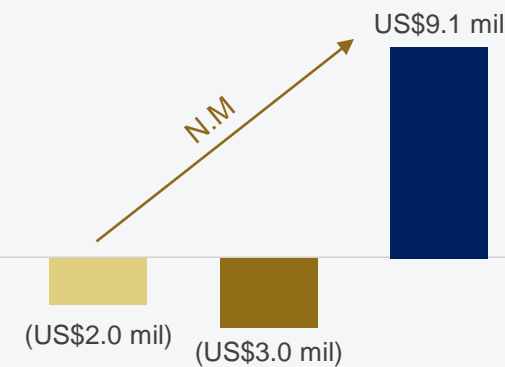
Gross Revenue
US\$52.8 mil



Gross Operating Profit
US\$14.1 mil



Net Property Income
US\$9.1 mil



* 1H 2020 included 2.5 months of pre-COVID-19 pandemic period in the U.S.

Reopening Further Boosted Performance






Sustained recovery since start of US vaccination rollout in mid-Dec 2020

	1Q 2021	2Q 2021	q-o-q change	1H 2021
Portfolio Performance				
Occupancy	42.3%	60.1%	17.8 pp	51.2%
ADR	US\$91	US\$108	18.7%	US\$101
RevPAR	US\$39	US\$65	66.7%	US\$52
RevPAR Index (RPI)	104.6%	106.7%	2.1 pp	106.1%
Financial Performance				
Gross Revenue	US\$19.6 mil	US\$33.3 mil	69.9%	US\$52.8 mil
Gross Operating Profit	US\$2.8 mil	US\$11.4 mil	>100%	US\$14.1 mil
GOP Margin	14.1%	34.2%	20.1 pp	26.7%
Net Property Income	US\$0.4 mil	US\$8.7 mil	>100%	US\$9.1 mil
Distributable Income ¹	-	-	-	-

¹ After deducting loan interest, other trust expenses and reserve for capital expenditures of 1H 2021. Reserve for capital expenditures of US\$2.8M for 1H 2021 relates to long-term capital asset improvements and refurbishment investments for the hotels

1H 2021 Portfolio Performance by Brands



Improved occupancy across all brands compared to 1H 2020

	Occupancy	y-o-y chg	RevPAR	y-o-y chg
 HYATT PLACE	47.9%	+ 5.6 pp	US\$46	+ 5.4%
 HYATT house™	53.9%	+ 10.7 pp	US\$55	+ 6.2%
 AC HOTELS MARRIOTT	56.6%	+ 1.5 pp	US\$86	- 10.4%
 COURTYARD® BY MARRIOTT	68.2%	+ 17.0 pp	US\$83	+ 30.3%
 Residence INN. BY MARRIOTT	84.0%	+ 32.3 pp	US\$96	+ 60.2%

* Occupancy and RevPAR for 1H 2020 included 2.5 months from January to mid-March of pre COVID-19 pandemic period in the U.S. and excluded the room inventory of hotels which were temporary closed between April to June 2020

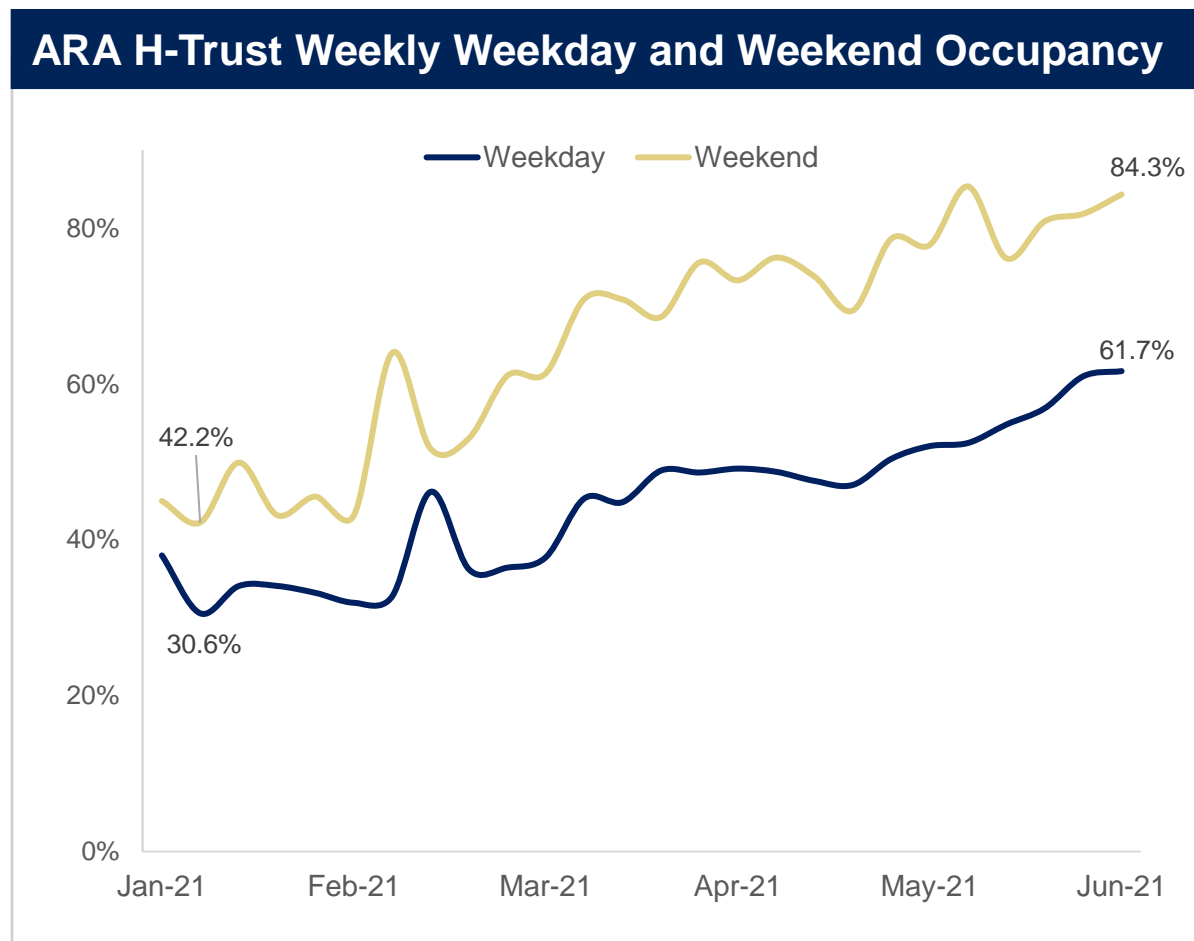
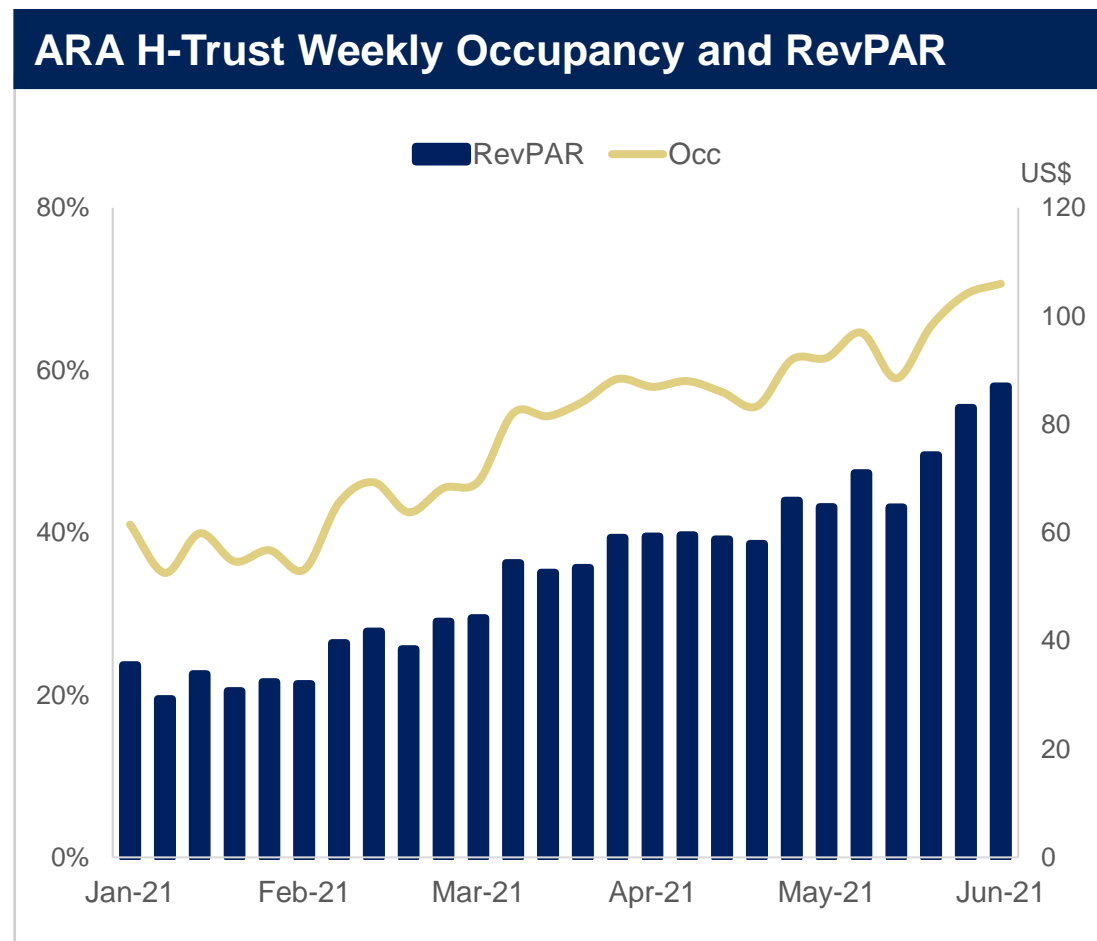
Sequential Performance Improvement Across All Brands

Growth in occupancy and RevPAR highlights strength of demand

	Occupancy			RevPAR		
	1Q 2021	2Q 2021	q-o-q chg	1Q 2021	2Q 2021	q-o-q chg
Hyatt Portfolio						
 HYATT PLACE	40.0%	55.8%	15.8 pp	US\$34	US\$58	70.6%
 HYATT house™	43.0%	64.7%	21.7 pp	US\$41	US\$69	68.3%
Marriott Portfolio						
 AC HOTELS MARRIOTT	45.2%	68.0%	22.8 pp	US\$62	US\$110	77.4%
 COURTYARD® BY MARRIOTT	60.6%	75.7%	15.1 pp	US\$65	US\$101	55.4%
 Residence INN. BY MARRIOTT	72.8%	95.0%	22.2 pp	US\$78	US\$114	46.2%

Occupancy and RevPAR at All-time Pandemic High

Rising weekday occupancy shows signs of recovery in business demand



Sound Financial and Liquidity Position



As at 30 Jun 2021

	As at 31 Mar 2021	As at 30 Jun 2021
NAV per Stapled Security	US\$0.60	US\$0.61
Cash Balance	US\$21.8 mil	US\$26.5 mil
Total Debt Outstanding	US\$355.9 mil	US\$356.9 mil
Aggregate Leverage Ratio	49.0%	49.0%
Weighted Average Debt Maturity	2.7 years	2.5 years
Average Cost of Debt (p.a.)	3.4%	3.4%
% of Fixed Debt	76.9%	76.7%

Financial position remained stable, with NAV per Stapled Security improving to US\$0.61 as at 30 June 2021 due to income generated from hotel operations in 2Q 2021.

* Lender banks have provided further extension of the financial covenants waiver up to December 2021, with 1Q 2022 financial covenants test to be performed by May 2022

Proactive, Hands-on Asset Management

Ensuring efficiency and upkeeping quality of assets and standards



Maintaining Operating Efficiencies

- Reformatted labor model
- Streamlined services and amenities
- Introduced new simplified F&B program
- New service contract savings
- Robust, successful tax appeals



Committed to Asset Preservation

- Exterior façade sealing and roof replacements
- Upgraded Wi-Fi infrastructure
- HVAC replacement with energy efficient models
- Guestroom door locks with RFID technology



Upholding Hotel Standards

- Implemented enterprise tracking and BI tools
- Enhanced health and sanitation practices
- Brand health report card integrated to KPIs
- Monthly review of performance to benchmarks



Addressing Labor Challenges

- New approaches to attracting and retaining talent
- Elevated associate relations and engagement
- Instituted housekeeping tip cards
- Launched Payactiv App for payroll information

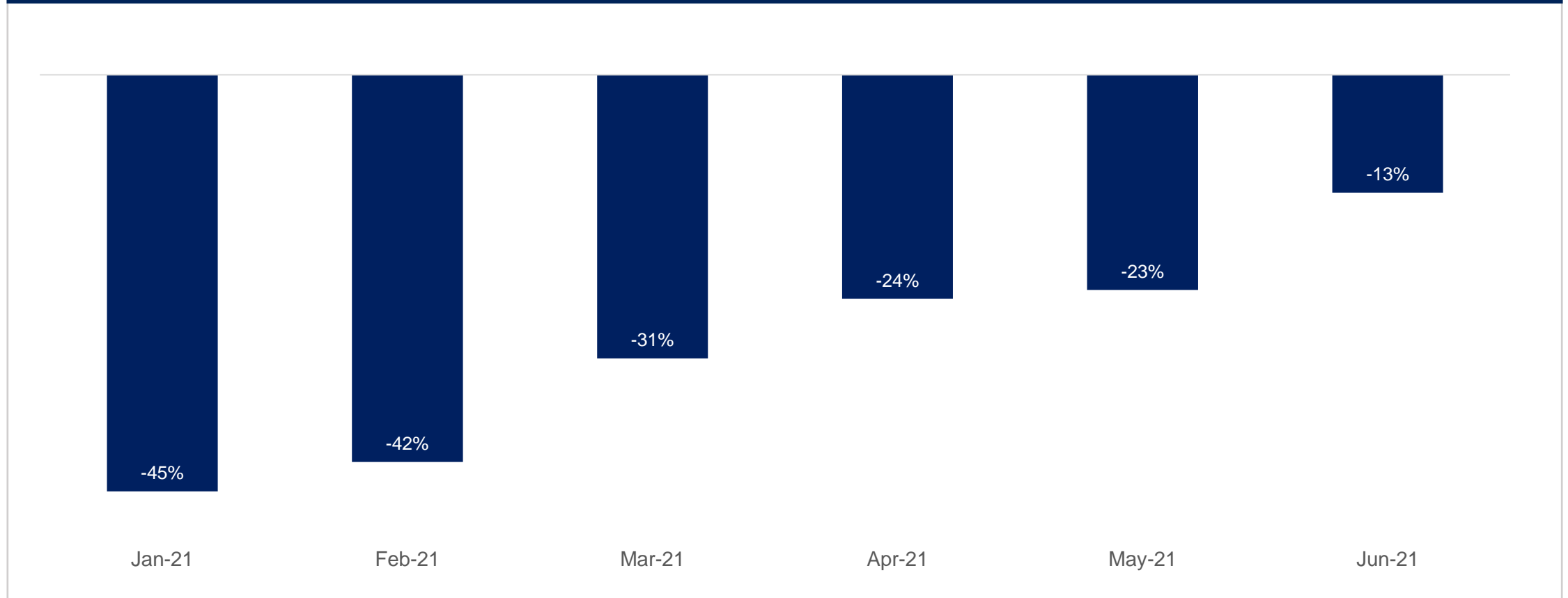
LOOKING FORWARD

Portfolio on Continued Recovery Path to Pre-Pandemic Levels



ARA H-Trust portfolio's booking pace continues to recover to 2019 levels

ARA H-Trust Hotel Portfolio Future Bookings – Room Nights (% chg v. 2019 level)



Pent-up Leisure Demand to Drive Further Recovery in 3Q 2021



Major travel surge anticipated for the months ahead



77%

of American travelers
plan to travel this summer



66%

of American travelers
have planned / booked
their summer trips



90%

of American travelers
plan to travel in the
next six months



61%

of American travelers plan
to travel domestically

Domestic Business Travel to Spur Continued Recovery in 2H 2021



Corporate travel to return meaningfully with improved travel sentiments and lifted restrictions

U.S. Corporations



40%

of U.S. businesses **have resumed** domestic corporate travel



55%

of U.S. businesses intend **to resume** corporate travel within the next 3 months

U.S. Business Travelers



77%

of U.S. employees **willing to resume** business travel



79%

of U.S. business travelers prefer in-person events and meetings

Three-pronged Strategy for Long-Term Value Creation

Focused on delivering sustainable and stable returns to Stapled Securityholders



Proactive Asset Management

- Regular on-site property tours and operational review
- Maintain operating efficiencies
- Commitment to asset/building preservation
- Upholding brand standards
- Addressing labor challenges



Prudent Capital Management

- Maximized liquidity and flexibility
- Established well-balanced loan schedule
- Obtained loan covenant waivers
- Strengthened balance sheet
- Reserve for capital expenditures for long-term sustainable portfolio



Yield-accretive Investment Management

- Focus on newer properties with premium brands
- Bias towards markets with barriers to entry and positive demographics
- Diversification by geographically and by brand
- Selective disposition of assets with long recovery prospects

Thank You

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