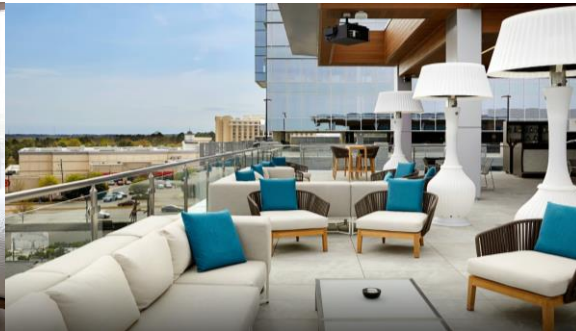




ARA US HOSPITALITY TRUST

2H / FY 2020 FINANCIAL RESULTS

24 FEB 2021



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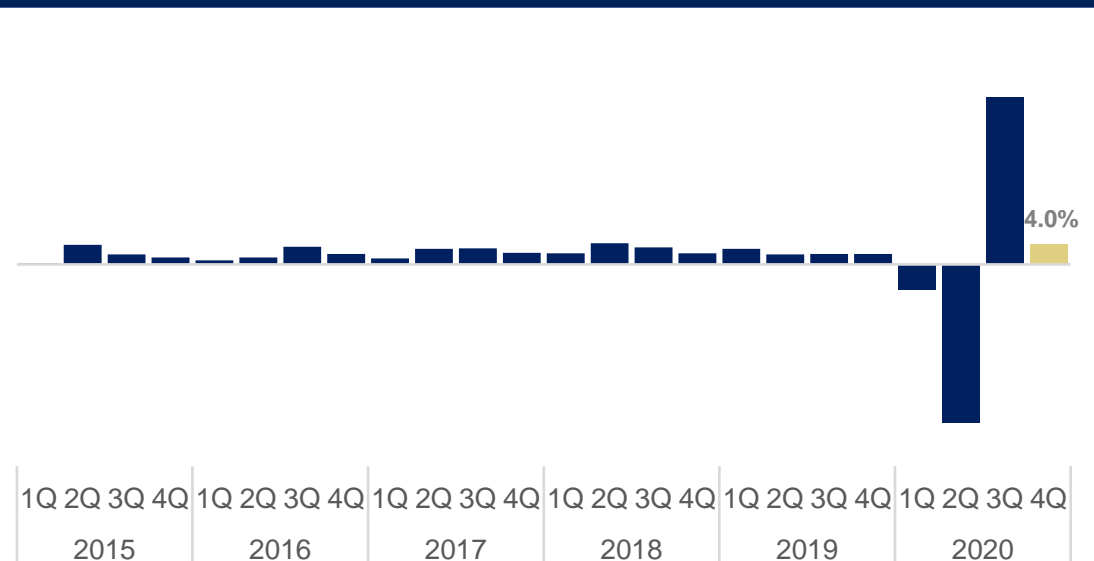


U.S. MARKET UPDATE

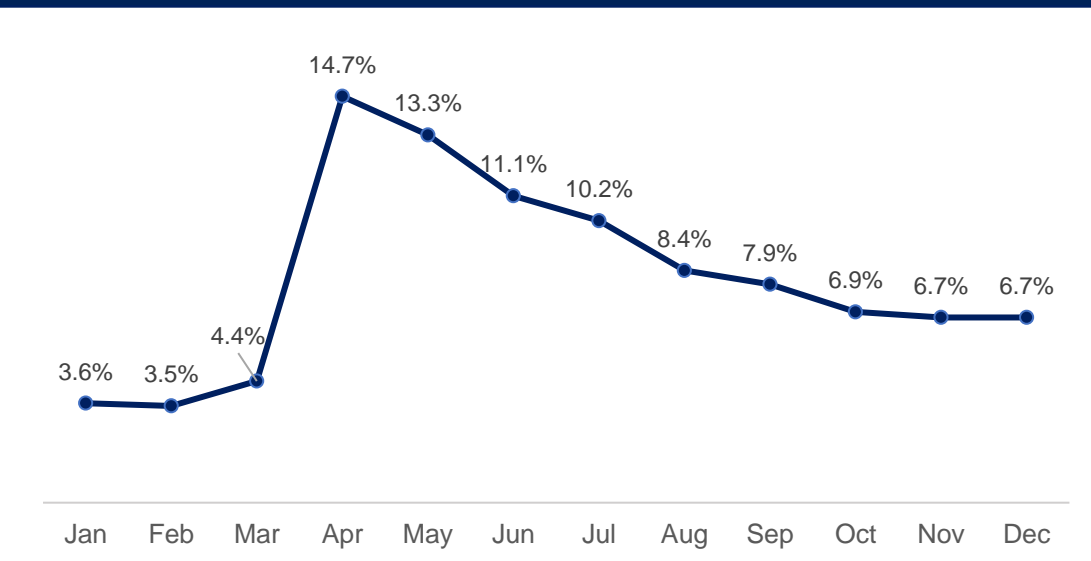
2020 In Review – An Unprecedented and Difficult Year

U.S. economy impacted by COVID-19, civil unrest, political turmoil and natural disasters in 2020

U.S. Real GDP Growth
% change from preceding quarter



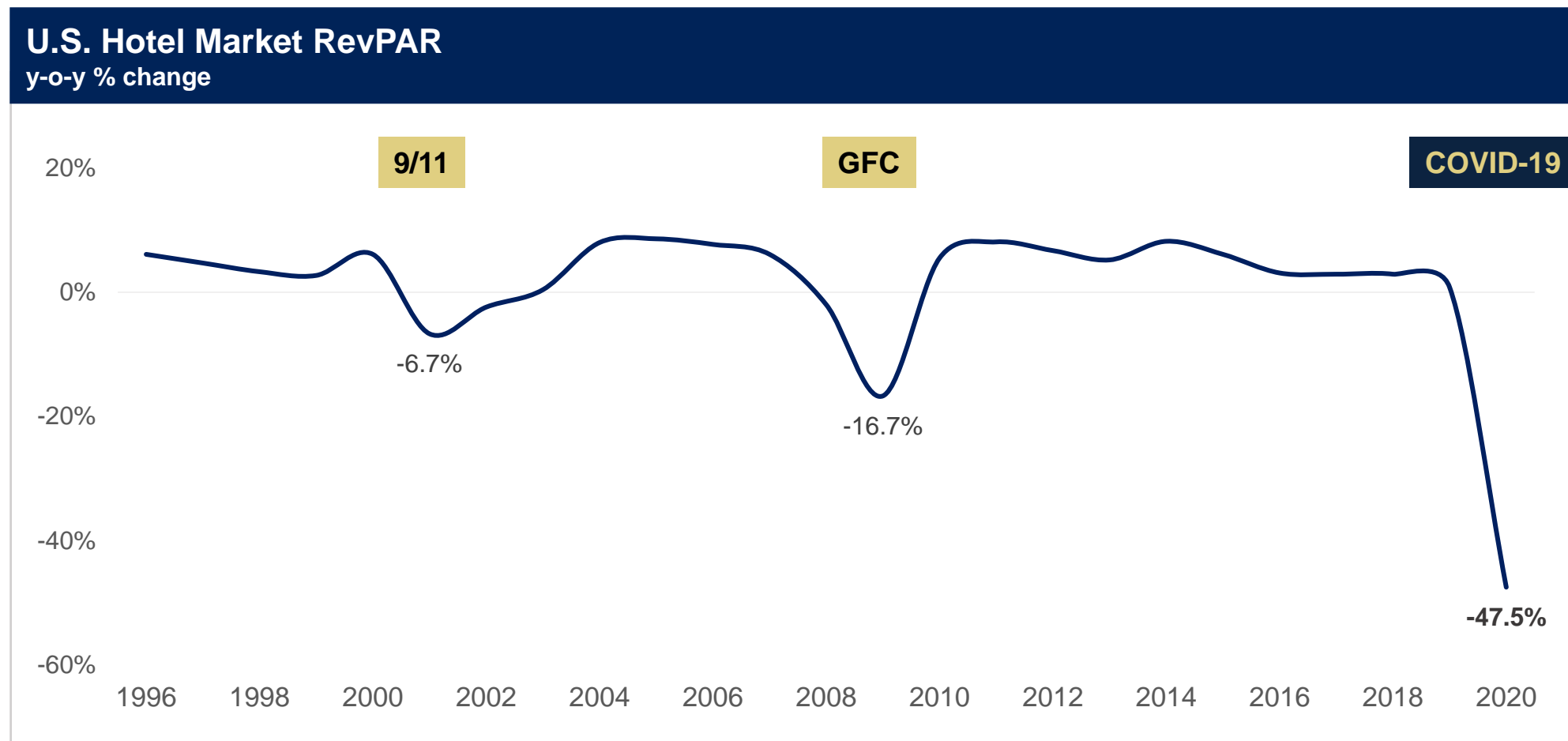
2020 U.S. Unemployment Rate
Seasonally Adj



- U.S. economy contracted by 3.5% y-o-y in 2020 despite a sharp rebound in 2H 2020
- CPI increased by 1.4% for the 12 months ended Dec 2020
- Unemployment rate spiked in Apr 2020 and has since settled. Unemployment remains elevated due to COVID-19 restrictions
- Federal fund rates expected to remain near 0% to support U.S. economic recovery

U.S. Hotel Market Suffered Worst Year on Record

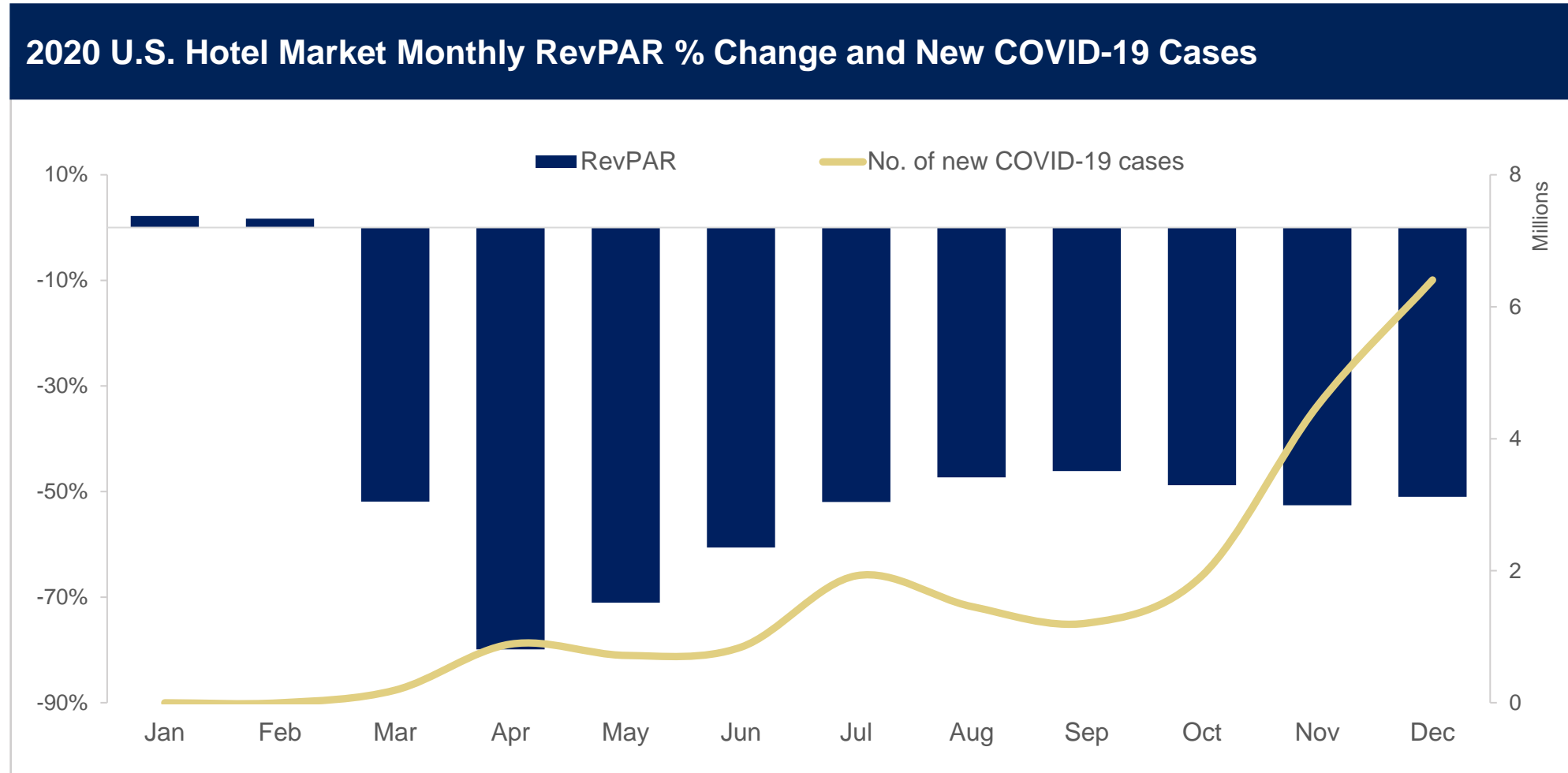
COVID-19 pandemic dislocation on U.S. hotel market far greater than prior recessions



RevPAR Remains Depressed Due To Travel Restrictions and Fears



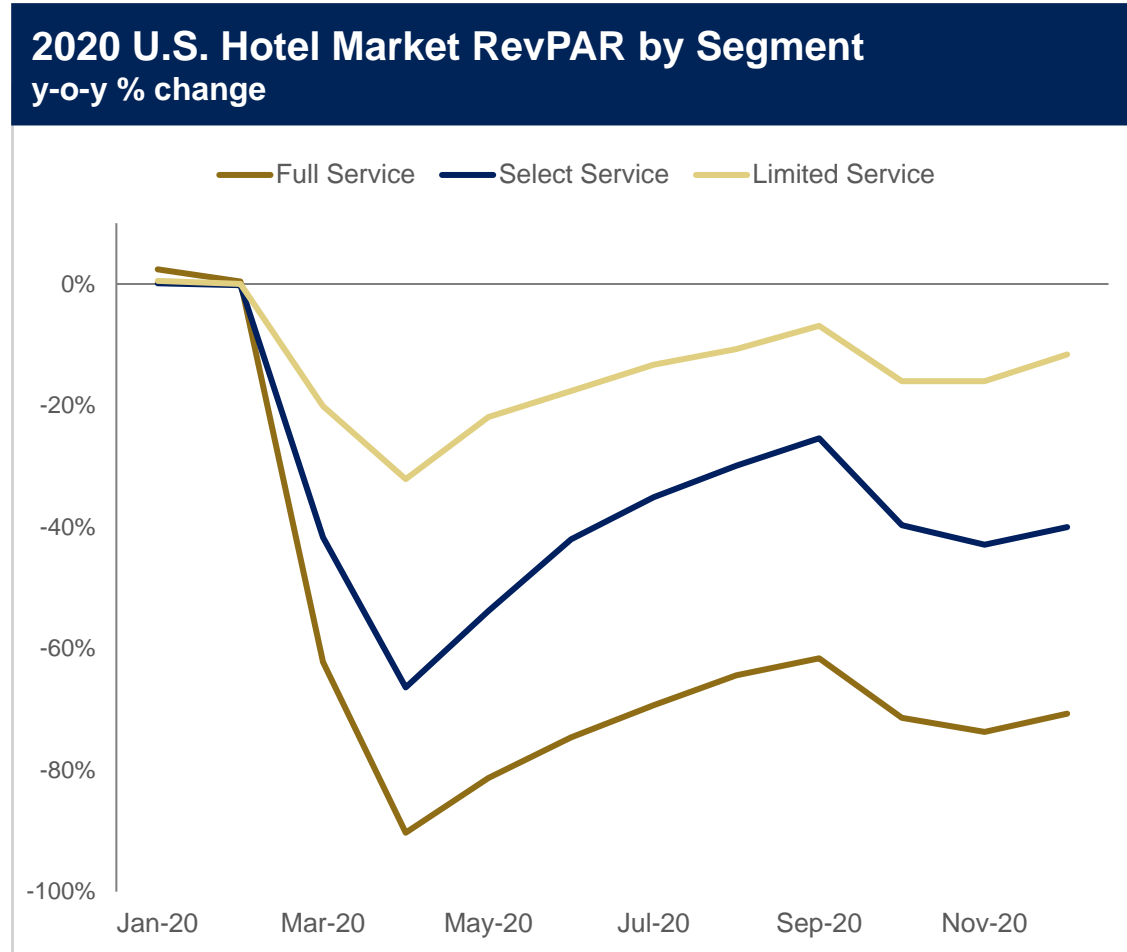
Effective vaccination and record-level federal stimulus should help expedite recovery



Limited and Select Service Hotels Continue to Lead in Recovery



Full-service hotels are challenged to reopen due to their operational format



Factors Driving Closures for Hotels

Permanent closures / conversions could reduce U.S. hotel supply by 8% – 16%



**Reliance on
International Inbound
Travelers**



**Obsolete Hotel
Product and Amenities**



**Reliance on
Convention / Group
Demand**



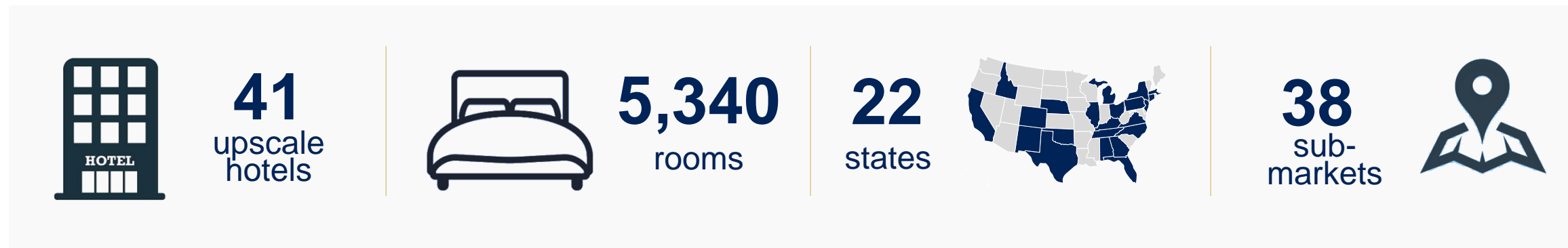
**Presence of
Union Labor**



2020: YEAR IN REVIEW

Resilient Portfolio Managed by Experienced Teams

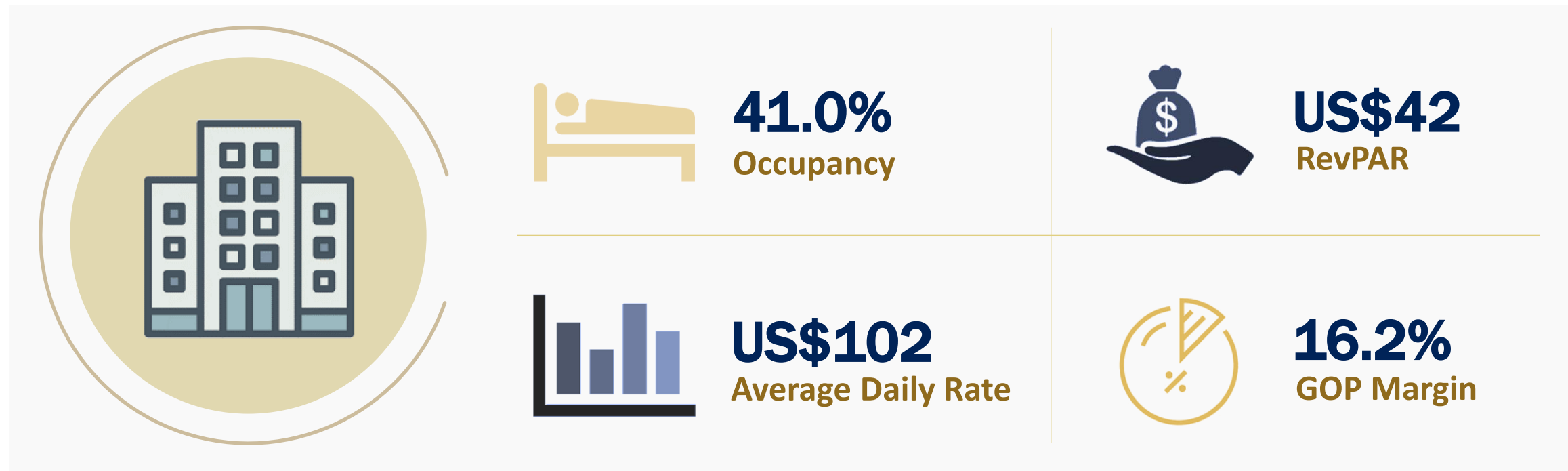
A diversified portfolio anchored by resilient fundamentals



¹ Based on valuations as at 31 December 2020

Portfolio's Performance Amidst COVID-19 Pandemic

FY 2020 key performance indicators



Gross Revenue
US\$78.2 mil

Gross Operating Profit
US\$12.7 mil

Net Property Income
(US\$5.0 mil)¹

¹ Inclusive of US\$1.0 mil of FY2021 property taxes accrued based on receipt of notices in accordance with IFRS

Staying on Course Amidst the Pandemic

Swift and proactive action plans undertaken to protect performance and preserve liquidity



Secured bookings
from U.S. federal agencies
and essential workforce

**Building Up
Hotel Occupancies**



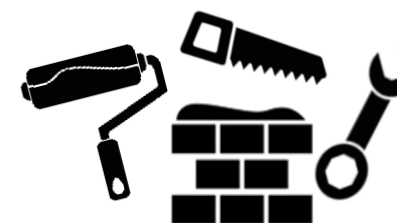
Leaner staffing model
21 → 14 FTEs¹ per hotel

**Smart & Streamlined
Labor Management**



Scaled down services
by reducing F&B offerings and
limiting daily housekeeping

**Refined
Operating Model**



Deferred capital projects,
only essential projects

**Prudent Capital
Management**

¹ Full-time employees

2H / FY 2020 FINANCIAL & PORTFOLIO HIGHLIGHTS

Portfolio Continued to Generate Positive Operating Profit

Proactive measures to minimize expenses and optimize profits in a low revenue environment

	1H 2020	2H 2020	FY 2020
Portfolio Performance			
Occupancy	43.2%	39.3%	41.0%
RevPAR	US\$48	US\$37	US\$42
Financial Summary			
Gross Revenue	US\$39.3 mil	US\$38.8 mil	US\$78.2 mil
Gross Operating Profit	US\$5.8 mil	US\$6.9 mil	US\$12.7 mil
GOP Margin	14.8%	17.7%	16.2%
Net Property Income	(US\$2.0 mil)	(US\$3.0 mil) ¹	(US\$5.0 mil)¹

¹ Inclusive of US\$1.0 mil of FY2021 property taxes accrued based on receipt of notices in accordance with IFRS

Acquisition of Marriott Portfolio in Jan 2020 Enhanced Portfolio



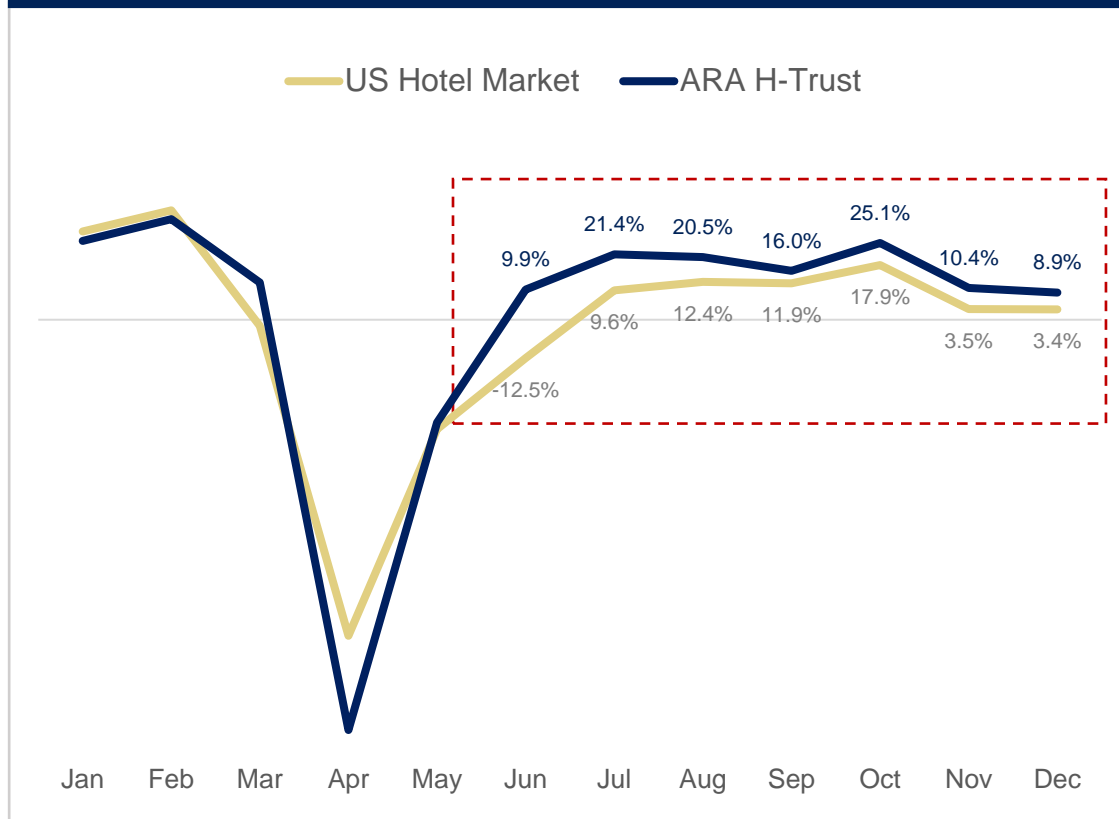
Extended-stay hotels (Residence Inn and Hyatt House) outperformed

Hotel Brand	1H 2020		2H 2020		FY 2020	
	Occ	RevPAR	Occ	RevPAR	Occ	RevPAR
Hyatt Portfolio	42.6%	US\$47	38.4%	US\$36	40.2%	US\$41
Hyatt Place	42.3%	US\$44	36.6%	US\$32	39.0%	US\$37
Hyatt House	43.2%	US\$52	42.3%	US\$45	42.7%	US\$48
Marriott Portfolio	52.5%	US\$71	51.3%	US\$55	51.8%	US\$61
AC Hotel	55.1%	US\$96	39.9%	US\$53	45.2%	US\$68
Courtyard by Marriott	51.2%	US\$64	44.1%	US\$39	46.7%	US\$48
Residence Inn	51.7%	US\$60	69.9%	US\$71	61.3%	US\$66
ARA H-TRUST	43.2%	US\$48	39.3%	US\$37	41.0%	US\$42

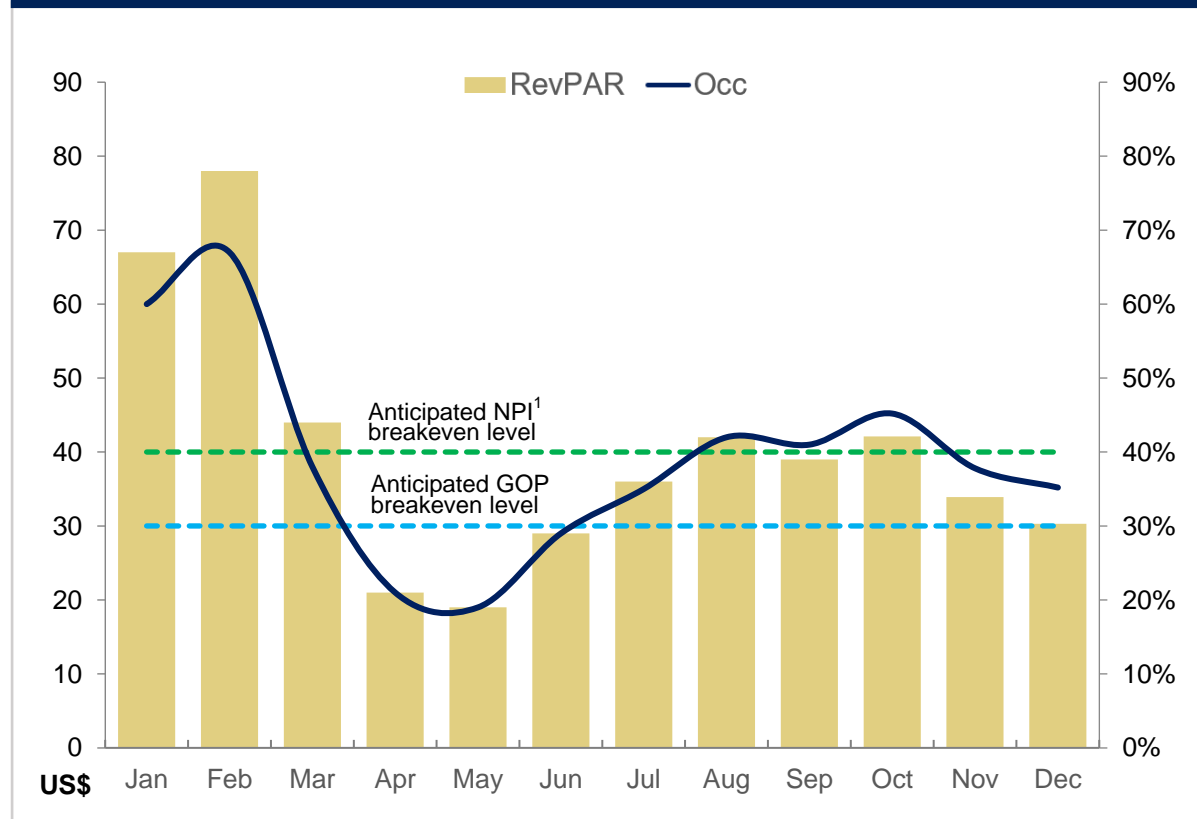
Managers Remain Focused on Profitability

Profit margins outperformed U.S. hotel industry since Jun 2020

2020 U.S. Hotel Market & ARA H-Trust GOP Margins



2020 ARA H-Trust Monthly RevPAR & Occupancy



¹ Assuming annual property taxes, insurance, and other fixed expenses are accrued and expensed on a monthly straight-line basis

Valuation Adversely Impacted in the Worst Year for U.S. Hotels

Snapshot as at 31 Dec 2020 reflects COVID-19 impact but not permanently

2019 Valuation	2020 Valuation	Prospective Valuation
38 Hotels (IPO portfolio)	41 Hotels (incl 3 Marriott hotels)	41 Hotels (incl 3 Marriott hotels)
As at 31 Dec 2019	As at 31 Dec 2020	When Stabilized
US\$704.7 mil¹	US\$686.9 mil	US\$888.4 mil²
	▼ 2.5%	▲ 26.1%

- 2.5% decline in total property value as at 31 Dec 2020 compared to 31 Dec 2019
- Valuation declined by 13.5% due to adverse impact of COVID-19 pandemic on performance, partially offset by acquisition of Marriott portfolio in Jan 2020
- U.S. valuers have additionally provided prospective when stabilized values in consideration of unprecedented and unique market circumstances caused by the COVID-19 pandemic

¹ Excludes Marriott portfolio valued at US\$88.9 mil as at 31 Dec 2019. The Marriott portfolio was acquired in Jan 2020.

² Values are stated as future values (US\$820.9 mil in today's values). Stabilization for ARA H-Trust properties is anticipated around 2024.

Secure Financial and Liquidity Position



As at 31 Dec 2020

	As at 30 Sep 2020	As at 31 Dec 2020
NAV per Stapled Security	US\$0.75	US\$0.62
Cash Balance	US\$19.6 mil	US\$26.8 mil
Total Debt Outstanding	US\$349.2 mil	US\$354.7 mil
Aggregate Leverage Ratio	43.0%	48.2%
Weighted Average Debt Maturity	3.3 years	3.0 years
Average Cost of Debt (p.a.)	3.5%	3.4%

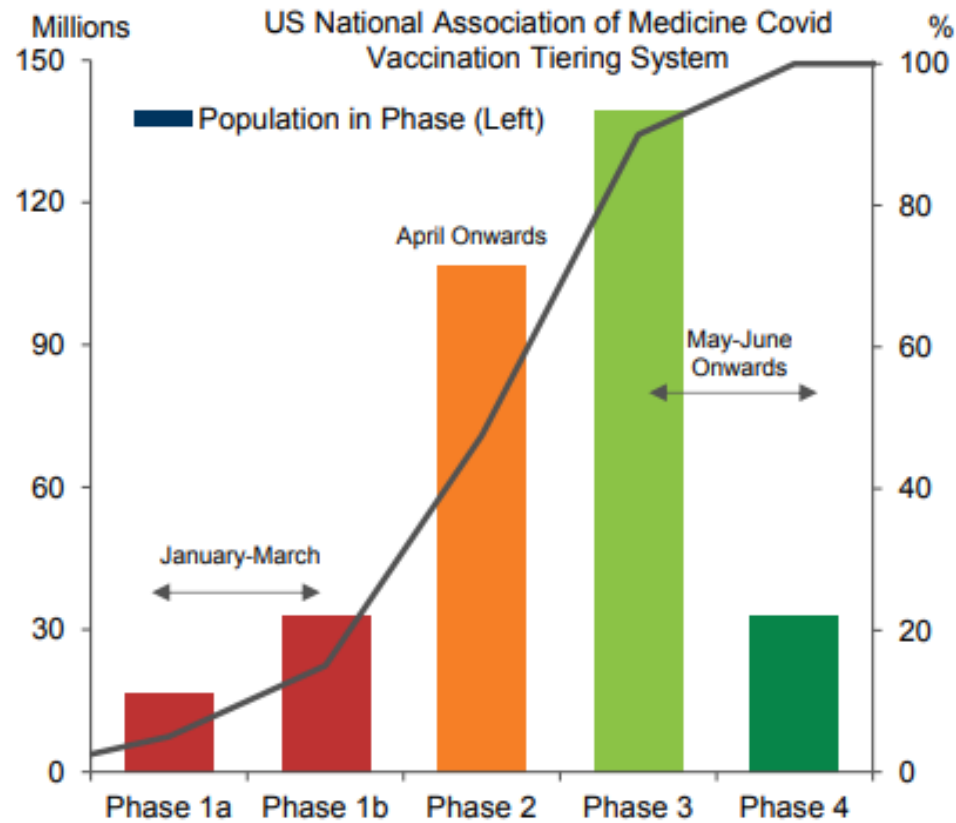
* Lender banks have provided further extension to the financial covenant waiver up to Jun 2021

CHARTING THE PATH TO RECOVERY

U.S. Population Potentially Fully Vaccinated by 3Q 2021

Rollout pit against speed with further ramp up in allocation and distribution

Vaccine Distribution Estimated Timeline

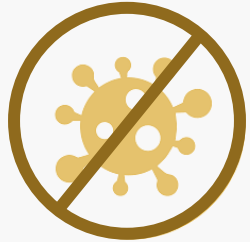


Phase 1 (~45mn)	Phase 2 (~105mn)
Phase 1a - High Risk Health Workers (12.6mn) - First Responders (2.1mn)	- One Comorbid Condition (80mn) - Obesity (30mn) - Diabetes (10mn) - Remaining Over Age 65 (13.2mn) - K-12 Teachers (9.1mn) - Essential Workers (2.7mn) in
Phase 1b - 2+ Comorbid Conditions (20mn) - Over Age 65 in Crowded Settings (6.8mn)	- Food Production/Cashiers - Construction/Utilities - Transportation/Delivery - Incarcerated + Staff (2.7mn) - Homeless + Shelter Staff (1mn)
Phase 3 (~140mn)	Phase 4 (~33mn)
- Children (80mn) - Young Adults Ages 18-30 (46.5mn) - Workers in Important Industries (13mn) - University Staff - Factory Workers - Restaurant/Hotel Staff - Bank Tellers and Librarians - Barbers and Exercise Instructors	Remaining population of the US (33mn)

Pent-up Demand, Restored Travel Confidence to Drive Recovery



Travel remains an important entitlement and expenditure to consumers



99% of U.S. travelers are eager and plan to travel again once COVID-19 travel restrictions ease



70% plan to take a holiday in 2021



42% of travel advisors reported renewed interest in smaller, regional meetings and conferences



83% believe that a vaccine will restore travel confidence

Select Service Hotels to Potentially Lead in Recovery

Recovery pace dependent on easing of restrictions and speed of effective vaccination



Initial Phase
Began Summer 2020



- Domestic leisure drive
- Domestic leisure fly

Secondary Phase
Begins 2Q 2021



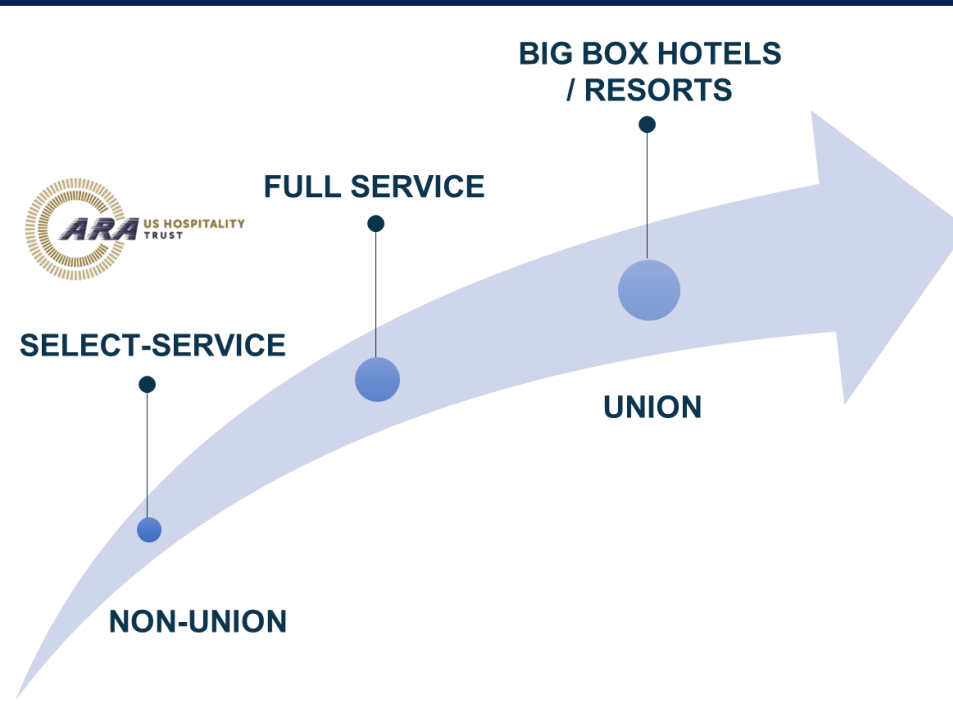
- Essential meetings
- Small & medium events
- Regional international

Final Phase
Begins 3Q 2021



- Large events
- Long-haul international

Pace of Recovery



Proactive, Hands-on Implementation of Key Initiatives

Managers' hotel expertise critical in directing path to recovery



Three-pronged Strategy for Long-Term Value Creation

Focused on delivering sustainable and stable returns to Stapled Securityholders



Proactive Asset Management

Active, hands-on portfolio management to improve NPI and enhance portfolio value



Prudent Capital Management

Optimizing capital structure to provide financial flexibility and maintain strong balance sheet



Yield-accretive Investment Management

Pursue acquisition opportunities to increase returns and enhance portfolio diversification

Thank You

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