



Holiday Inn Express®, Stellarton, NS



Investor Presentation

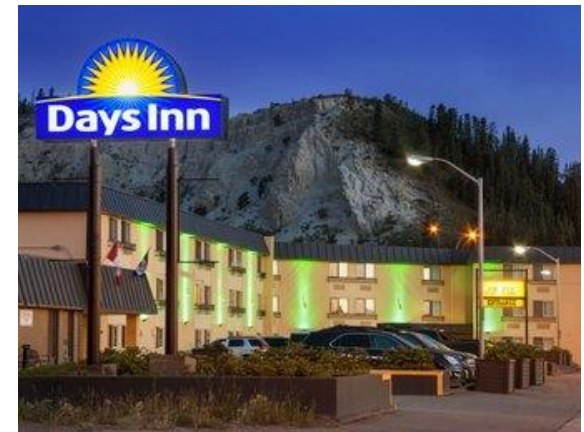
March 22, 2017



DoubleTree by Hilton®, London, ON



Holiday Inn®, Ottawa, ON



Days Inn®, Whitehorse, YT

Forward-Looking Statements

This corporate presentation contains forward-looking information within the meaning of applicable securities laws. Forward-looking information may relate to Holloway's future outlook and anticipated events or results and may include statements regarding Holloway's future financial position, business strategy, financial results, plans and objectives. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Forward looking-information is subject to certain factors, including risks and uncertainties, that could cause actual results to differ materially from what Holloway currently expects and there can be no assurance that such statements will prove to be accurate. Some of these risks and uncertainties are described under "Risk Factors" in Holloway's Annual Information Form ("AIF"), dated March 9, 2017 which is available at www.sedar.com. Holloway does not intend to update or revise any such forward-looking information should its assumptions and estimates change.

All information contained in this presentation is as of December 31, 2016 unless otherwise specified.

Overview of Holloway

Overview of Holloway

- 33 hotels with 3,755 rooms¹
 - ~ 27 limited service, 6 full service
 - ~ Internal management for all hotels
- Development assets
 - ~ 3 free standing single tenant properties
 - ~ 7 land development parcels
- Enterprise value of \$311mn
 - ~ \$104mn market capitalization²
 - ~ \$207mn of debt outstanding³
- Dividend
 - ~ \$0.14 dividend (annualized)
- Currently managing 3 properties for third parties



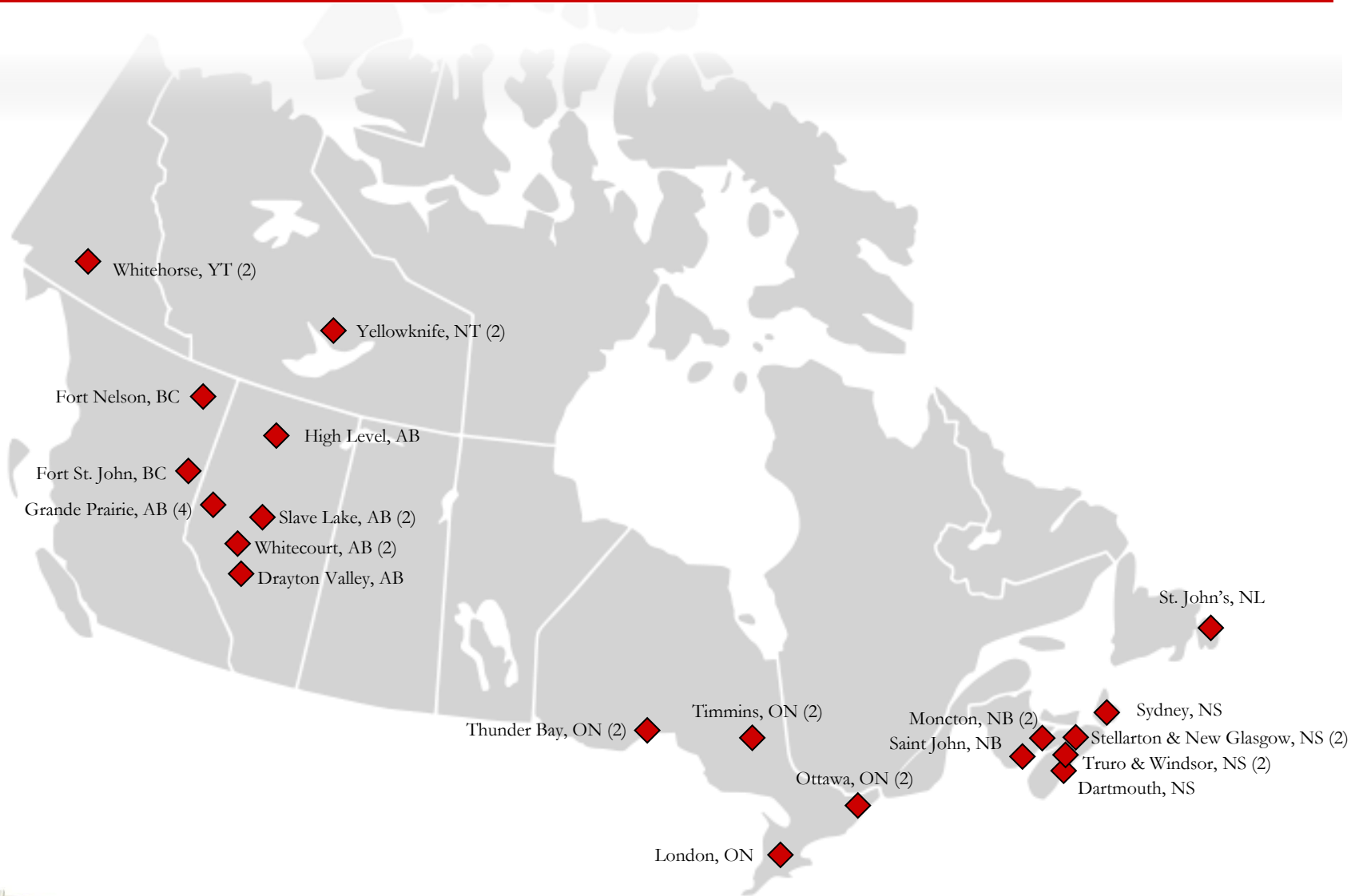
Holiday Inn® & Suites, Grande Prairie, AB

¹As of March 21, 2017.

²Based on share price on March 21, 2017.

³Based on net debt as of February 28, 2017, adjusted for the sale of Travelodge Belleville on March 20, 2017.

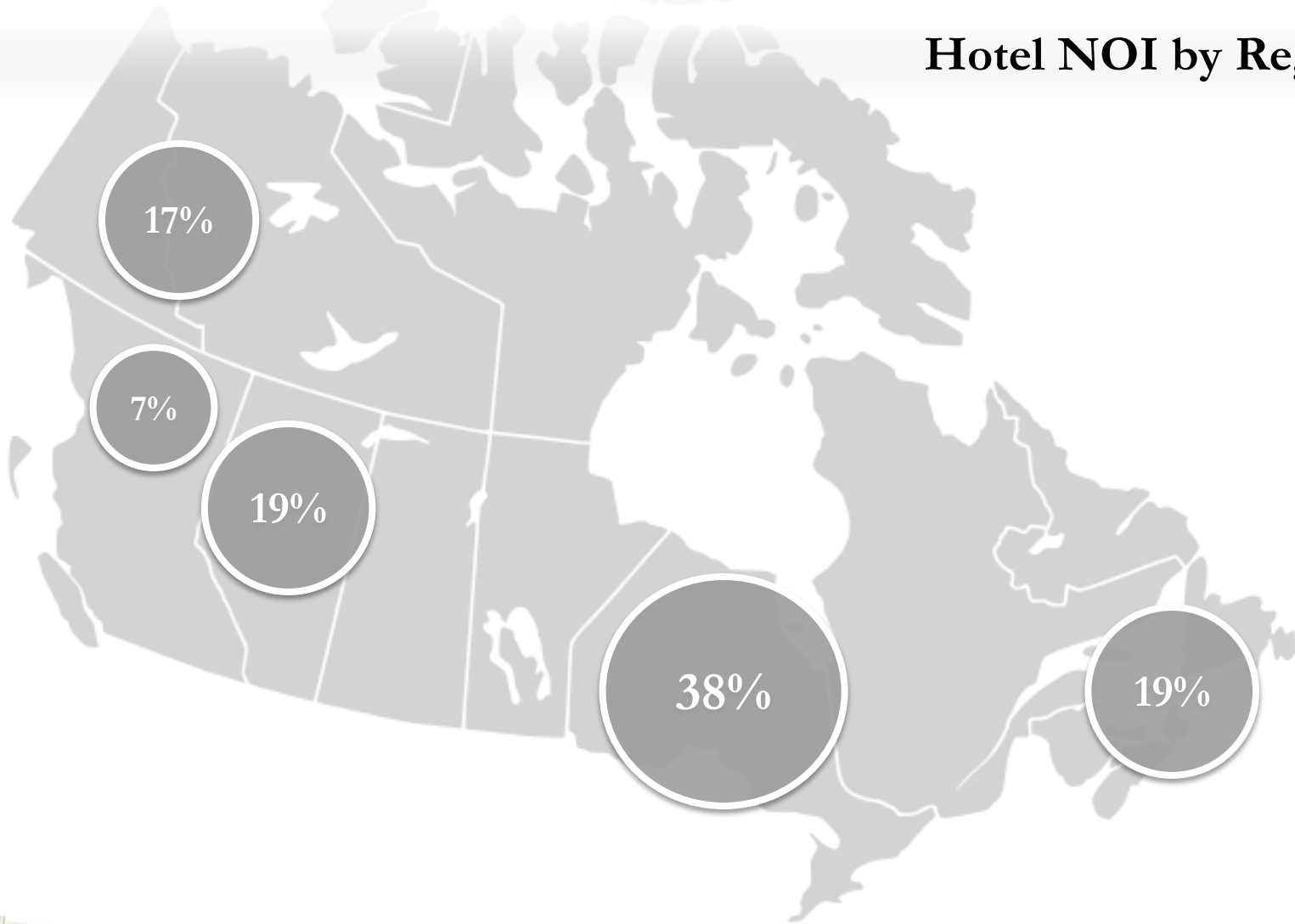
Hotel Portfolio - Locations



*As of March 21st, 2017.

Hotel Portfolio – Geographic Diversification

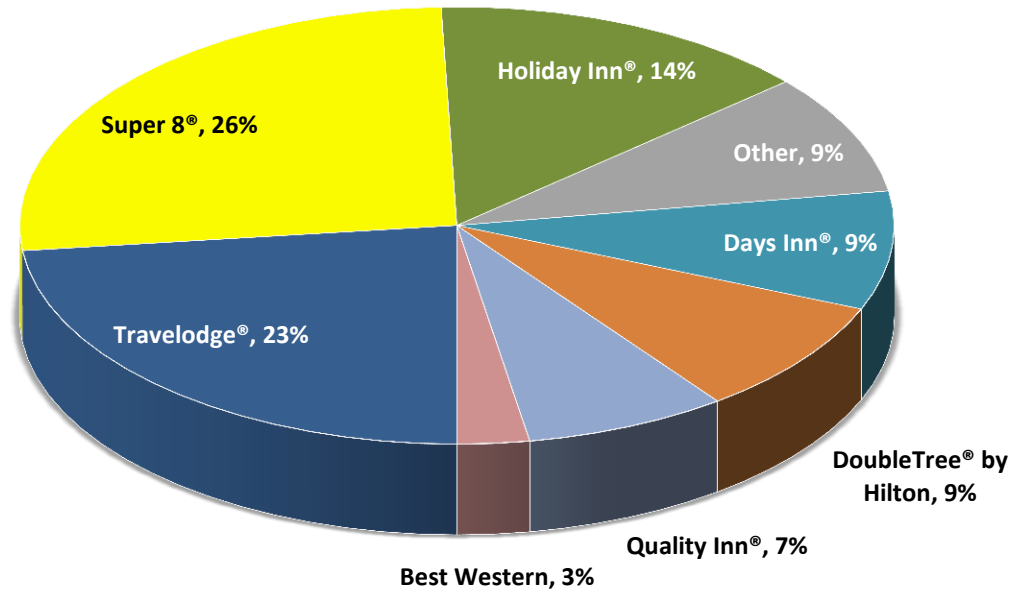
Hotel NOI by Region*



* Based on 2017 forecast.

Hotel Portfolio – Brand Diversification

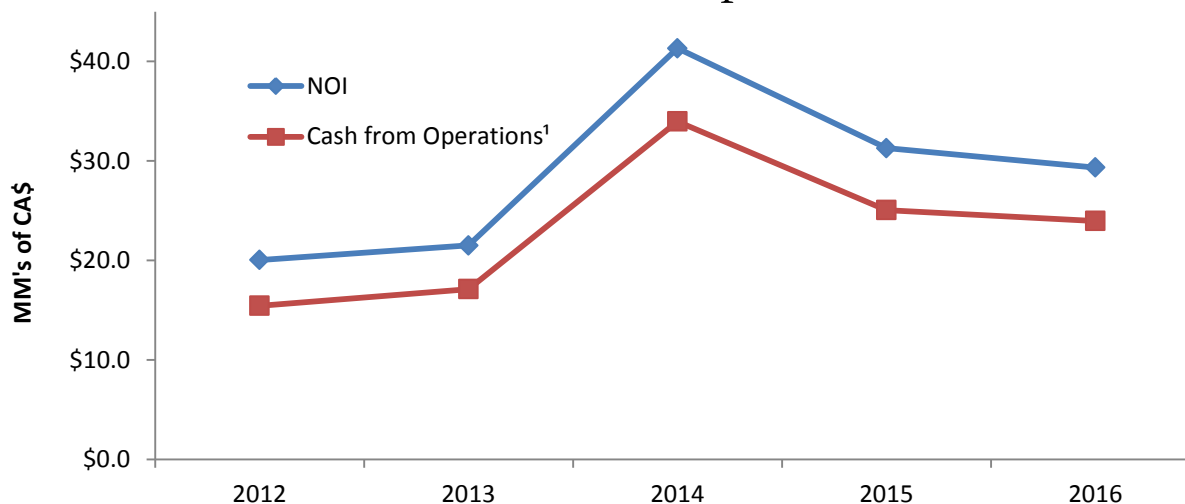
Rooms



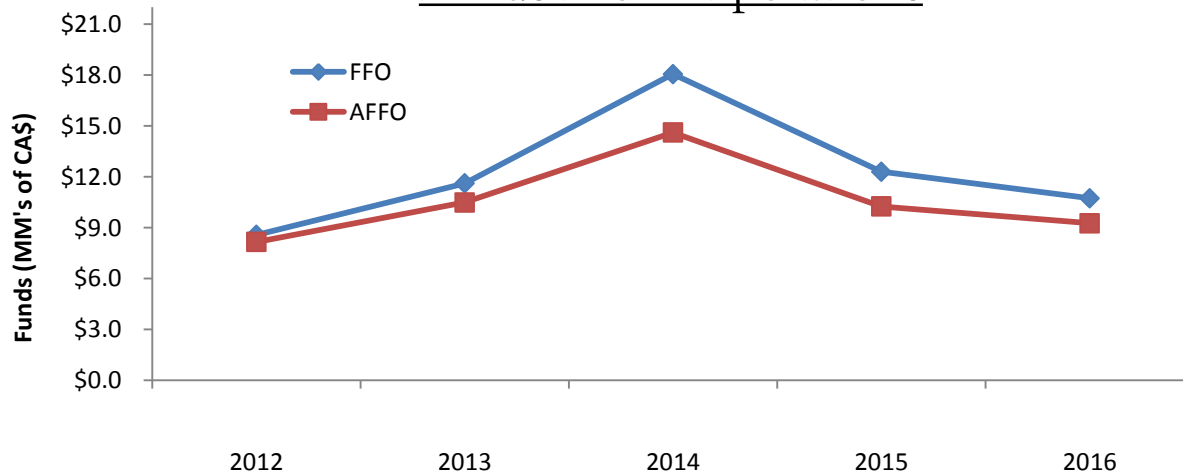
Performance of Holloway

Focused on Cash Flow

Cash From Operations



Funds From Operations

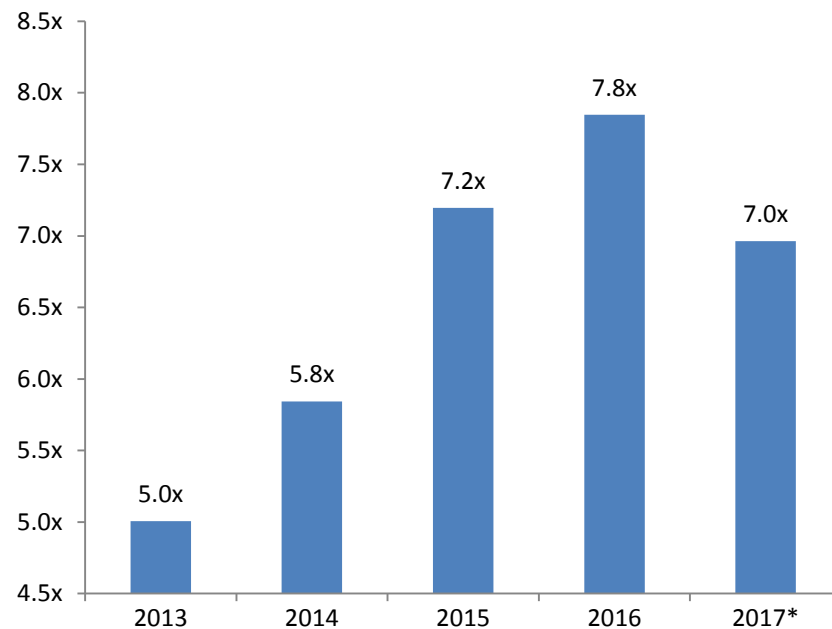


¹Gross operating profit before D&A less 4% capex reserve and G&A expense.

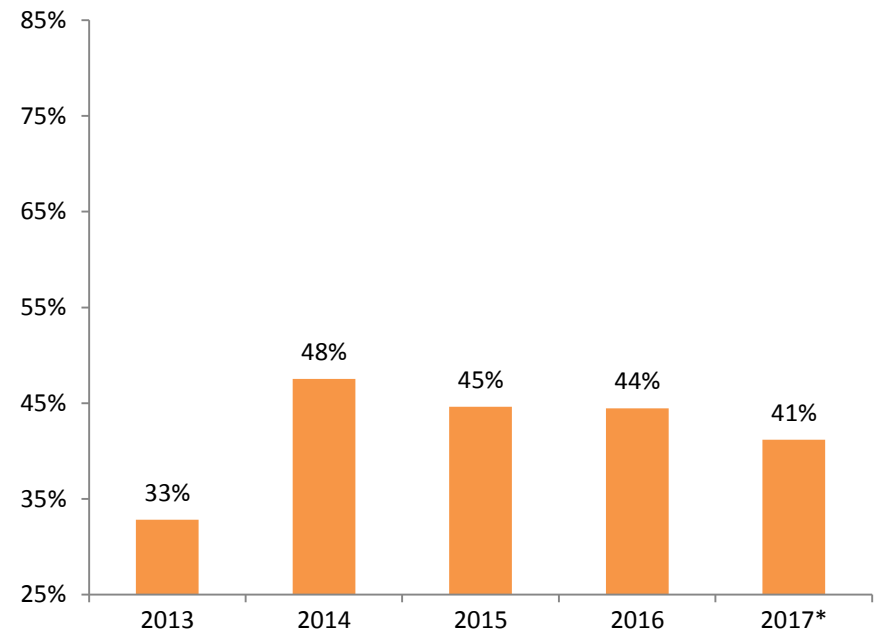
Focused on a Strong Balance Sheet

- Increased debt ratio due to reduced Western Canada business level and closure of hotels for renovations.

Net Debt to NOI



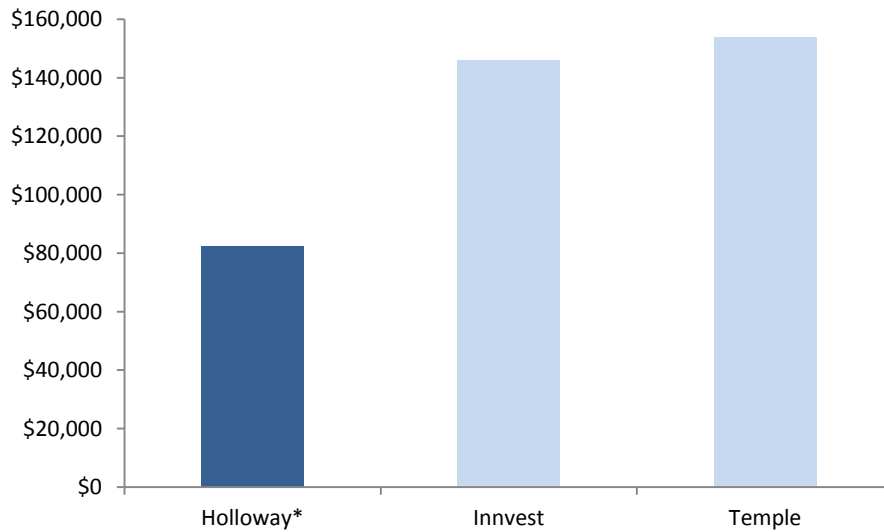
Net Debt to Gross Book Value



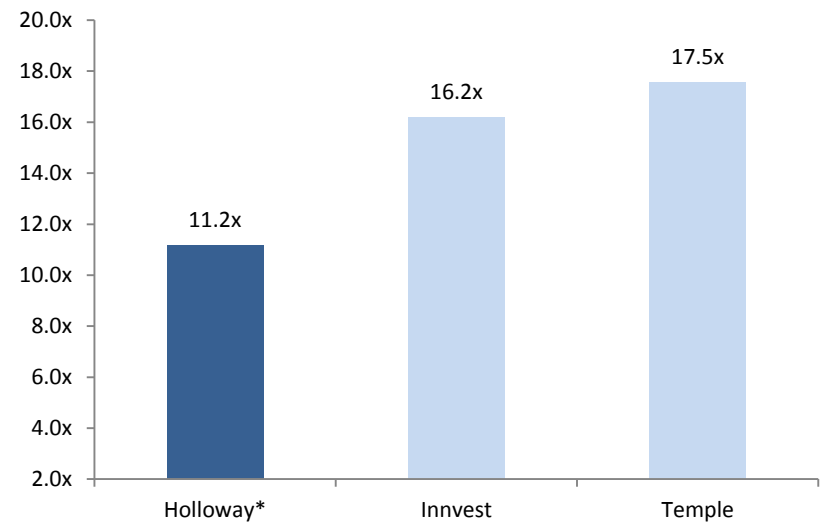
*Twelve months ended February 28, 2017, adjusted for the sale of Travelodge Belleville on March 20, 2017.

Holloway Represents Better Value than Peers

Enterprise Value per Room



Price/AFFO



*Based on share price as of March 21, 2017. Invest valuation is based on privatization value.

Cap Rates on Hotel Sales

- Holloway's implied valuation is higher than its recent hotel sales
 - ~ Average cap rate on sales since 2014 of 5.5%¹

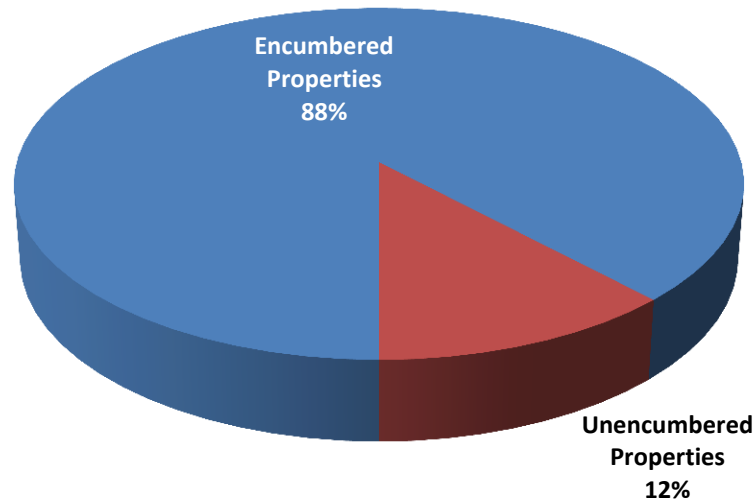
Hotel	Date of Sale	Cap Rate
Travelodge® London South	February 28, 2014	1.3%
Travelodge® Chatham	February 28, 2014	8.9%
Holiday Inn Express® Kamloops	April 2, 2014	7.6%
Ramada® Trenton	January 26, 2015	-0.4%
Travelodge® Etobicoke	February 5, 2015	2.8%
Holiday Inn Express® Myrtle Beach	December 10, 2015	6.3%
Travelodge® Barrie	September 26, 2016	6.9%
Holiday Inn® Oakville	January 17, 2017	7.2%
Travelodge® Belleville	March 20, 2017	4.6%
Weighted-average cap rate		5.5%

¹Cap rates are calculated using the last twelve months of operating results prior to the sale.

Balance Sheet

Liquidity

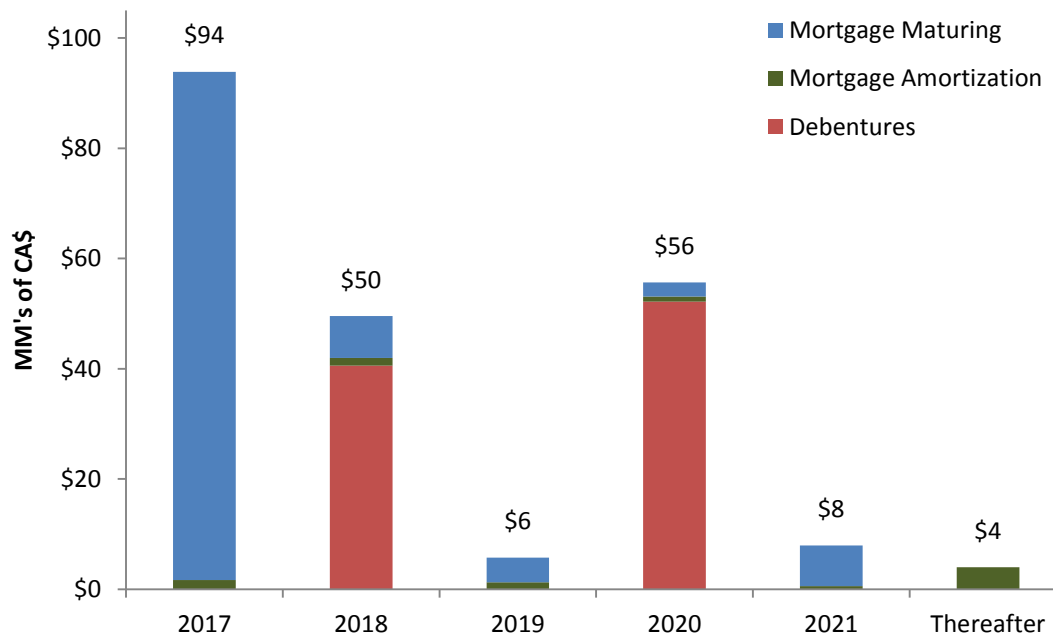
- Total liquidity of \$48.2mn¹
 - Cash of \$3.2mn
 - Undrawn portion of revolver of \$45.0mn
- Four unencumbered properties that can be mortgaged if required



¹As of March 22, 2017.

Capital Structure

- Flexible capital structure
 - ~ \$1.7mn of regular principal amortization payable during the balance of 2017
 - ~ 42% of debt is convertible debentures with no covenants maturing in 2018 and beyond
 - ~ \$92.2mn in mortgages to mature in 2017 expected to be refinanced on or before their maturity dates



* Table excludes revolving credit facility and reflects debt payable as of February 28, 2017, adjusted for the sale of Travelodge Belleville on March 20, 2017.

Returning Capital to Shareholders

- Three prongs: debt repayment, dividend and share repurchases
- Mandatory principal amortization of ~\$6.0mn per year
 - ~ Represents ~\$0.32 per share of value or 6.2%¹
- Annual dividend of \$0.14
 - ~ Represents yield of 2.8%
- Repurchase shares opportunistically
 - ~ \$700k repurchased in 2012 (average price of \$3.64)
 - ~ \$2.5mn repurchased in 2013 (average price of \$3.56)
 - ~ \$852k repurchased in 2014 (average price of \$4.15)
 - ~ \$1.7mn repurchased in 2015 (average price of \$4.94)
 - ~ \$651k repurchased in 2016 (average price of \$4.58)

¹Based on share price on March 21, 2017.

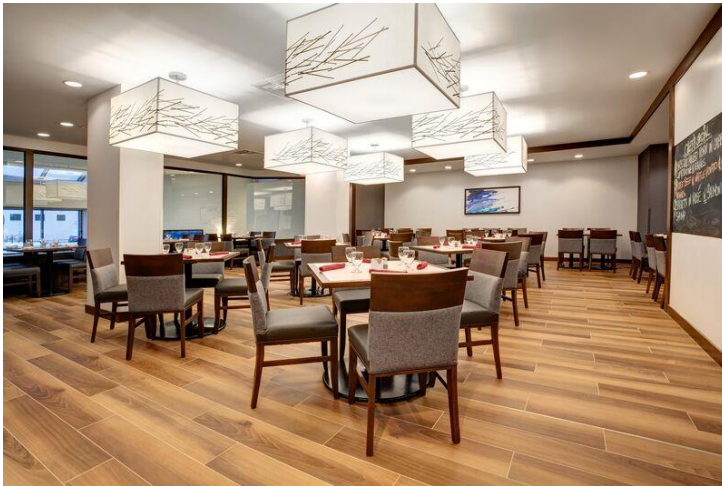
Strategy

Strategy

- Actively manage hotel operations to maximize profitability
 - ~ Emphasis on Western Canadian hotel operations during downturn as a result of low oil and gas prices Ongoing
 - ~ Drive increased revenues and income from newly renovated hotels Ongoing
- Acquire additional properties
 - ~ Accretive to Holloway
 - ~ Newer build select service Ongoing
 - ~ Canadian markets that offer attractive regional economics
- Capitalize on internal development opportunities
 - ~ Reposition select assets to their highest and best use Ongoing
 - ~ Develop excess land within existing portfolio
- Return capital to shareholders through dividends, share repurchases and debt repayment Ongoing
- Establish Holloway Lodging Management Services as a national level management contract entity Ongoing

Summary of Investment Opportunity

- Undervalued hotel company with presence across Canada
- Cash flow growth through hotel upgrades, acquisitions and return of Western Canadian economy
- Upside potential associated with redevelopment opportunities
- Focused on returning capital to shareholders



Holiday Inn, Ottawa, ON



DoubleTree® by Hilton, London, ON

Share Structure

Holloway Lodging Corporation (TSX: HLC)

Shares Outstanding	18,889,066
Management/Board Ownership ¹	42%
Institutional Ownership ²	72%
Share Price ³	\$5.48
52-Week Trading Range	\$4.56-5.56
Market Capitalization	\$104mn
Enterprise Value	\$311mn

1. Includes shares owned and controlled by Clarke Inc. which has two representatives on the Board.
2. Includes shares owned and controlled by Clarke Inc.
3. Share price as of March 21, 2017.

Contact Us

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www.hlcorp.ca

TSX: HLC, HLC.DB, HLC.DB.A