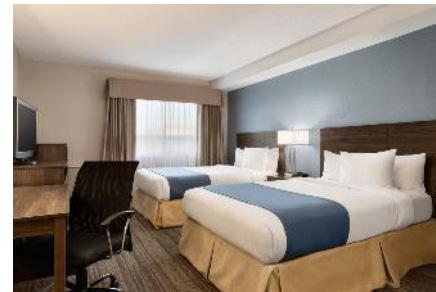




Investor Presentation

TSX: HLC HLC.DB

May 23, 2019



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 8, 2019 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 March 31, 2019 unless otherwise specified.

Company Overview



Holloway
LODGING

Q1 2019 Overview

TSX Ticker

HLC

Price¹

\$7.32

Market Cap¹

\$114mn

Net Debt

\$145mn

Enterprise Value

\$259mn

Hotels

27

Full Service

5

Select Service

22

Rooms | **3,055**

Markets | **17**

Brands | **9**

Provinces / Territories | **8**

Other Assets

Development assets including two land parcels, one free standing single tenant property, and one commercial office building.

Management Services

All Holloway hotels are internally managed. Holloway Management Services also provides services to 14 third party hotels¹.



(1) As of May 21, 2019

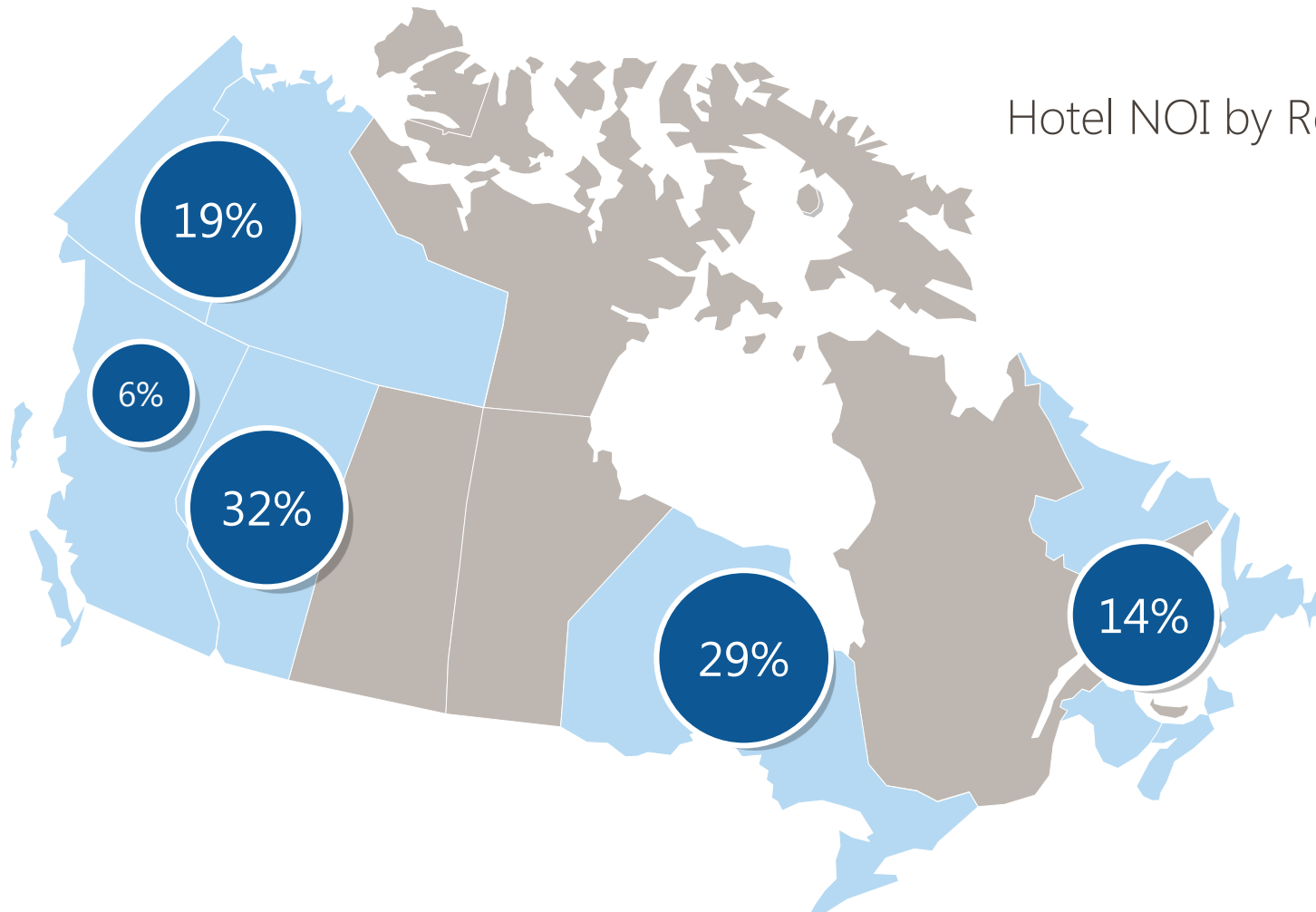
TSX:HLC | 4

Geographically Diverse Portfolio

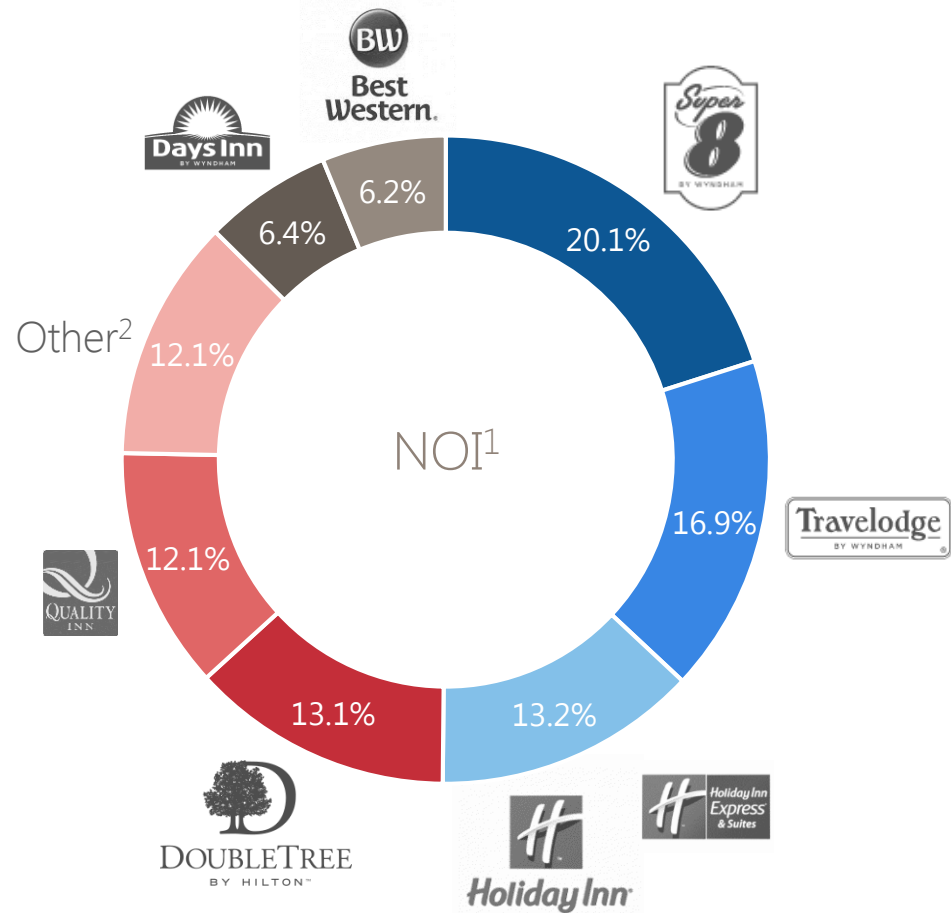
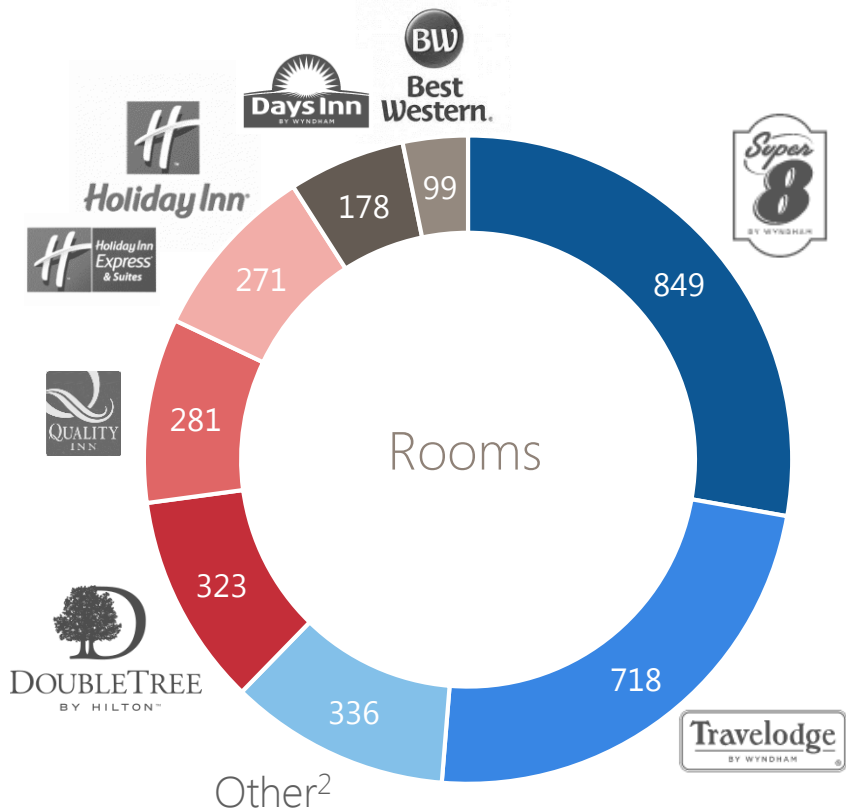


Geographically Diverse Portfolio

Hotel NOI by Region¹



Brand Diversification



(1) 2019 Forecast
 (2) 'Other' includes unbranded and regional-brand hotels

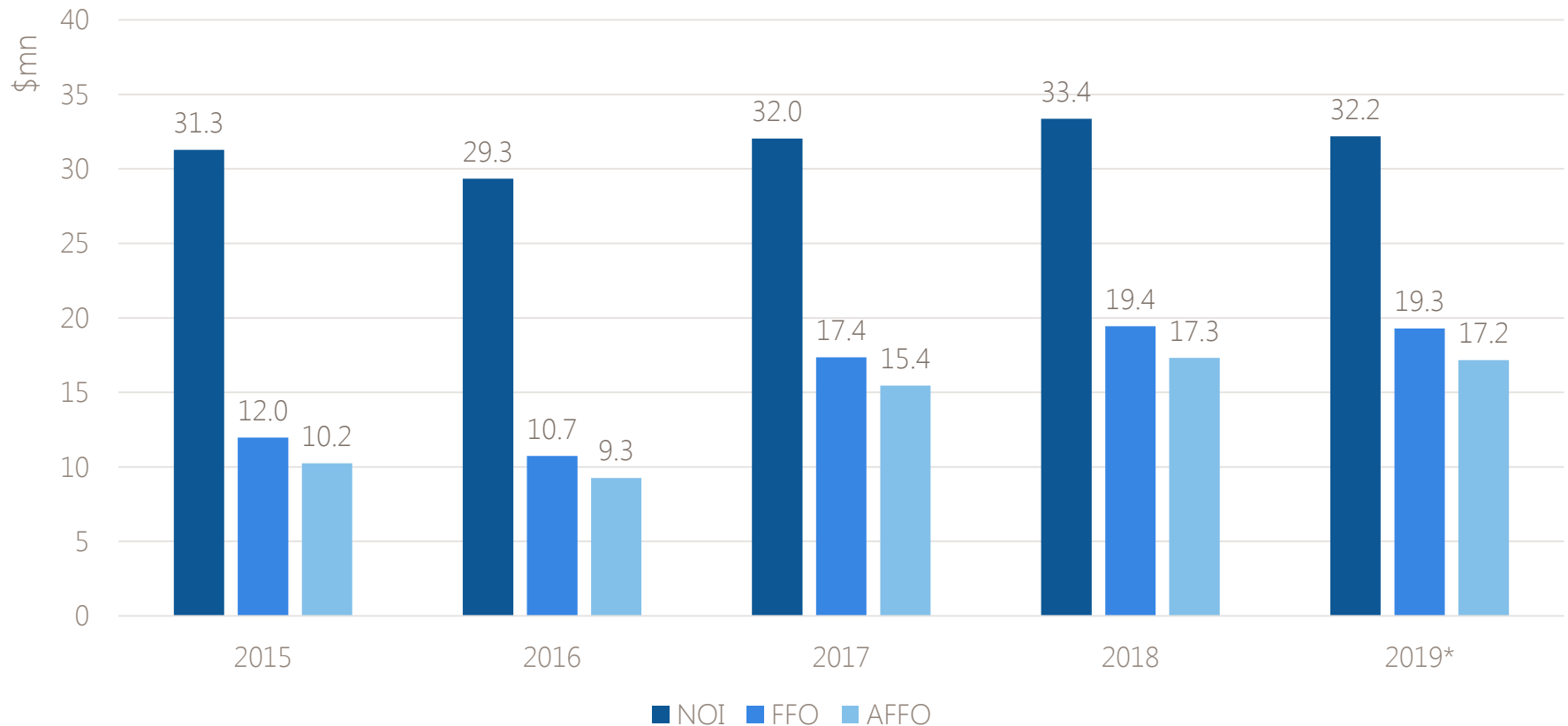
Financial Information



Holloway
LODGING

Focused on Cash Flow

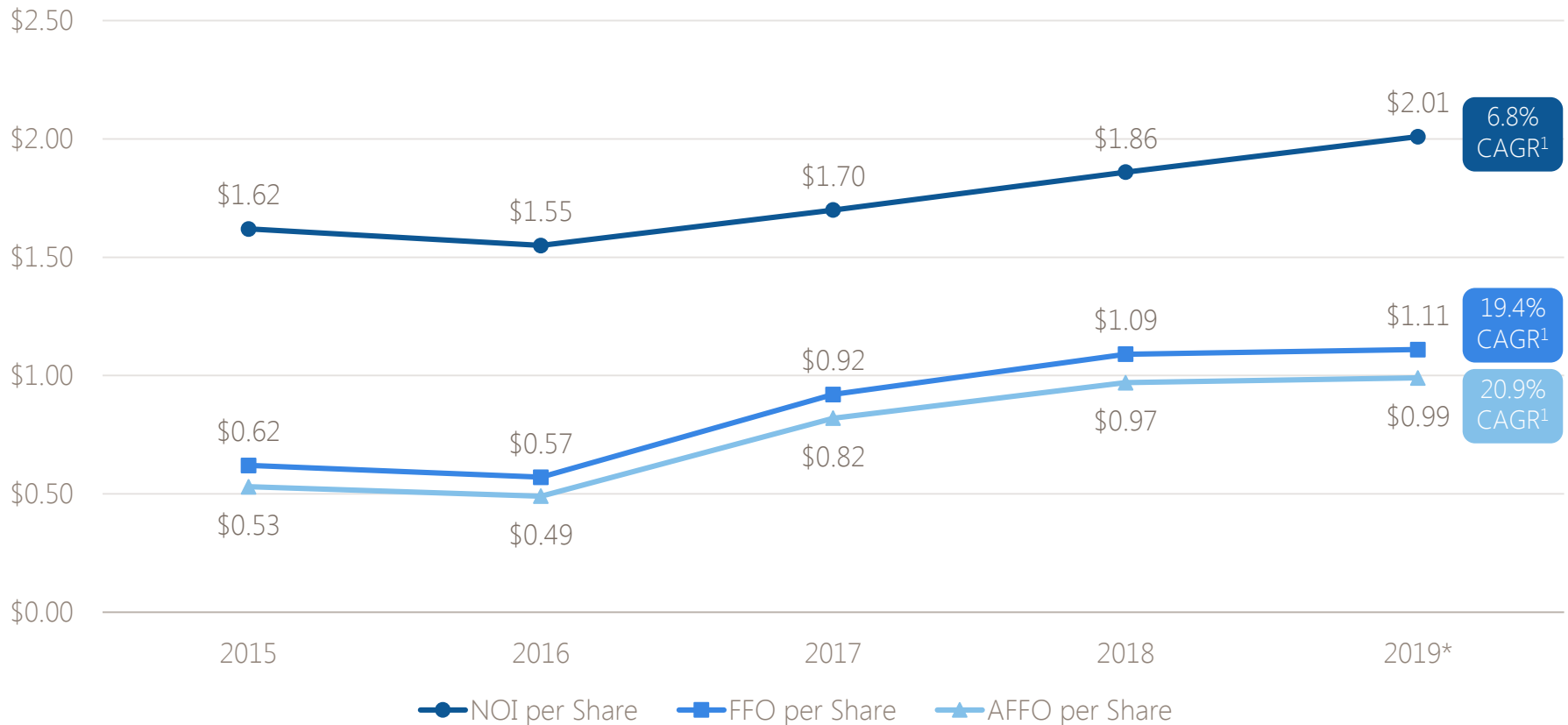
NOI, FFO & AFFO



*Q1 2019 TTM

Steady Growth per Share

NOI, FFO & AFFO per Share



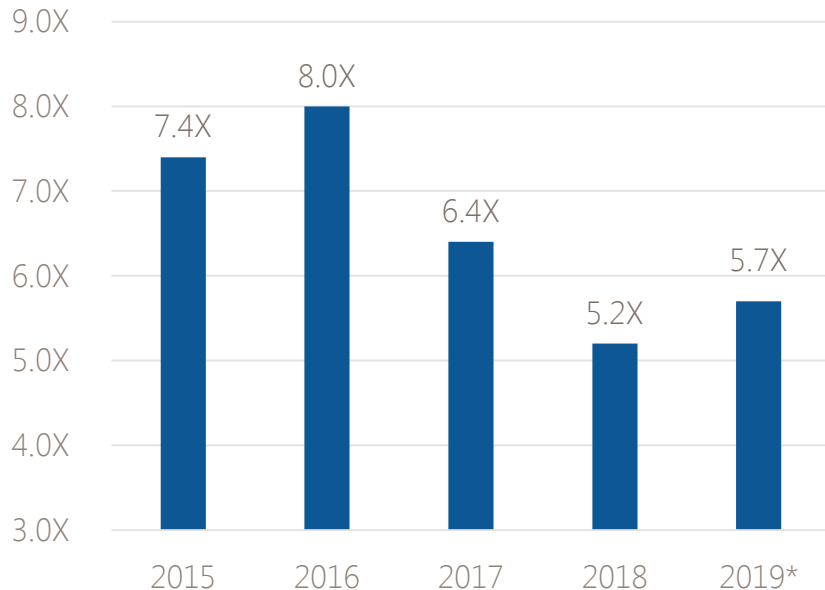
*Q1 2019 TTM
(1) Compound Annual Growth Rate

Focused on a Strong Balance Sheet

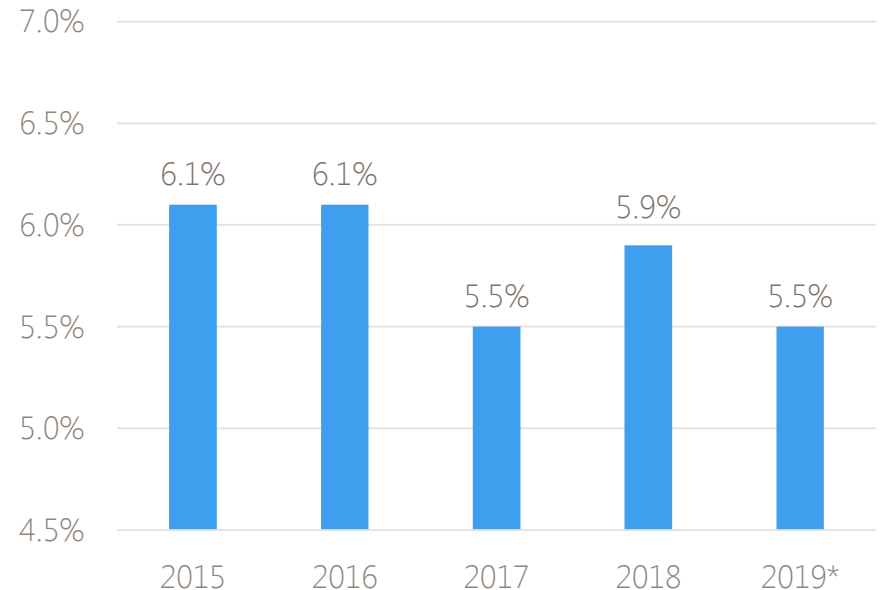
Debt ratio improvement due to principal repayments and improved NOI

Lower cost of debt due to refinancings, offset by higher prime rate

Net Debt to NOI



Weighted-Average Cost of Debt



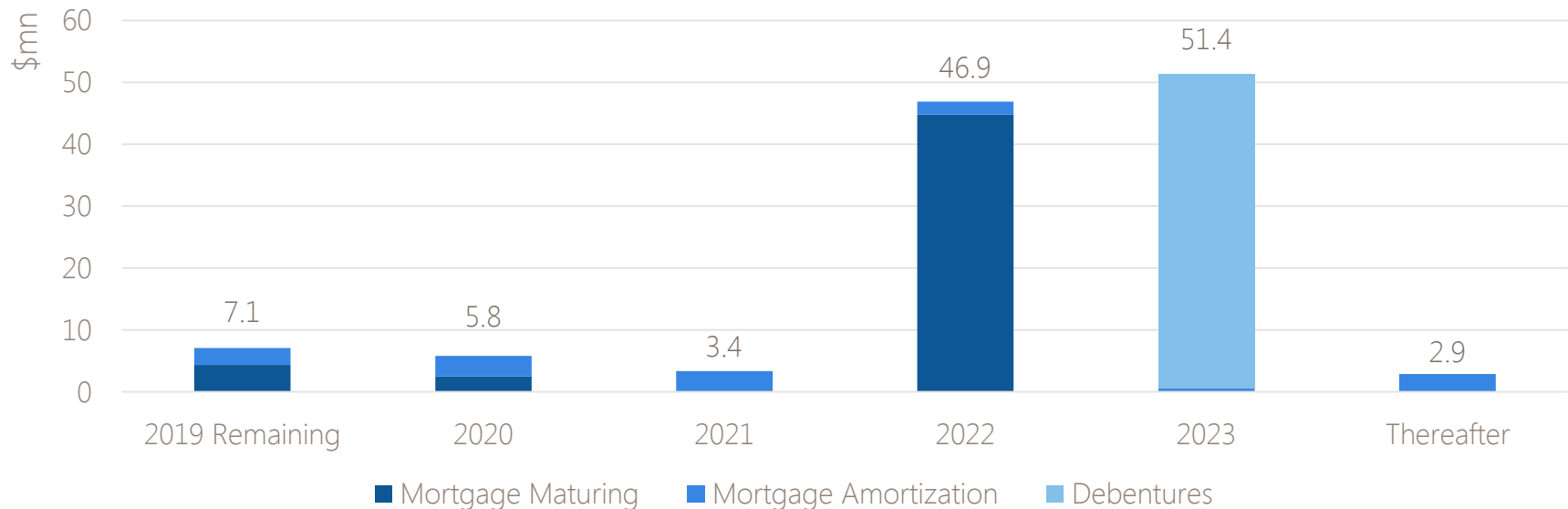
Flexible Capital Structure

Flexible capital structure

- 35% of debt at March 31, 2019 is convertible debentures with no covenants, maturing in 2023
- Minimal mortgage maturities over the next 3 years
- 4 mortgages totaling \$11.6mn were repaid in the first quarter of 2019 with proceeds from hotel sales
- Three unencumbered properties which could provide additional financing

Total liquidity of \$37.6mn

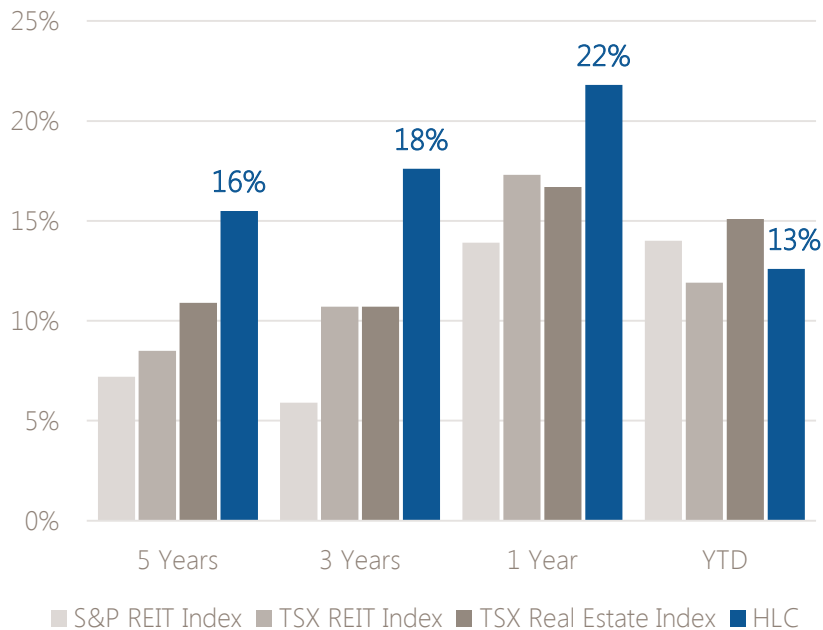
Debt Maturities



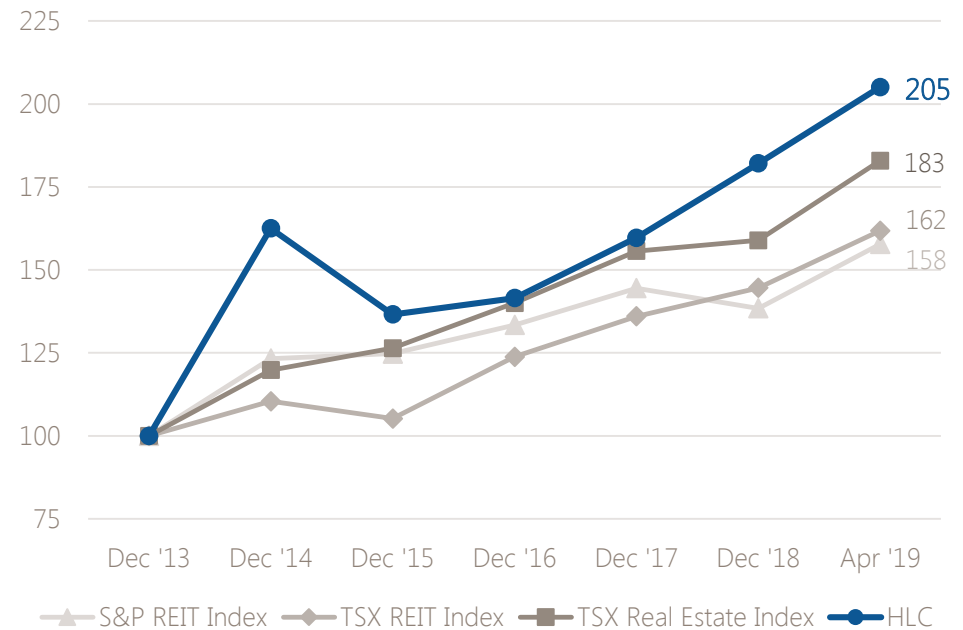
HLC Outperforms the Market

HLC shares have outperformed comparable market indices over the past five years

Annualized Total Return¹



Cumulative Total Return²



"TSX Real Estate Index" – S&P/TSX Capped Real Estate Index (TTRE), a benchmark of the Canadian publicly traded real estate sector

"TSX REIT Index" – S&P/TSX Capped REIT Index (RTRE), a benchmark of Canadian publicly traded equity REITs

"S&P REIT Index" – S&P Developed REIT Index (SREIT), an international benchmark of publicly traded equity REITs domiciled in developed markets



(1) Based on annualized index returns as of April 30, 2019; YTD based on January 1 – April 30, 2019 returns
 (2) Total cumulative return for \$100 invested on December 31, 2013 (assuming reinvestment of dividends)

Value Creation



Value Creation

Holloway consistently sells assets at prices greater than book value

Hotel	Sale Price	Gain on Sale	% of Book Value
Ramada Trenton	\$4.0mn	\$0.1mn	3%
Travelodge Etobicoke	\$13.0mn	\$1.6mn	15%
Holiday Inn Express Myrtle Beach	\$7.6mn	\$0.3mn	6%
Travelodge Barrie	\$8.7mn	\$2.9mn	52%
Holiday Inn Oakville	\$19.4mn	\$7.8mn	69%
Travelodge Belleville	\$7.0mn	(\$0.1mn)	-2%
Super 8 High Level	\$4.8mn	(\$0.4mn)	-8%
Holiday Inn Ottawa East	\$50.0mn	\$26.3mn	118%
Travelodge Dartmouth	\$6.9mn	\$3.5mn	109%
Days Inn & Travelodge Moncton	\$14.0mn	\$2.5mn ¹	23%
Super 8 Windsor	\$5.3mn	\$2.6mn ¹	108%
Total	\$140.7mn	\$47.2mn	54%



(1) Presented within equity under the IAS 16 revaluation model

Cap Rates on Hotel Sales

Holloway continues to trade at a discount to the valuations it realizes on hotel sales

Hotel	Date of Sale	Cap Rate
Ramada Trenton	January 2015	-0.4%
Travelodge Etobicoke	February 2015	2.8%
Holiday Inn Express Myrtle Beach	December 2015	6.2%
Travelodge Barrie	September 2016	6.9%
Holiday Inn Oakville	January 2017	7.2%
Travelodge Belleville	March 2017	4.6%
Super 8 High Level	October 2018	10.6% ²
Holiday Inn Ottawa East	December 2018	8.2%
Travelodge Dartmouth	January 2019	9.5% ²
Days Inn & Travelodge Moncton	March 2019	9.3% ²
Super 8 Windsor	March 2019	11.6% ²
Weighted-average cap rate ¹		8.2%



- (1) Cap rates calculated using the last twelve months of operating results prior to the sale, deducting industry-standard 7% of revenue for management fees and capex reserve
- (2) Property retained as Holloway Management Services customer after sale

Case Study - Holiday Inn Ottawa East

Chimo Ottawa to Holiday Inn Ottawa Conversion

Acquired 256 room, full-service Chimo hotel in Ottawa in 2014 for \$16.3mn¹

Spent \$12mn in capital, including a \$9mn renovation and conversion to Holiday Inn brand in 2016

Significantly improved demand, rate, and operations, increasing both revenue and net income:

	Prior to purchase ²	Prior to sale ³	Improvement
Occupancy	62%	73%	+17%
ADR	\$95	\$152	+60%
RevPAR	\$59	\$111	+86%
NOI %	18%	38%	+110%

Sold Holiday Inn Ottawa East hotel in 2018 for \$50mn, representing a 77% return on investment



(1) Purchase price based on portfolio purchase allocation
 (2) TTM performance prior to 2014 acquisition
 (3) TTM performance prior to 2018 sale

Debenture Redemption and Substantial Issuer Bid

Following the sale of the Holiday Inn Ottawa East hotel, Holloway announced plans to redeem \$40.6 million in Series C debentures and to commence a substantial issuer bid for its common shares.

Debenture Redemption:

- Holloway redeemed all of its 7.50% Series C Convertible Unsecured Subordinated Debentures due September 30, 2021, on January 3, 2019
- The redemption of the Company's highest-interest debt strengthens its balance sheet while reducing the weighted average cost of borrowing

Substantial Issuer Bid ("SIB"):

On January 22, 2019, a total of 1.55 million common shares were purchased, representing approximately 9.1% of total shares outstanding

Returning Capital to Shareholders

Three prongs: debt repayment, dividend and share repurchases

Mandatory principal amortization of ~\$3.7mn per year

- Represents ~\$0.23 per share of value or 3.1%¹

Annual dividend of \$0.14

- Represents a yield of 1.9%¹

Repurchase shares opportunistically

	Shares Repurchased	Total Cost	Average Price
2015	0.4mn	\$1.7mn	\$4.94
2016	0.1mn	\$0.7mn	\$4.58
2017	0.5mn	\$2.9mn	\$5.57
2018	1.2mn	\$7.5mn	\$6.09
Q1 2019	1.6mn	\$10.3mn	\$6.57

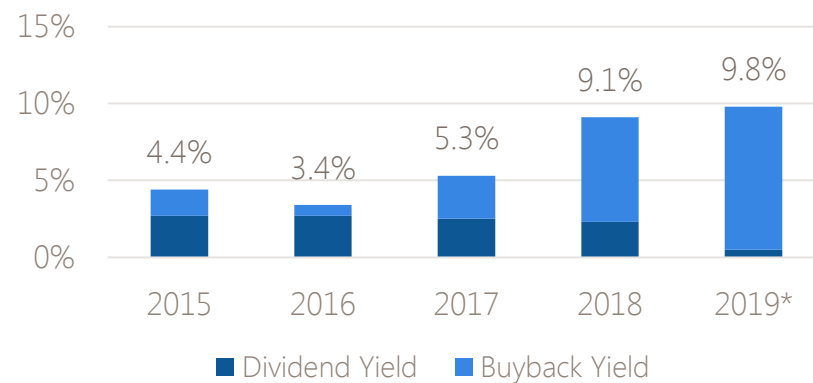


(1) Based on share price on May 21, 2019

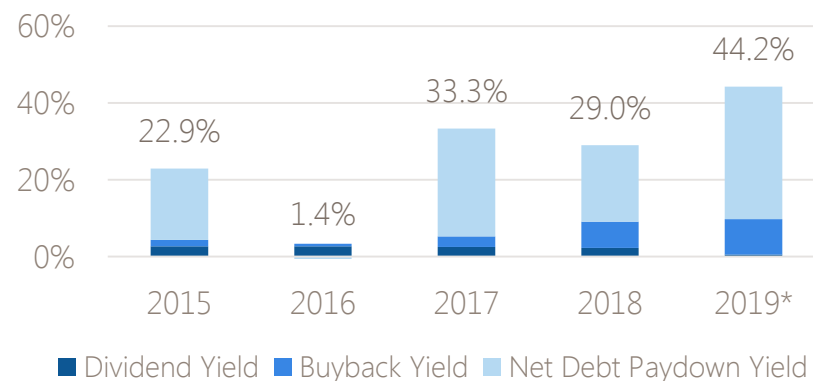
Returning Capital to Shareholders

	2015	2016	2017	2018	2019 ¹
Market cap (\$mn)	98	98	105	109	110
Dividends (\$mn)	2.7	2.6	2.6	2.5	0.5
<i>Dividend Yield</i>	2.7%	2.7%	2.5%	2.3%	0.5%*
Share repurchases (\$mn)	1.7	0.7	2.9	7.5	10.3
<i>Buyback Yield</i>	1.7%	0.7%	2.8%	6.8%	9.3%*
<i>Net Payout Yield</i>	4.4%	3.4%	5.3%	9.1%	9.8%*
Total debt reduced (\$mn)	18.1	(2.0)	29.4	21.6	37.8
<i>Debt Paydown Yield</i>	18.5%	(2.0%)	28.0%	19.9%	34.4%*
<i>Shareholder Yield</i>	22.9%	1.4%	33.3%	29.0%	44.2%*

Net Payout Yield



Shareholder Yield



(1) Q1 2019

*Represents quarterly yield; prior years represent annual yields

Strategy



Holloway
LODGING

Strategy

Actively manage hotel operations to maximize profitability

Acquire additional properties

- Accretive to Holloway
- Newer build select service or value add opportunities

Sell assets at attractive valuations

Capitalize on internal development opportunities

- Reposition select assets to their highest and best use
- Develop excess land within existing portfolio

Establish Holloway Management Services as a national level management contract entity

Pursue real estate development opportunities

Return capital to shareholders through dividends, share repurchases and debt repayment

Holloway Management Services

Comprehensive suite of services

Our turnkey services include sales and revenue management, strategic planning and budgeting, accounting and cost management, human resources, insurance, property taxes, purchasing, and maintenance and capital management.

Simple and transparent fee structure

We offer a fee structure that includes both a revenue-based and a performance-based fee, so we measure success by maximizing revenue and profit.

Flexible contract terms

Terms starting from 12 months, with straightforward termination clauses, allowing you to choose an arrangement that best fits your needs.

www.hlcorpmanagement.ca



Summary of Investment Opportunities

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



Share Structure

Holloway Lodging Corporation (TSX:HLC)

Shares Outstanding ¹	15,584,112
Management/Board Ownership ²	51%
Institutional Ownership ³	84%
Share Price ¹	\$7.32
52-Week Trading Range	\$5.80-7.32
Market Capitalization ¹	\$114mn
Enterprise Value	\$259mn



(1) Shares outstanding and share price as of May 21, 2019

(2) Includes shares owned and controlled by Clarke Inc. which has two representatives on the Board

(3) Includes shares owned and controlled by Clarke Inc.

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