



Holiday Inn Express®, Stellarton, NS



Investor Presentation

August 18, 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 June 30, 2017 unless otherwise specified.

Overview of Holloway

Overview of Holloway

- 33 hotels with 3,763 rooms
 - ~ 26 limited service, 7 full service
 - ~ Internal management for all hotels
- Development assets
 - ~ 3 free standing single tenant properties
 - ~ 7 land development parcels
- Enterprise value of \$314mn
 - ~ \$104mn market capitalization¹
 - ~ \$211mn of debt outstanding
- Annualized dividend of \$0.14 per share
- Currently managing 2 properties for third parties



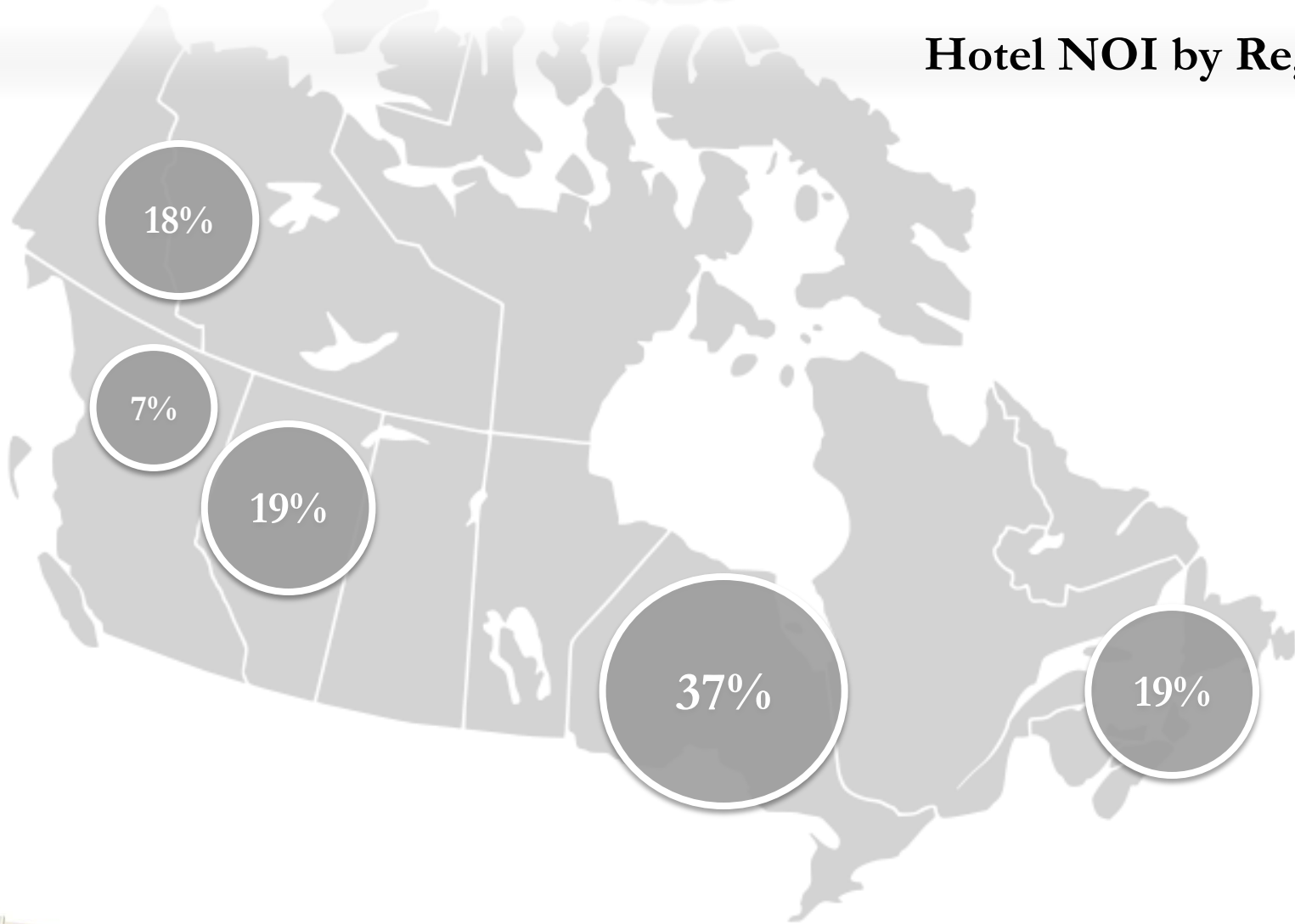
Holiday Inn® & Suites, Grande Prairie, AB

Hotel Portfolio - Locations



Hotel Portfolio – Geographic Diversification

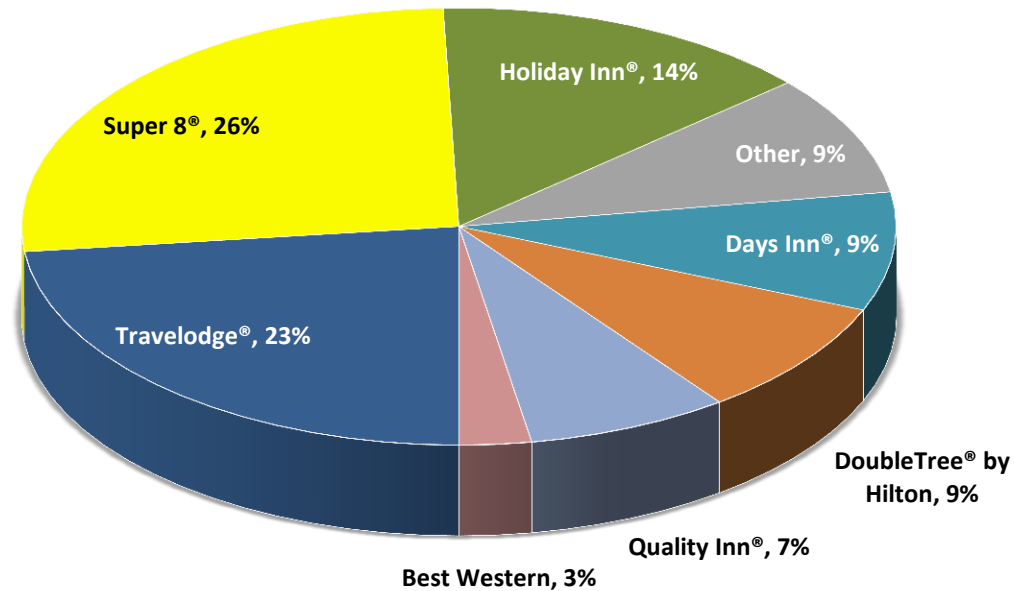
Hotel NOI by Region*



* Based on 2017 forecast.

Hotel Portfolio – Brand Diversification

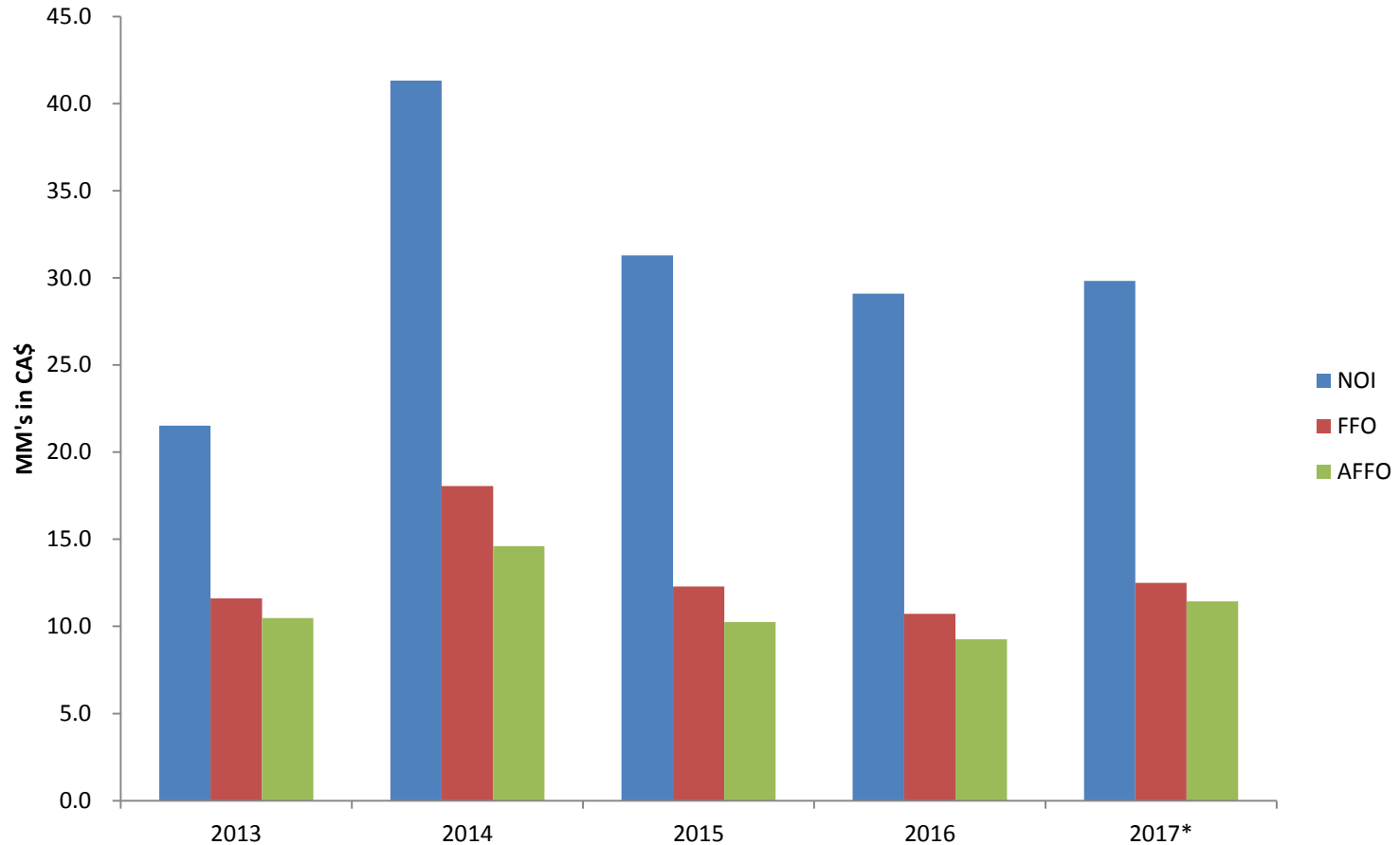
Rooms



Performance of Holloway

Focused on Cash Flow

NOI, FFO, & AFFO



Balance Sheet

Significant Refinancing Activity

- All 2017 mortgage maturities have been refinanced resulting in material reduction in cost of debt, interest expense and debt service:
 - ~ \$90.3mn of maturing mortgages repaid in May 2017
 - ~ \$80mn credit facility established, secured by 10 properties
 - ~ Commitment in place for \$17.5mn mortgage secured by two properties

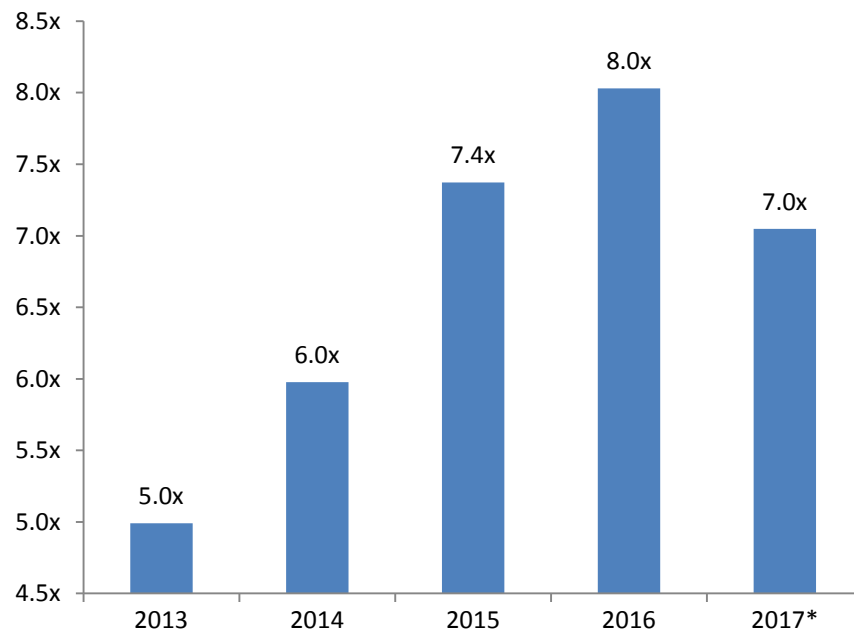
	Before Refinancing	After Refinancing	Savings	Improvement
Weighted Average Cost of Debt	6.29%	5.36%	93 bps	14.8%
Annual Interest Expense	\$13.5 million	\$11.4 million	\$2.1 million	15.6%
Annual Debt Service	\$19.7 million	\$15.7 million	\$4.0 million	20.1%

- Holloway has obtained approval to extend the maturity of the Series C Debentures by three years to September 30, 2021.

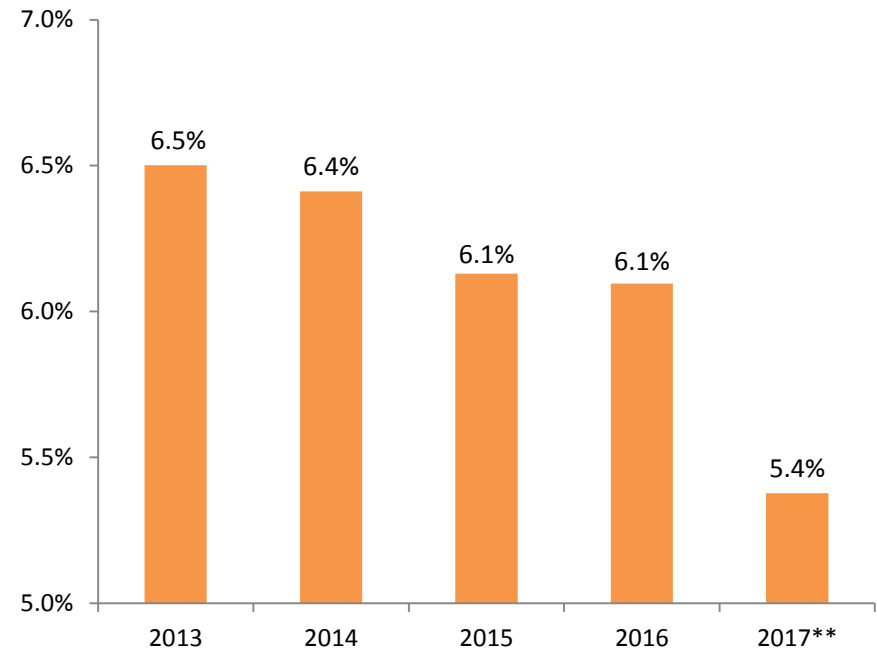
Focused on a Strong Balance Sheet

- Debt ratio improvement due to principal repayments and improved NOI
- Decreased weighted-average cost of debt due to refinancing of mortgages

Net Debt to NOI



Weighted-Average Cost of Debt

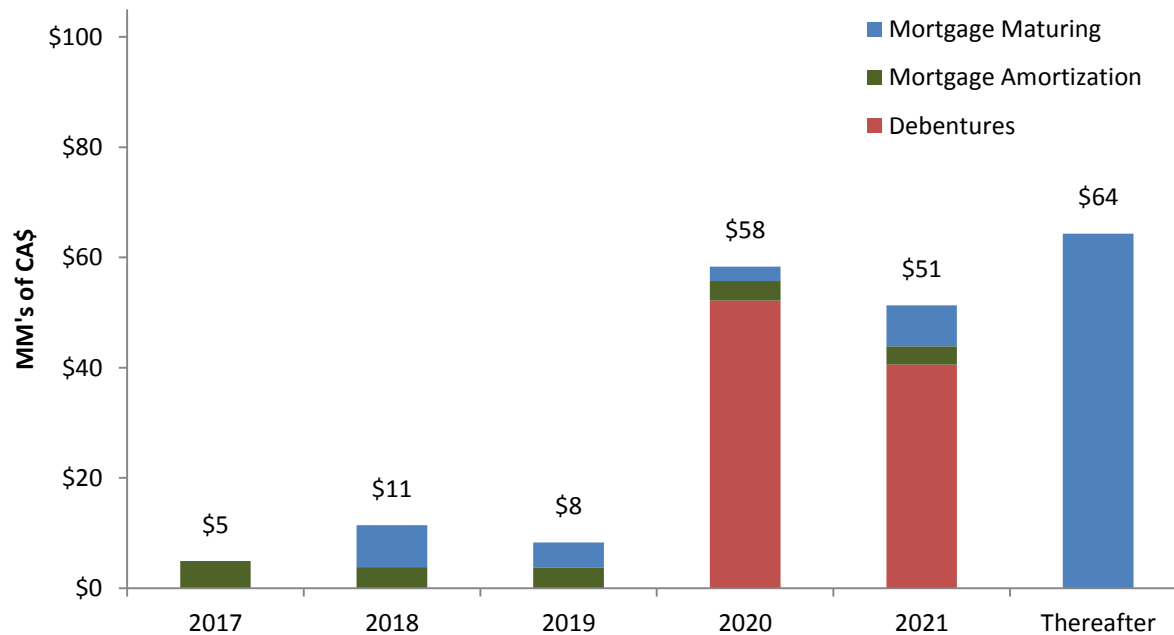


*Twelve months ended June 30, 2017.

**As of June 30, 2017.

Flexible Capital Structure

- Flexible capital structure
 - ~ 43% of debt is convertible debentures with no covenants, maturing in 2020 and beyond
 - ~ Minimal mortgage maturities over the next 5 years
- Total liquidity of \$51.3mn*
- Three unencumbered properties that can be mortgaged if required



* As of July 31, 2017; \$6.9mn available as certain conditions are satisfied.

Value Creation

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
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 rate¹		5.5%

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

Returning Capital to Shareholders

- Three prongs: debt repayment, dividend and share repurchases
- Mandatory principal amortization of ~\$3.8mn per year
 - ~ Represents ~\$0.20 per share of value or 3.7%¹
- Annual dividend of \$0.14
 - ~ Represents yield of 2.5%
- Repurchase shares opportunistically
 - ~ \$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)
 - ~ \$395k repurchased YTD in 2017 (average price of \$5.51)

¹Based on share price on August 17, 2017.

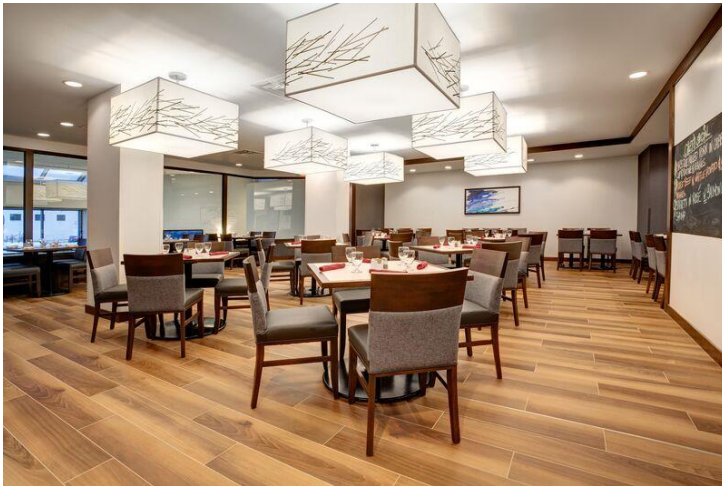
Strategy

Strategy

- Actively manage hotel operations to maximize profitability
- Acquire additional properties
 - ~ Accretive to Holloway
 - ~ Newer build select service or value add opportunities
- Sell non-core assets
- Capitalize on internal development opportunities
 - ~ Reposition select assets to their highest and best use
 - ~ Develop excess land within existing portfolio
- Return capital to shareholders through dividends, share repurchases and debt repayment
- Establish Holloway Lodging Management Services as a national level management contract entity

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	18,876,266
Management/Board Ownership ¹	42%
Institutional Ownership ²	72%
Share Price ³	\$5.50
52-Week Trading Range	\$4.71-5.99
Market Capitalization	\$104mn
Enterprise Value	\$314mn

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 August 17, 2017.

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