Q2 2022 Earnings Results Presentation

August 4, 2022

Forward-looking Statements

Certain matters discussed in this presentation release constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Certain, but not necessarily all, of such forward-looking statements can be identified by the use of forward-looking terminology, such as "expect," "estimate," "believe," "anticipate," "should," "will," "forecast," "plan," "project," "assume," or similar words of futurity. All statements other than historical facts are forward-looking statements. These forward-looking statements are based on management's current beliefs, assumptions and expectations regarding future events, which, in turn, are based on information currently available to management. Such statements may relate to projections of the company's revenue, expenses, adjusted EBITDA, earnings, debt levels, ability to repay outstanding indebtedness, payment of dividends, repurchases of common stock and other financial and operational measures, including occupancy and open hotels, RevPAR, the company's ability to benefit from any rebound in travel demand, the company's liquidity, the impact of COVID-19 and economic conditions on our future operations, among other matters. We caution you not to place undue reliance on any such forward-looking statements. Forward-looking statements do not guarantee future performance and involve known and unknown risks, uncertainties and other factors.

Several factors could cause actual results, performance or achievements of the company to differ materially from those expressed in or contemplated by the forward-looking statements. Such risks include, but are not limited to, the consummation of the acquisition of Radisson Hotels Americas, including the related incurrence of additional indebtedness; the company’s ability to successfully integrate Radisson Hotels Americas’ employees and operations; the ability to realize the anticipated benefits and synergies of the acquisition of Radisson Hotels Americas as rapidly or to the extent anticipated; the continuation or resurgence of the COVID-19 pandemic, including with respect to new strains or variants; the rate, pace and effectiveness of vaccination in the broader population; changes in consumer demand and confidence, including the impact of the COVID-19 pandemic on unemployment rates, consumer discretionary spending and the demand for travel, transient and group business; the impact of COVID-19 on the global hospitality industry, particularly but not exclusively in the U.S. travel market; the success of our mitigation efforts in response to the COVID-19 pandemic; the performance of our brands and categories in any recovery from the COVID-19 pandemic disruption; the timing and amount of future dividends and share repurchases; changes to general, domestic and foreign economic conditions, including access to liquidity and capital as a result of COVID-19; future domestic or global outbreaks of epidemics, pandemics or contagious diseases, or fear of such outbreaks; changes in law and regulation applicable to the travel, lodging or franchising industries; foreign currency fluctuations; impairments or declines in the value of the company's assets; operating risks common in the travel, lodging or franchising industries; changes to the desirability of our brands as viewed by hotel operators and customers; changes to the terms or termination of our contracts with franchisees and our relationships with our franchisees; our ability to keep pace with improvements in technology utilized for marketing and reservations systems and other operating systems; the commercial acceptance of our Software-as-a-Service (“SaaS”) technology solutions division's products and services; our ability to grow our franchise system; exposure to risks related to our hotel development, financing and ownership activities; exposures to risks associated with our investments in new businesses; fluctuations in the supply and demand for hotel rooms; our ability to realize anticipated benefits from acquired businesses; impairments or losses relating to acquired businesses; the level of acceptance of alternative growth strategies we may implement; cyber security and data breach risks; ownership and financing activities; hotel closures or financial difficulties of our franchisees; operating risks associated with our international operations, especially in areas currently most affected by COVID-19; the outcome of litigation; and our ability to effectively manage our indebtedness and secure our indebtedness. These and other risk factors are discussed in detail in the company's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

Ascend Hotel Collection, Hotel Petaluma, CA

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Comfort Inn & Suites, Boise, ID

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Quarterly Business Update

Second Quarter 2022 Performance Recap

Domestic Results

RevPAR Growth[1]

+13%
vs. Q2 '19

ADR
+13.7%

Outperformed industry by **+360** basis points

Exceeded 2019 levels for **14** consecutive months since June 2021

FY '22 outlook (**raised** guidance):
+11% to **+13%** vs. FY '19

Franchise Agreements

122
Q2 Contracts awarded

+10%
YoY

215
YTD Contracts awarded[2]

+21%
YoY

Pipeline[3]

910
hotels

~84K
rooms

Effective Royalty Rate[4]

5.04%
+3 bps vs. Q2 '21

FY '22 outlook:
+5 bps vs. FY '21

Unit Growth[5]

+0.3%
vs. Q2 '21

FY '22 outlook:
+1% to **+2%** vs. FY '21

~67K
Expected global rooms to be added pending close of the acquisition of Radisson Hotels Americas[6]

1 The outlook does not include any impact from the pending Radisson Hotels Americas acquisition. 14 consecutive months through July 2022.
2 Excluding the multi-unit transaction for 22 properties as part of the company's strategic alliance with Penn National Gaming in 2021. Including this multi-unit transaction, total number of domestic contracts awarded increased 8% YoY.
3 Pipeline numbers include hotels awaiting conversion, under construction or approved for development and master development agreements committing owners to future franchise development. The master development agreements included 46 hotels as of June 30, 2022. In July, the company entered into additional master development agreements committing to future development of 67 hotels.
4 The outlook does not include any impact from the pending Radisson Hotels Americas acquisition.
5 Reflects unit growth for the upscale, midscale and extended stay segments. Second quarter 2022 results exclude the departure of 17 AMResorts®-branded properties and the exit of 41 underperforming assets from the portfolio in fourth quarter 2021. The outlook does not include any impact from the one-time exit of the WoodSpring Suites hotels, nor the pending Radisson Hotels Americas acquisition.
6 The transaction is expected to close in August 2022.

Comfort Inn & Suites, CrossPlex Village, AL


Comfort Inn & Suites, Hurricane, UT


Clarion Pointe, South Boston, VA

Midscale

Midscale
- **Surpassed 2019 RevPAR levels** since June 2021 and achieved **10.1%** RevPAR growth[1]
- **6% YoY increase** in the number of domestic franchise agreements awarded

Comfort Family
- **RevPAR share gains** vs. local competitors and **RevPAR growth** outperformance versus the upper-midscale chain scale[1]
- **New prototype** under development in several locations, marking the **next chapter** for the brand

Clarion Pointe
- **Reached milestone of 50 hotels open** in the U.S., with another **11** hotels awaiting conversion in 2022[2]

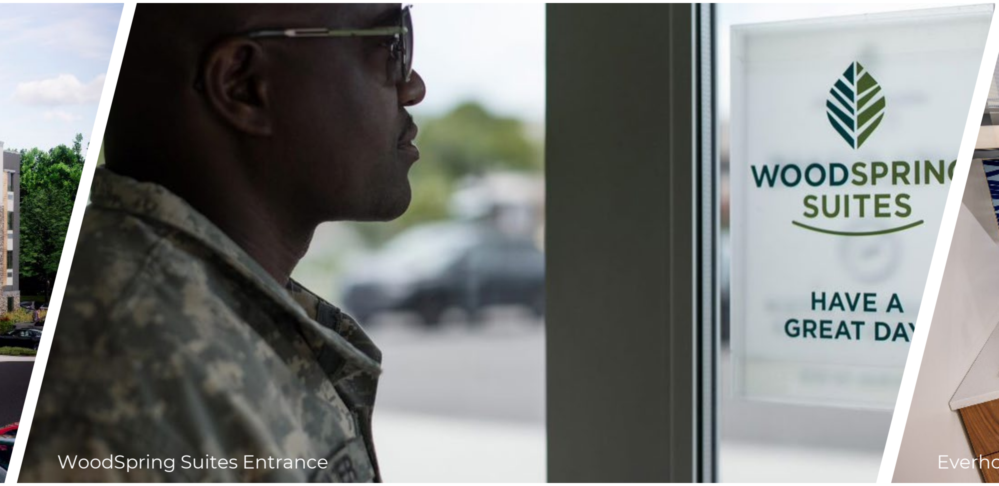
[1] Q2 2022 compared to the same period of 2019.
[2] 50th hotel opened in July 2022.

Sleep Inn, Baxley, GA


Quality Suites Pineville-Charlotte, NC

Clarion Pointe, Rochester, NY

Everhome Suites Prototype Exterior Rendering



WoodSpring Suites Entrance


Everhome Model Room

Extended Stay

Extended Stay

- **Surpassed 2019 RevPAR levels** since April 2021 and achieved **over 21%** RevPAR growth[1]
- **Expanded** domestic pipeline to **over 360** units and entered into master development agreements committing to the development of **46** additional hotels

WoodSpring Suites

- **Over 28% RevPAR growth** driven by occupancy levels of **88%** and a **22%** increase in ADR[1]
- **30% YoY increase** in domestic pipeline (**over 200** domestic projects)

Everhome Suites

- **First** hotel is expected to open in September 2022, with **over 30** in the pipeline
- **Secured a commitment** to develop **more than 20** new hotels, not included in the pipeline[2]

[1] Q2 2022 compared to the same period of 2019.
[2] Signed in July 2022.

Suburban Studios Exterior


WoodSpring Suites Interior

WoodSpring Suites, Orlando East, FL

Cambria Hotels, Milwaukee, WI


Ascend Hotel Collection, Hotel Petaluma, CA


Cambria Hotels, Boston, MA

Upscale

Upscale

- **880 basis point RevPAR growth** outperformance versus the upscale chain scale[1]
- **More than doubled** the number of franchise agreements executed YoY

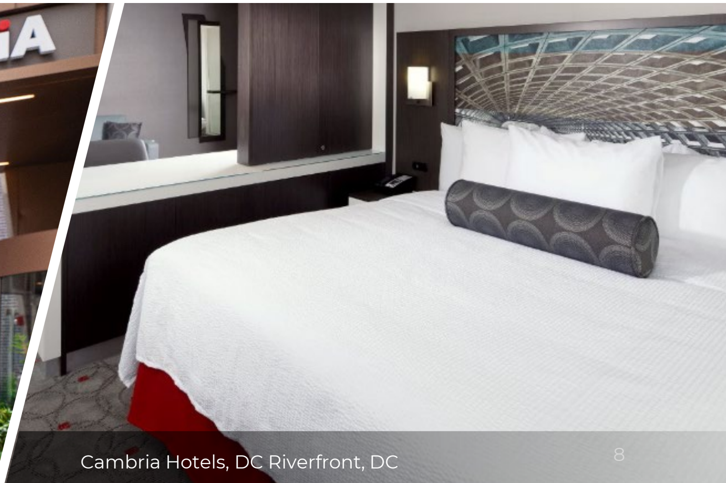
Cambria

- **60** units open and **65** in domestic pipeline, including **21** projects under active construction
- **14** new prototype agreements signed as of the end of Q2 2022

[1] Q2 2022 compared to the same period of 2019.

Cambria Hotels, Houston, TX

Cambria Hotels, Philadelphia, PA


Cambria Hotels, DC Riverfront, DC

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Financial Summary and Highlights

Cambria Hotel, St. Petersburg-Madeira Beach Marina, FL

Financial Performance Overview

Revenue & Profitability

$368M	$106.2M	$129.6M		$1.43
Total Revenues	Net Income	Adj. EBITDA		Adj. diluted EPS
+32%	+24%	+16%	+26%	+17%
vs. Q2 '21	vs. Q2 '21	vs. Q2 '21	vs. Q2 '19	vs. Q2 '21

Balance Sheet & Liquidity

$1.2B
Available liquidity

+33%
vs. Q2 '21

2.4x
Gross leverage ratio below the target of 3-4x

1.0x
Net leverage ratio

Acquisition

~$675M
Purchase price
(signed agreement to acquire Radisson Hotels Americas)[1]

Capital Recycling Activity[2]

>$140M
YTD through July 2022

Secured 20 to 30-year franchise agreements with the buyers of 2 sold assets

Shareholder Returns

~$42M
In the form of dividends and share repurchases YTD through June 2022

1 The agreement was signed on June 12, 2022 and is expected to close in August 2022.
2 The company sold the Cambria Hotel Southlake DFW North, Texas property in June 2022 for $24 million. Subsequently, the company sold the Cambria Hotel Nashville Downtown, Tennessee in July 2022 for $109.5 million.

4 Appendix

Clarion Pointe, Sulphur Springs, TX

Non-GAAP Financial Measurements

The company evaluates its operations utilizing the performance metrics of adjusted EBITDA, adjusted EBITDA margins, adjusted selling, general and administrative (SG&A) expenses, revenues excluding marketing and reservation system activities, adjusted net income and adjusted EPS, which are all non-GAAP financial measurements. These measures, which are reconciled to the comparable GAAP measures in Exhibit 7, should not be considered as an alternative to any measure of performance or liquidity as promulgated under or authorized by GAAP, such as net income, SG&A, EPS and total revenues. The company's calculation of these measurements may be different from the calculations used by other companies and comparability may therefore be limited. We discuss management's reasons for reporting these non-GAAP measures and how each non-GAAP measure is calculated below.

In addition to the specific adjustments noted below with respect to each measure, the non-GAAP measures presented herein also exclude restructuring of the company’s operations including employee severance benefit, income taxes and legal costs, exceptional allowances recorded as a result of COVID-19’s impact on the collectability of receivables, acquisition related transition and transaction costs, and gains/losses on sale/disposal and impairment of assets primarily related to hotel ownership and development activities to allow for period-over-period comparison of ongoing core operations before the impact of these discrete and infrequent charges.

Adjusted SG&A, Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization and Margin: Adjusted SG&A, Adjusted EBITDA and Adjusted EBITDA Margin reflects net income excluding the impact of interest expense, interest income, provision for income taxes, depreciation and amortization, franchise-agreement acquisition cost amortization, other (gains) and losses, equity in net income (loss) of unconsolidated affiliates, mark-to-market adjustments on non-qualified retirement plan investments, share based compensation expense (benefit) and surplus or deficits generated by marketing and reservation system activities. We consider adjusted EBITDA and adjusted EBITDA margins to be an indicator of operating performance because it measures our ability to service debt, fund capital expenditures and expand our business. We also use these measures, as do analysts, lenders, investors and others, to evaluate companies because it excludes certain items that can vary widely across industries or among companies within the same industry. For example, interest expense can be dependent on a company's capital structure, debt levels and credit ratings, and share based compensation expense (benefit) is dependent on the design of compensation plans in place and the usage of them. Accordingly, the impact of interest expense and share based compensation expense (benefit) on earnings can vary significantly among companies. The tax positions of companies can also vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the jurisdictions in which they operate. As a result, effective tax rates and provision for income taxes can vary considerably among companies. These measures also exclude depreciation and amortization because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets or amortizing franchise-agreement acquisition costs. These differences can result in considerable variability in the relative asset costs and estimated lives and, therefore, the depreciation and amortization expense among companies. Mark-to-market adjustments on non-qualified retirement-plan investments recorded in SG&A are excluded from EBITDA, as the company accounts for these investments in accordance with accounting for deferred-compensation arrangements when investments are held in a rabbi trust and invested. Changes in the fair value of the investments are recognized as both compensation expense in SG&A and other gains and losses. As a result, the changes in the fair value of the investments do not have a material impact on the company's net income. Surpluses and deficits generated from marketing and reservation activities are excluded, as the company's franchise agreements require the marketing and reservation system revenues to be used exclusively for expenses associated with providing franchise services, such as central reservation and property-management systems, reservation delivery and national marketing and media advertising. Franchisees are required to reimburse the company for any deficits generated from these marketing and reservation system activities and the company is required to spend any surpluses generated in future periods. Since these activities will be managed to break-even over time, quarterly or annual surpluses and deficits have been excluded from the measurements utilized to assess the company's operating performance.

Adjusted Net Income and Adjusted Earnings Per Share: Adjusted net income and EPS exclude the impact of surpluses or deficits generated from marketing and reservation system activities. Surpluses and deficits generated from marketing and reservation activities are excluded, as the company's franchise agreements require the marketing and reservation system revenues to be used exclusively for expenses associated with providing franchise services, such as central reservation and property-management systems, reservation delivery and national marketing and media advertising. Franchisees are required to reimburse the company for any deficits generated from these marketing and reservation system activities and the company is required to spend any surpluses generated in future periods. Since these activities will be managed to break-even over time, quarterly or annual surpluses and deficits have been excluded from the measurements utilized to assess the company's operating performance. We consider adjusted net income and adjusted EPS to be indicators of operating performance because excluding these items allow for period-over-period comparisons of our ongoing operations.

Revenues, Excluding Marketing and Reservation System Activities: The company reports revenues, excluding marketing and reservation system activities. These non-GAAP measures we present are commonly used measures of performance in our industry and facilitate comparisons between the company and its competitors. Marketing and reservation system activities are excluded, as the company's franchise agreements require the marketing and reservation system revenues to be used exclusively for expenses associated with providing franchise services, such as central reservation and property-management systems, reservation delivery and national marketing and media advertising. Franchisees are required to reimburse the company for any deficits generated from these marketing and reservation system activities and the company is required to spend any surpluses generated in future periods. Since these activities will be managed to break-even over time, quarterly or annual surpluses and deficits have been excluded from the measurements utilized to assess the company's operating performance.

Reconciliation of Non-GAAP Measures

ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION ("EBITDA")			
($thousands)	Q2 2022*	Q2 2021*	Q2 2019*
Net income	**$ 106,168**	**$ 85,882**	**$ 74,389**
Income tax expense	35,958	25,972	19,765
Interest expense	11,252	11,691	11,093
Interest income	(1,628)	(1,234)	(2,784)
Other (gains) losses	5,559	(2,108)	(906)
Equity in operating net (gain) loss of affiliates, net of impairments	40	1,398	980
Loss on impairment of affiliate	-	-	-
Gain on sale of affiliate	-	(2,577)	4,641
Gain on sale of assets	(3,280)	-	-
Depreciation and amortization	5,479	6,232	3,405
Mark to market adjustments on non-qualified retirement plan investments	(4,835)	2,037	882
Operational restructuring charges	-	379	-
Share-based compensation	4,613	3,032	2,177
Due diligence costs	3,569	-	-
Exceptional allowances attributable to COVID-19	-	1,964	-
Marketing and reservation system reimbursable surplus	(35,536)	(22,703)	(12,344)
Franchise agreement acquisition costs amortization	2,196	1,847	1,321
Adjusted EBITDA	**$ 129,555**	**$ 111,813**	**$ 102,619**

REVENUES, EXCLUDING MARKETING AND RESERVATION ACTIVITIES			
($thousands)	Q1 2022	Q1 2021	
Total revenues	**$ 367,974**	**$ 278,345**	**$ 317,684**
Adjustments:			
Marketing and reservation system activities	(189,382)	(135,988)	(112,465)
Revenues, excluding marketing and reservation activities	**$ 178,592**	**$ 142,357**	**$ 142,357**

*Figures are calculated using guidelines from the ASC 606 Revenue Recognition Standard.

Adjusted EBITDA margin	**73%**	**79%**	**71%**

Reconciliation of Non-GAAP Measures

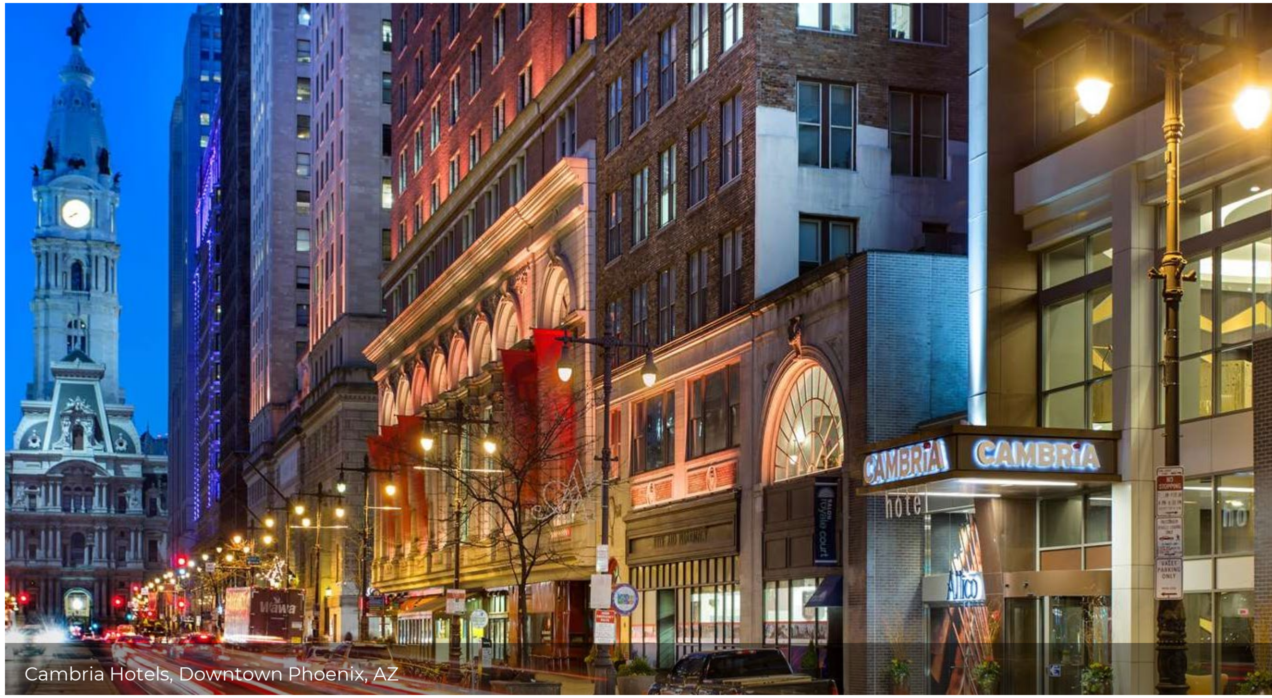
ADJUSTED NET INCOME AND ADJUSTED DILUTED EARNINGS PER SHARE (EPS)				
($thousands)		Q2 2022*		Q2 2021*
Net income	**$**	**106,168**	**$**	**85,882**
Adjustments:				
Loss on impairment of affiliate		-		-
Gain on sale of affiliate		-		(1,976)
Gain on sale of assets		(2,473)		-
Operational restructuring costs		-		283
Due diligence costs		2,691		-
Exceptional allowances attributable to COVID-19		-		1,506
Marketing and reservation system reimbursable surplus		(26,510)		(17,406)
Adjusted Net Income	**$**	**79,876**	**$**	**68,289**
Diluted Earnings Per Share	**$**	**1.89**	**$**	**1.53**
Adjustments:				
Loss on impairment of affiliate		-		-
Gain on sale of affiliate		-		0.04
Gain on sale of assets		(0.04)		-
Operational restructuring costs		-		0.01
Due diligence costs		0.05		-
Exceptional allowances attributable to COVID-19		-		0.03
Marketing and reservation system reimbursable surplus		(0.47)		(0.31)
Adjusted Diluted Earnings Per Share (EPS)	**$**	**1.43**	**$**	**1.22**

*Figures are calculated using guidelines from the ASC 606 Revenue Recognition Standard.


Cambria Hotels, Philadelphia, PA


Cambria Hotels, Calabasas, CA


Cambria Hotels, Chicago Theater District, IL



Cambria Hotels, Downtown Phoenix, AZ