



**BRAEMAR**  
HOTELS & RESORTS

**December 2021**





# Forward Looking Statements and Non-GAAP Measures



In keeping with the SEC's "Safe Harbor" guidelines, certain statements made during this presentation could be considered forward-looking and subject to certain risks and uncertainties that could cause results to differ materially from those projected. When we use the words "will likely result," "may," "anticipate," "estimate," "should," "expect," "believe," "intend," or similar expressions, we intend to identify forward-looking statements. Such forward-looking statements include, but are not limited to, our business and investment strategy, our understanding of our competition, current market trends and opportunities, projected operating results, and projected capital expenditures.

These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business or investment strategy; availability, terms and deployment of capital; availability of qualified personnel; changes in our industry and the market in which we operate, interest rates or the general economy, the degree and nature of our competition, legislative and regulatory changes, including changes to the Internal Revenue Code of 1986, as amended (the "Code"), and related rules, regulations and interpretations governing the taxation of REITs; and limitations imposed on our business and our ability to satisfy complex rules in order for us to qualify as a REIT for federal income tax purposes. These and other risk factors are more fully discussed in the company's filings with the Securities and Exchange Commission.

EBITDA is defined as net income (loss) before interest expense and amortization of loan costs, depreciation and amortization, income taxes, equity in (earnings) loss of unconsolidated entity and after the Company's portion of EBITDA of OpenKey. In addition, we excluded impairment on real estate, (gain) loss on insurance settlement and disposition of assets and Company's portion of EBITDA of OpenKey from EBITDA to calculate EBITDA for real estate, or EBITDAre, as defined by NAREIT. EBITDA yield is defined as trailing twelve month EBITDA divided by the purchase price or debt amount. A capitalization rate is determined by dividing the property's net operating income by the purchase price. Net operating income is the property's Hotel EBITDA minus a capital expense reserve of either 4% or 5% of gross revenues. Hotel EBITDA flow-through is the change in Hotel EBITDA divided by the change in total revenues. EBITDA, FFO, AFFO, CAD and other terms are non-GAAP measures, reconciliations of which have been provided in prior earnings releases and filings with the SEC or in the appendix to this presentation.

The calculation of implied equity value is derived from an estimated blended capitalization rate ("Cap Rate") for the entire portfolio using the capitalization rate method. The estimated Cap Rate is based on recent Cap Rates of publically traded peers involving a similar blend of asset types found in the portfolio, which is then applied to Net Operating Income ("NOI") of the company's assets to calculate a Total Enterprise Value ("TEV") of the company. From the TEV, we deduct debt and preferred equity and then add back working capital to derive an equity value. The capitalization rate method is one of several valuation methods for estimating asset value and implied equity value. Among the limitations of using the capitalization rate method for determining an implied equity value are that it does not take into account the potential change or variability in future cash flows, potential significant future capital expenditures, the intended hold period of the asset, or a change in the future risk profile of an asset.

This overview is for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy or sell, any securities of Braemar Hotels & Resorts Inc. or any of its respective affiliates, and may not be relied upon in connection with the purchase or sale of any such security.

Our business has been and will continue to be materially adversely affected by the impact of, and the public perception of a risk of, a pandemic disease. In December 2019, a novel strain of coronavirus (COVID-19) was identified in Wuhan, China, which has subsequently spread to other regions of the world, and has resulted in increased travel restrictions and extended shutdown of certain businesses in affected regions, including in nearly every state in the United States. Since late February, we have experienced a significant decline in occupancy and RevPAR and we expect the significant occupancy and RevPAR reduction associated with the novel coronavirus (COVID-19) to likely continue as we are recording significant reservation cancellations as well as a significant reduction in new reservations relative to prior expectations. The continued outbreak of the virus in the U.S. has and will likely continue to further reduce travel and demand at our hotels. The prolonged occurrence of the virus has resulted in health or other government authorities imposing widespread restrictions on travel or other market impacts. The hotel industry and our portfolio have and we expect will continue to experience the postponement or cancellation of a significant number of business conferences and similar events. At this time those restrictions are very fluid and evolving. We have been and will continue to be negatively impacted by those restrictions. Given that the type, degree and length of such restrictions are not known at this time, we cannot predict the overall impact of such restrictions on us or the overall economic environment. In addition, even after the restrictions are lifted, the propensity of people to travel and for businesses to hold conferences will likely remain below historical levels for an additional period of time that is difficult to predict. We may also face increased risk of litigation if we have guests or employees who become ill due to COVID-19.

As such, the impact these restrictions may have on our financial position, operating results and liquidity cannot be reasonably estimated at this time, but the impact will likely be material. Additionally, the public perception of a risk of a pandemic or media coverage of these diseases, or public perception of health risks linked to perceived regional food and beverage safety has materially further adversely affected us by reducing demand for our hotels. These events have resulted in a sustained, significant drop in demand for our hotels and could have a material adverse effect on us.

Prior to investing in Braemar, potential investors should carefully review Braemar's periodic filings with the Securities and Exchange Commission, including, but not limited to, Braemar's most current Form 10-K, Form 10-Q and Form 8-K's, including the risk factors included therein.



## Management Team



**RICHARD J. STOCKTON**  
*Chief Executive Officer &  
President*

- 24 years of hospitality experience
- 5 years with the Company
- 15 years with Morgan Stanley
- Cornell School of Hotel Administration BS
- University of Pennsylvania MBA



**DERIC S. EUBANKS, CFA**  
*Chief Financial Officer*

- 21 years of hospitality experience
- 18 years with the Company
- 3 years with ClubCorp
- CFA charterholder
- Southern Methodist University BBA



**JEREMY J. WELTER**  
*Chief Operating Officer*

- 16 years of hospitality experience
- 11 years with the Company (5 years with the Company's predecessor)
- 5 years with Stephens Investment Bank
- Oklahoma State University BS





# BHR Market Position and Strategy Signal Potential For Sharp Recovery



Market Outlook: Recovery Favors Luxury Resorts



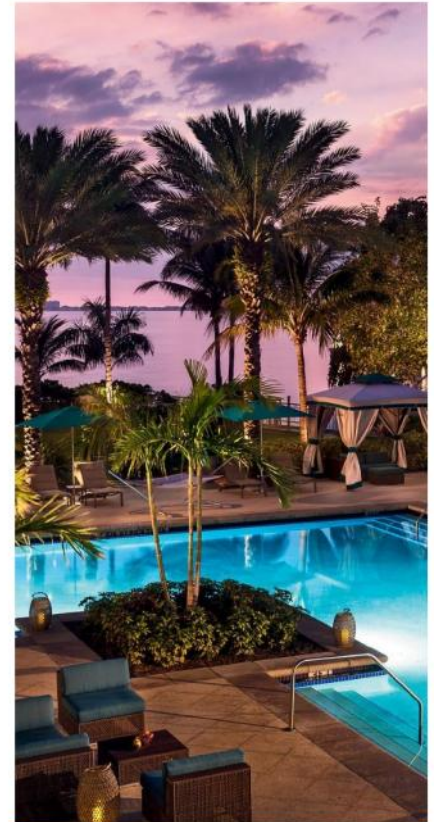
Ideal Portfolio Composition



Recent Results & Developments



Balance Sheet Strategy



Ritz-Carlton Sarasota



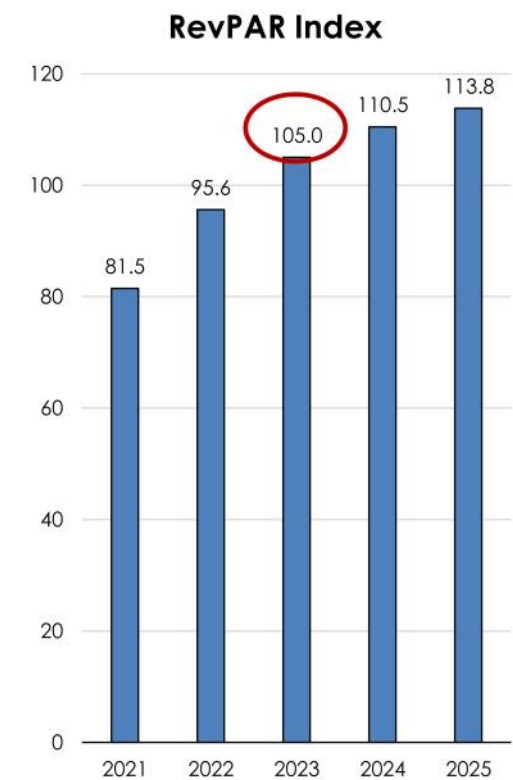
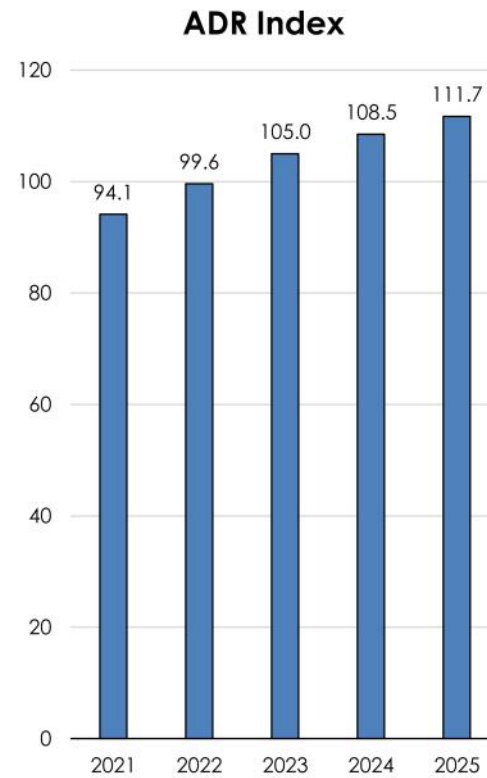
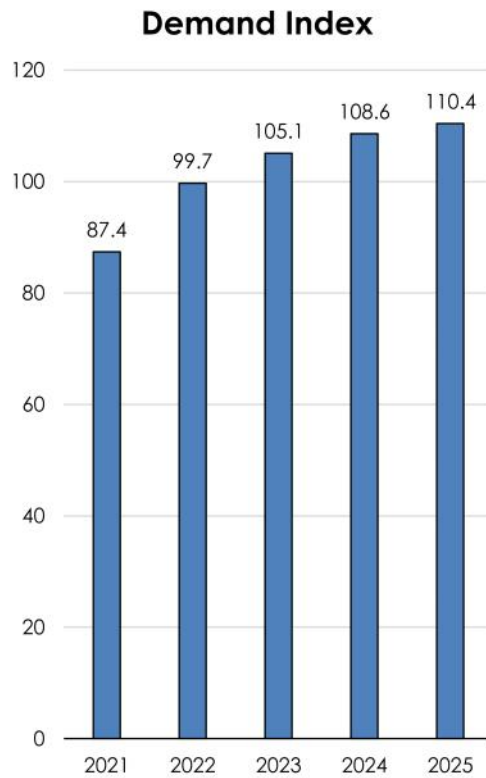
# Market Outlook

Recovery Favors Luxury Resort Assets





## U.S. KPIs, Indexed to 2019



Source: STR

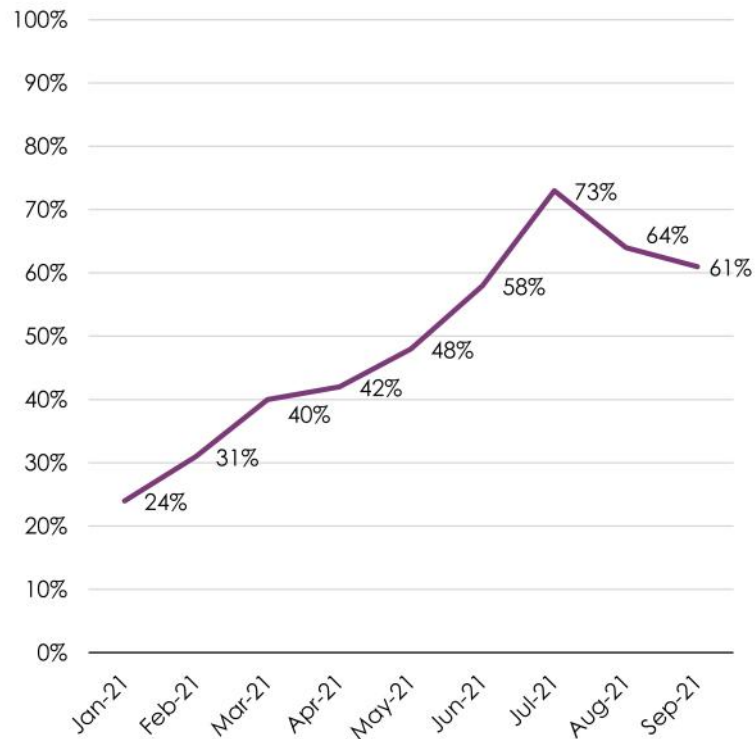


# Luxury Asset Class and Resorts Recovering Rapidly



## RevPAR as a % of 2019

### Luxury



### Resort



Source: CBRE October 2021



# BHR Portfolio

Taking Advantage of Strategic Asset Class







# High Quality Assets

Situated in High Barrier to Entry Leisure and Urban Markets





# TripAdvisor Rating by Company

## Braemar Tops the List – February 2021



### RAYMOND JAMES

US RESEARCH | PUBLISHED BY  
RAYMOND JAMES & ASSOCIATES

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FEBRUARY 5, 2021 | 11:00 AM EST  
INDUSTRY BRIEF

#### Lodging Portfolios Through The Eyes of TripAdvisor: 2021 Update

##### Highlights:

- The highest average portfolio-wide guest satisfaction score is from Braemar.
- CorePoint's largely La Quinta-branded portfolio continues to lead the industry.
- Xenia, Apple, and DiamondRock own the highest rated hotels.
- Hersha and Pebblebrook possess the highest rated hotels in the industry.
- DiamondRock and Braemar's portfolio has the highest average rating in the industry over year time periods; Chatham, Hersha, and Pebblebrook follow.

**Summary:** We believe that occasional investors better understand the company's success (or lack thereof) in capital markets environment vs. prior years, as the industry (barely) holding up the industry's decisions of leisure travelers' behavior. Iterations were published in the past.

##### Key takeaways from our research:

- A TripAdvisor 4-star rating is a significant differentiator, regardless of other factors which uses a 200-point scale.
- Select service hotels generally have higher ratings, perhaps reflecting modern amenities you mean you are out of Russian.
- Wyndham still has a ways to go to improve its nearly all La Quinta branded properties. La Quinta's average rating has improved over the last 2 years, but that efforts to de-flag poorer quality hotels in the margins, improving consumer perception of the average positive guest score of 66%. Admittedly, the industry's average rating is still low.

Among REIT owned hotels, a trio of Hilton brands sit at the top of the rankings. DoubleTree, Embassy Suites, and Hampton Inn & Suites (22, 23, and 24 out of 28). The Hilton and Embassy Suites brands saw their scores deteriorate modestly over 2- and 7-year periods. This suggests Embassy Suites, once (and still) deemed a category killer, appears to be resting on its past success, at least in the eyes of guests/reviewers. Embassy Suites properties seem to not yet be benefiting from product refreshment efforts. Marriott's challenged Sheraton brand ranks 25 of 28 while Marriott's Gaylord brand ranks second to last (mega-sized hotels have far more "touch points" where things can go wrong as discussed and, with 70%+ of demand from groups, the intent of the stay often does not involve "fun"). Both brands have moved backward over the 2-year period. Marriott just introduced the first of several completely refreshed properties in an effort to regain the domestic relevance it once possessed. That said, the beauty of a broad brand portfolio is that Hilton and Marriott brands also dominate the top of the rankings.

Please read domestic and foreign disclosure/risk information beginning on page 22 and Analyst Certification on page 22.

INTERNATIONAL HEADQUARTERS: THE RAYMOND JAMES FINANCIAL CENTER | 880 CARILLON PARKWAY | ST. PETERSBURG FLORIDA 33716

### TripAdvisor Ratings by Lodging REIT<sup>(1)</sup>

| COMPANY (SYMBOL)  | HOTELS       | ROOMS          | PER HOTEL  | REVIEWS          | REVIEWS PER |              | AVG TRIPADVISOR RATING <sup>(2)</sup> |
|-------------------|--------------|----------------|------------|------------------|-------------|--------------|---------------------------------------|
|                   |              |                |            |                  | ROOM        | HOTEL        |                                       |
| Braemar (BHR)     | 13           | 3,722          | 286        | 26,884           | 7.2         | 2,068        | 84%                                   |
| Apple (APLE)      | 235          | 30,023         | 128        | 155,654          | 5.2         | 662          | 83%                                   |
| Xenia (XHR)       | 35           | 10,012         | 286        | 66,029           | 6.6         | 1,887        | 82%                                   |
| Summit (INN)      | 72           | 11,288         | 157        | 56,313           | 5.0         | 782          | 81%                                   |
| Pebblebrook (PEB) | 53           | 13,226         | 250        | 117,744          | 8.9         | 2,222        | 81%                                   |
| Sunstone (SHO)    | 17           | 9,017          | 530        | 43,875           | 4.9         | 2,581        | 80%                                   |
| DiamondRock (DRH) | 30           | 9,600          | 320        | 53,169           | 5.5         | 1,772        | 80%                                   |
| Host (HST)        | 74           | 44,639         | 603        | 218,650          | 4.9         | 2,955        | 79%                                   |
| Hersha (HT)       | 48           | 7,582          | 158        | 59,820           | 7.9         | 1,246        | 79%                                   |
| Chatham (CLDT)    | 133          | 18,260         | 137        | 74,239           | 4.1         | 558          | 77%                                   |
| Ashford (AHT)     | 103          | 22,619         | 220        | 96,951           | 4.3         | 941          | 75%                                   |
| RLJ (RLJ)         | 104          | 22,742         | 219        | 133,560          | 5.9         | 1,284        | 73%                                   |
| Park (PK)         | 60           | 33,228         | 554        | 208,078          | 6.3         | 3,468        | 72%                                   |
| Ryman (RHP)       | 7            | 10,110         | 1,444      | 30,225           | 3.0         | 4,318        | 67%                                   |
| CorePoint (CPLG)  | 220          | 29,113         | 132        | 162,851          | 5.6         | 740          | 63%                                   |
| <b>TOTAL/AVG</b>  | <b>1,204</b> | <b>275,181</b> | <b>229</b> | <b>1,504,042</b> | <b>5.5</b>  | <b>1,249</b> | <b>77%</b>                            |

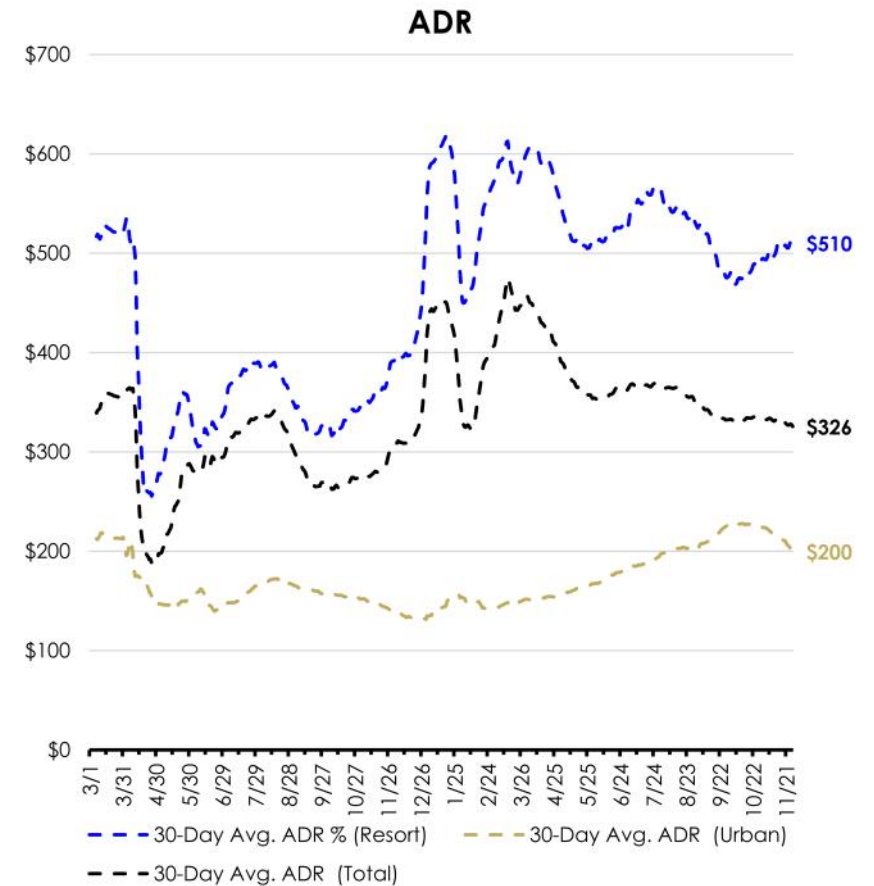
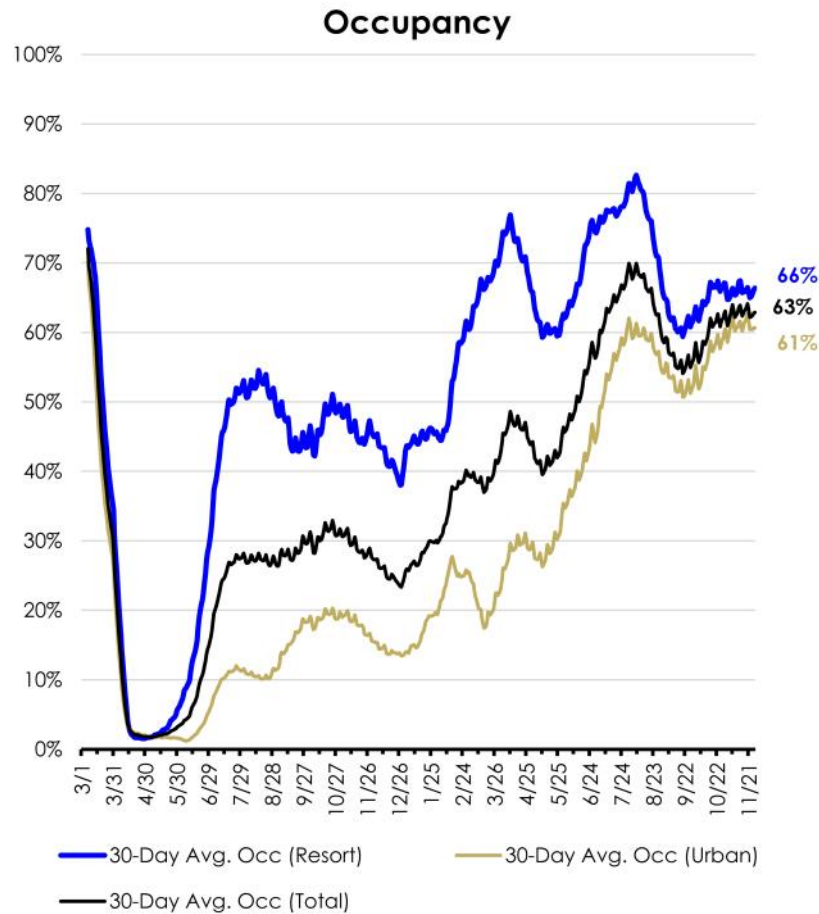
[1] Source: TripAdvisor, Raymond James Research  
[2] Room count-weighted average



# Portfolio Resort Exposure Lifts Performance



## Occupancy & ADR Ramping Up – 03/1/20 to 11/27/21



**Resort:** Bardessono, Hotel Yountville, Ritz-Carlton St. Thomas, Pier House, Hilton Torrey Pines, Park Hyatt Beaver Creek, Ritz-Carlton Lake Tahoe and Ritz-Carlton Sarasota  
**Urban:** The Clancy, The Notary Hotel, Marriott Seattle Waterfront, Capital Hilton, Sofitel Chicago and Mr. C (data begins 9/1/2021 for Mr. C)

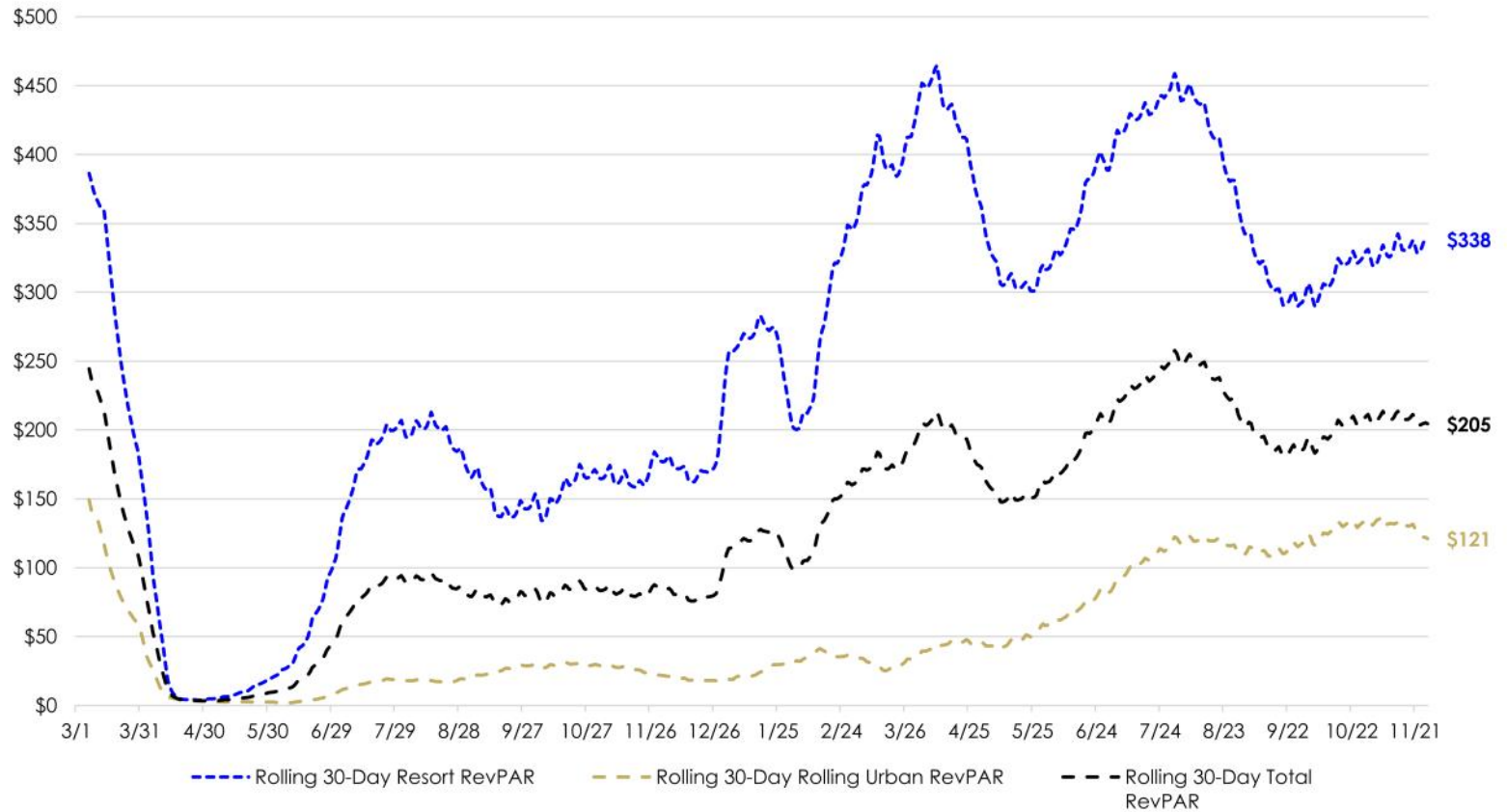




# Portfolio Resort Exposure Lifts Performance



## RevPAR Ramping Up – 03/1/20 to 11/27/21



**Resort:** Bardessono, Hotel Yountville, Ritz-Carlton St. Thomas, Pier House, Hilton Torrey Pines, Park Hyatt Beaver Creek, Ritz-Carlton Lake Tahoe and Ritz-Carlton Sarasota  
**Urban:** The Clancy, The Notary Hotel, Marriott Seattle Waterfront, Capital Hilton, Sofitel Chicago and Mr. C (data begins 9/1/2021 for Mr. C)



# Portfolio Q3 2021 Performance



| Core Assets                             | Location          | Market Type | Number of Rooms | Q3 2021    |              |              |                             |
|---|-------------------|-------------|-----------------|------------|--------------|--------------|-----------------------------|
|   |                   |             |                 | Occ%       | ADR          | RevPAR       | Hotel EBITDA <sup>(1)</sup> |
| Ritz-Carlton St. Thomas                 | St. Thomas, USVI  | Resort      | 180             | 77%        | \$965        | \$745        | \$5,271                     |
| Pier House                              | Key West, FL      | Resort      | 142             | 77%        | \$574        | \$441        | \$3,915                     |
| Ritz-Carlton Sarasota                   | Sarasota, FL      | Resort      | 266             | 67%        | \$488        | \$326        | \$3,634                     |
| Bardessono                              | Napa Valley, CA   | Resort      | 65              | 80%        | \$1,347      | \$1,075      | \$3,573                     |
| Park Hyatt Beaver Creek                 | Beaver Creek, CO  | Resort      | 190             | 74%        | \$320        | \$236        | \$3,529                     |
| Hilton Torrey Pines                     | La Jolla, CA      | Resort      | 394             | 73%        | \$232        | \$170        | \$2,747                     |
| Hotel Yountville                        | Napa Valley, CA   | Resort      | 80              | 70%        | \$886        | \$623        | \$2,654                     |
| Marriott Seattle Waterfront             | Seattle, WA       | Urban       | 361             | 79%        | \$262        | \$208        | \$1,690                     |
| Ritz-Carlton Lake Tahoe                 | Truckee, CA       | Resort      | 170             | 50%        | \$684        | \$339        | \$1,410                     |
| The Notary Hotel                        | Philadelphia, PA  | Urban       | 499             | 46%        | \$186        | \$85         | \$1,255                     |
| Mr.C Beverly Hills Hotel <sup>(2)</sup> | Beverly Hills, CA | Urban       | 143             | 58%        | \$349        | \$201        | \$947                       |
| The Clancy                              | San Francisco, CA | Urban       | 410             | 75%        | \$184        | \$137        | \$437                       |
| Capital Hilton                          | Washington, D.C.  | Urban       | 550             | 32%        | \$152        | \$49         | (\$1,197)                   |
| Sofitel Chicago Magnificent Mile        | Chicago, IL       | Urban       | 415             | 62%        | \$222        | \$137        | (\$2,086)                   |
| <b>Total Portfolio</b>                  |                   |             | <b>3,865</b>    | <b>62%</b> | <b>\$361</b> | <b>\$223</b> | <b>\$27,779</b>             |



Hilton Torrey Pines

(1) In thousands  
 (2) Comparable operating results; includes condo units

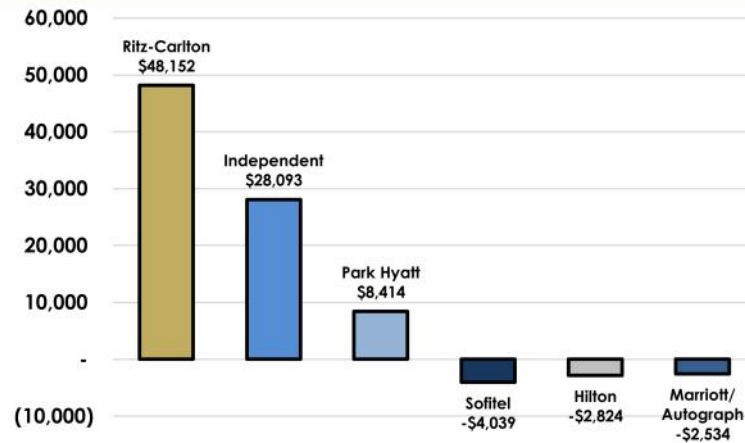


# EBITDA By Brand, Class, and Market

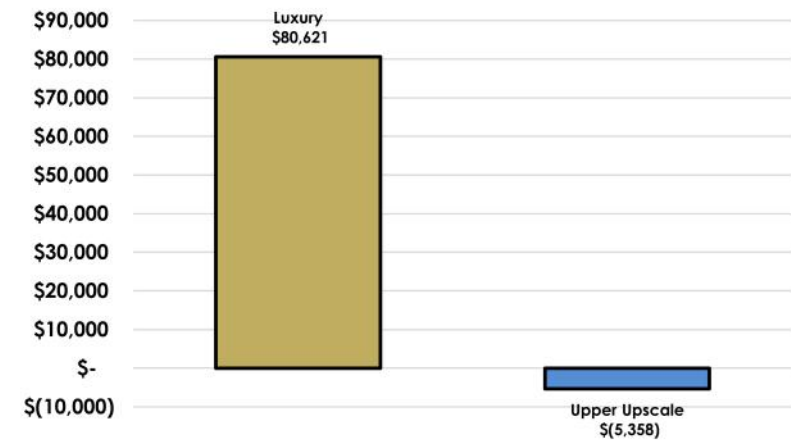
High Exposure to Luxury Asset Class and Resort Markets



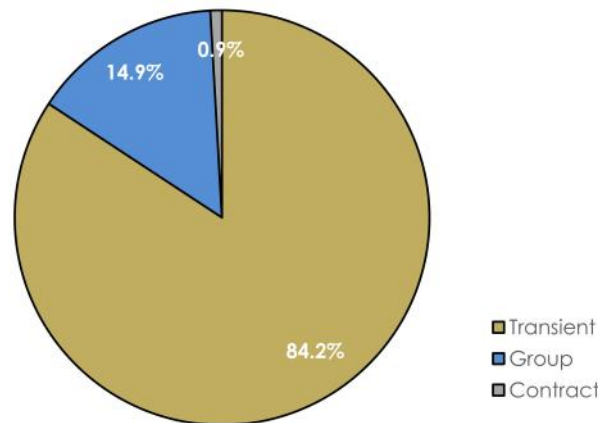
2021 Q3 TTM Hotel EBITDA by Brand<sup>(1)</sup>



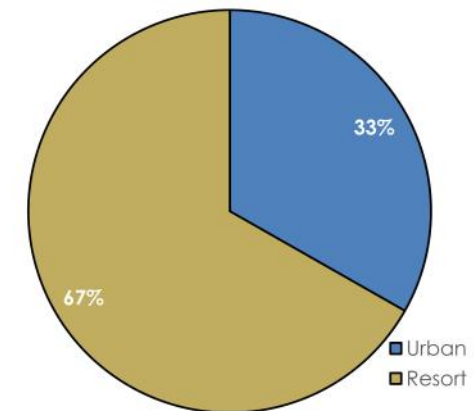
2021 Q3 TTM Hotel EBITDA by Class<sup>(1)</sup>



2021 Q3 Room Revenue



2021 Q3 Room Revenue by Location<sup>(1)</sup>



(1) Comparable TTM as of 9/30/2021, see appendix for a reconciliation of TTM hotel net income (loss) to hotel TTM EBITDA. In thousands.



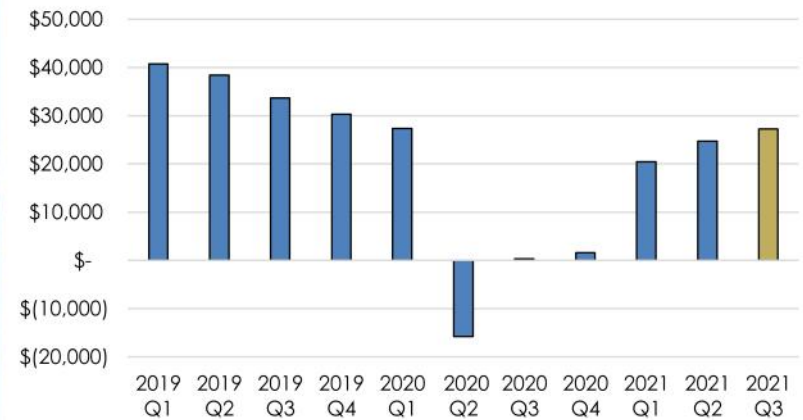


# Strong Asset Class and Strategic Market Exposure Position Portfolio for Potential Rapid Recovery

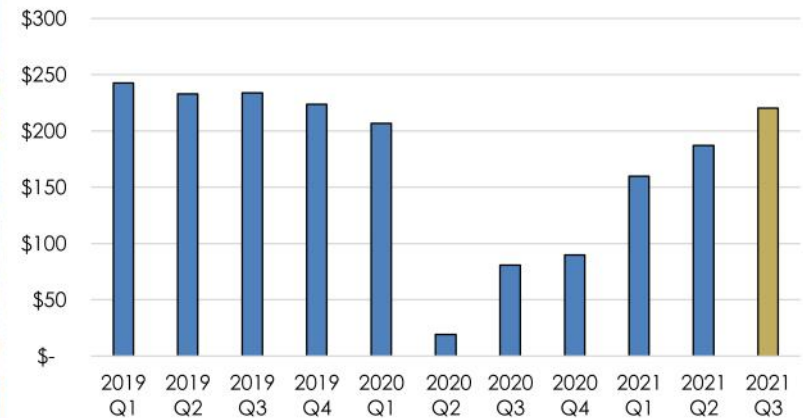


Ritz-Carlton Lake Tahoe

### Quarterly Hotel EBITDA (In Thousands)



### Quarterly RevPAR





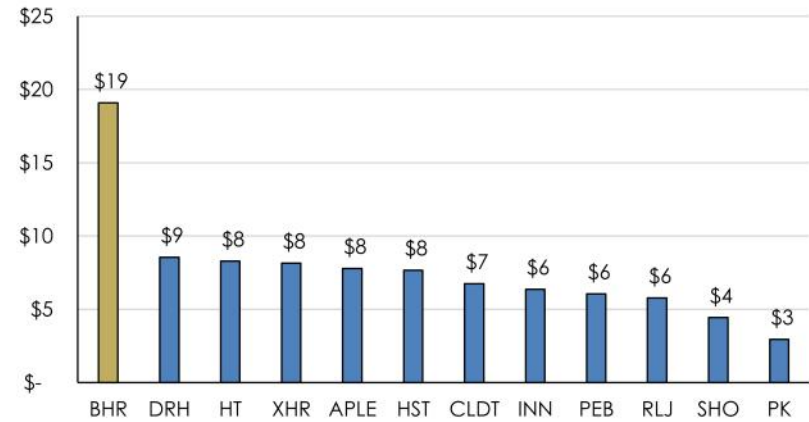
# Highest EBITDA Per Room & RevPAR



### 2019 EBITDA Per Room (In thousands)



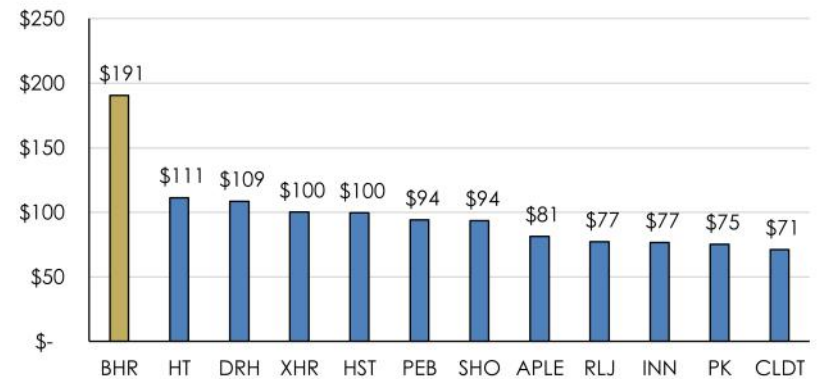
### 2021 Q3 YTD EBITDA Per Room



### 2019 RevPAR



### 2021 Q3 YTD REVPAR





## Recent Results & Developments

Solid Q3 Results Signals Potential For Sharp Recovery







# 2021 Q3 Hotel Operating Results

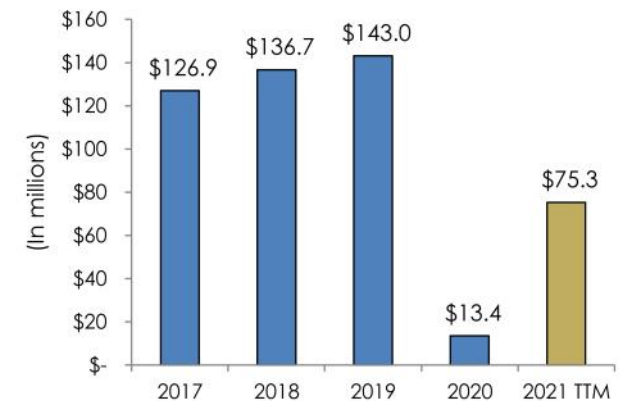


| Comparable Hotel Operating Results <sup>(1)(4)</sup> | 2021 Q3    | 2020 Q3   | 2019 Q3   | % Variance 2020 | % Variance 2019 |
|--|------------|-----------|-----------|-----------------|-----------------|
| ADR  | \$ 360.94  | \$ 310.36 | \$283.61  | 18.5%           | 27.3%           |
| Occupancy  | 61.7%      | 26.8%     | 83.1%     | 129.9%          | (25.8)%         |
| RevPAR   | \$ 222.52  | \$ 83.15  | \$235.60  | 172.5%          | (5.6)%          |
| Total Hotel Revenue <sup>(2)</sup>                   | \$ 118,254 | \$ 46,801 | \$124,093 | 159.7%          | (4.7)%          |
| Hotel EBITDA <sup>(2)</sup>                          | \$ 27,779  | \$424     | \$34,956  | 7,514.8%        | (20.5)%         |
| Hotel EBITDA Margin                                  | 23.5%      | 0.9%      | 28.2%     | 22.6%           | (16.7)%         |

## COMPARABLE REVPAR<sup>(3)(4)</sup>



## COMPARABLE HOTEL EBITDA<sup>(3)(4)</sup>



(1) Includes: Bardessono, Hotel Yountville, Ritz-Carlton St. Thomas, Pier House, Marriott Seattle Waterfront, Capital Hilton, Sofitel Chicago, Hilton Torrey Pines, The Clancy, The Notary Hotel, Park Hyatt Beaver Creek, Mr. C Beverly Hills, Ritz-Carlton Lake Tahoe and Ritz-Carlton Sarasota  
 (2) In thousands  
 (3) As reported in Earnings Releases: 2017 as reported on 2/28/2018; 2018 as reported on 2/27/2019; 2019 as reported on 2/26/2020; as reported on 02/25/2021  
 (4) Due to the economic effects of the COVID-19 pandemic on the Company, the lodging industry and the broader economy, the information provided should not be relied upon as an accurate representation of the current or future financial condition or performance of the Company

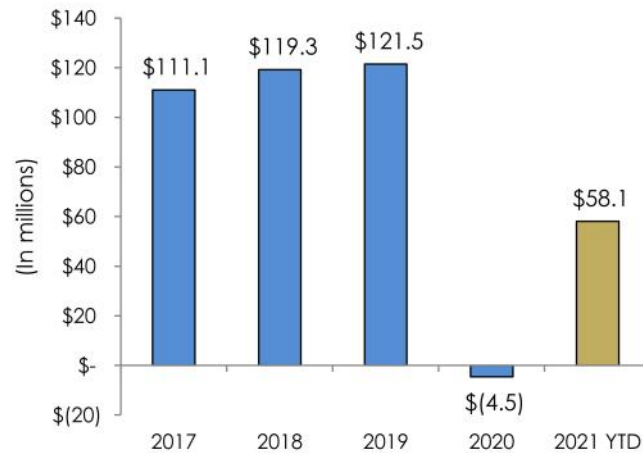


## Quarter Highlights

- Comparable RevPAR for all hotels increased 168% to \$222.52 during the quarter. Comparable ADR increased 16.3% to \$360.94 and comparable occupancy increased 130.1% to 61.7%. Comparable RevPAR for all hotels decreased 6.1% compared to the comparable period in 2019.
- Adjusted funds from operations (AFFO) was \$0.17 per diluted share for the quarter compared to \$(0.21) in the prior year quarter.
- Adjusted EBITDAre was \$21.9 million for the quarter.
- Comparable Hotel EBITDA was \$27.8 million for the quarter.
- During the quarter, the Company closed on the acquisition of the 138-room Mr. C Beverly Hills Hotel in Los Angeles, California for total consideration of \$77.9 million.
- Net debt to gross assets was 48% at the end of the third quarter.
- Capex invested during the quarter was \$6.8 million.

## Full Year Highlights

### ADJUSTED EBITDARE



### AFFO PER SHARE





# Update on Recent Operating Performance



## November 2021

|           |       |
|-----------|-------|
| OCCUPANCY | 60.8% |
| ADR       | \$348 |
| REVPAR    | \$212 |

## RevPAR Growth

|          |      |
|----------|------|
| Vs. 2019 | 4%   |
| Vs. 2020 | 151% |

## Highlights

- RevPAR above 2019 levels
- Resort properties continue to capitalize on strong leisure demand
- Urban properties continue to recover





# Recent Developments: Mr. C Beverly Hills Hotel



Mr. C, Beverly Hills

## Property Overview

|                     |               |
|---------------------|---------------|
| Number of Rooms     | 138           |
| Residences          | 5             |
| Meeting Space (S.F) | 5,800         |
| Location            | Beverly Hills |
| Last Renovation     | 2011          |

## TRANSACTION OVERVIEW

- 2.5M OP units in BHR, warrants for 500k shares of common stock at a \$6.00 strike price, \$30M of mortgage debt, and \$30.0M cash (the majority of which is used to pay down existing debt)
- Hotel acquisition price of \$65.4M<sup>(1)</sup>
- Plan to sell 5 residences valued at \$12.5M+
- Remington to take over management
- Estimated ~\$10M renovation in the first 2 years

RevPAR **\$251<sup>(2)</sup>**

Price Per Key **\$474K<sup>(1)</sup>**

2019 Cap Rate **5%**

Unlevered IRR **~10%**

<sup>(1)</sup> Net of 5 residences, which were valued at \$12.5M+  
<sup>(2)</sup> TTM December 31, 2019



# Balance Sheet Strategy

Maintain Liquidity, Monitor Leverage, Navigate Recovery





# Current Liquidity<sup>(1)</sup>

## CASH POSITION

|   |                 |
|---|-----------------|
| CASH & CASH EQUIVALENTS                 | \$195.5M        |
| RESTRICTED CASH                         | \$44.7M         |
| DUE FROM 3 <sup>RD</sup> PARTY MANAGERS | \$20.4M         |
| <b>TOTAL CASH</b>                       | <b>\$260.6M</b> |

## POSITIVE OPERATING CASH FLOW<sup>(2)</sup>

|                             |                 |
|-----------------------------|-----------------|
| ADJ. EBITDARE               | \$58.1M         |
| PREFERRED DIVIDENDS         | (\$6.9M)        |
| CAPEX                       | (\$15.8M)       |
| DEBT SERVICE <sup>(3)</sup> | (\$22.3M)       |
| <b>CASH FLOW</b>            | <b>~\$13.1M</b> |



Sofitel Chicago

(1) As of 9/30/21  
(2) Q3 2021 YTD  
(3) Excludes amortization payments



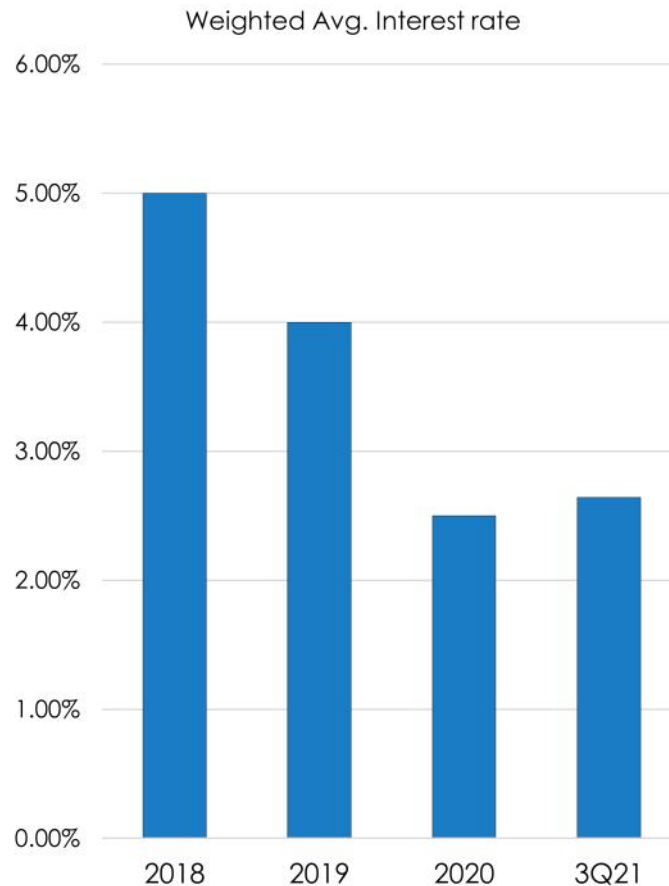


# Leverage Strategy

Well Designed to Handle Pandemic Impact



## Overview



Delever to **35%** Net Debt to Gross Assets

Hold **10% of Gross Debt Balance** as cash on the balance sheet

Floating-rate debt provides a **natural hedge** to hotel cash flows and **maximizes flexibility** in all economic environments

Proactive strategy to opportunistically refinance loans and extend maturities

Long-standing **lender relationships**

Note: the use of debt potentially increases BHR's returns, as well as the risk of losses associated with the investment



# Debt Maturities



The Notary Hotel

## OVERVIEW

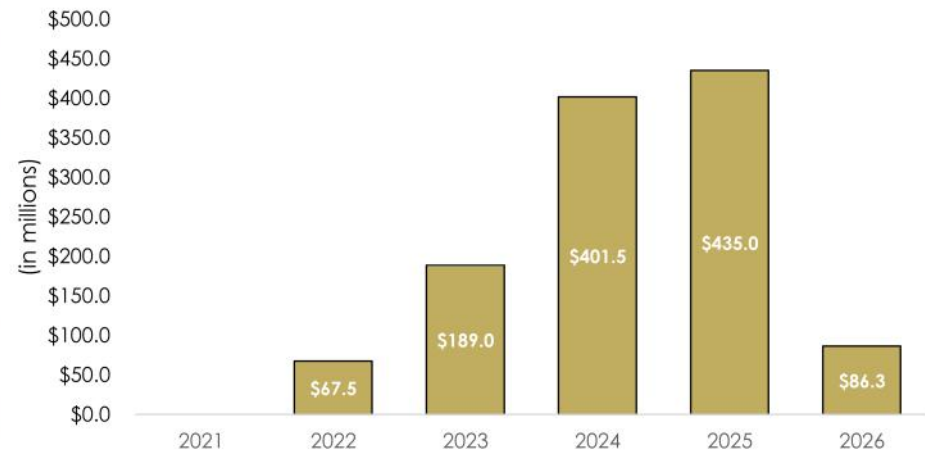
2022

NEXT HARD DEBT MATURITY

2.6%

WEIGHTED AVG. INTEREST RATE<sup>(1)</sup>

## Laddered debt maturities<sup>(1)(2)</sup>



■ Maturities

(1) As of 9/30/2021

(2) Assumes extension options are exercised. There can be no guaranty that extension options are exercisable on or before maturity. In the event one or more extensions are not exercisable we will be subject to the prevailing conditions of the debt markets at that time, which could result in increased or decreased borrowing cost or the inability to borrow at all. In such case, our ability to repay the amounts owed under the debt arrangements may not be feasible or could have a negative impact on our financial performance



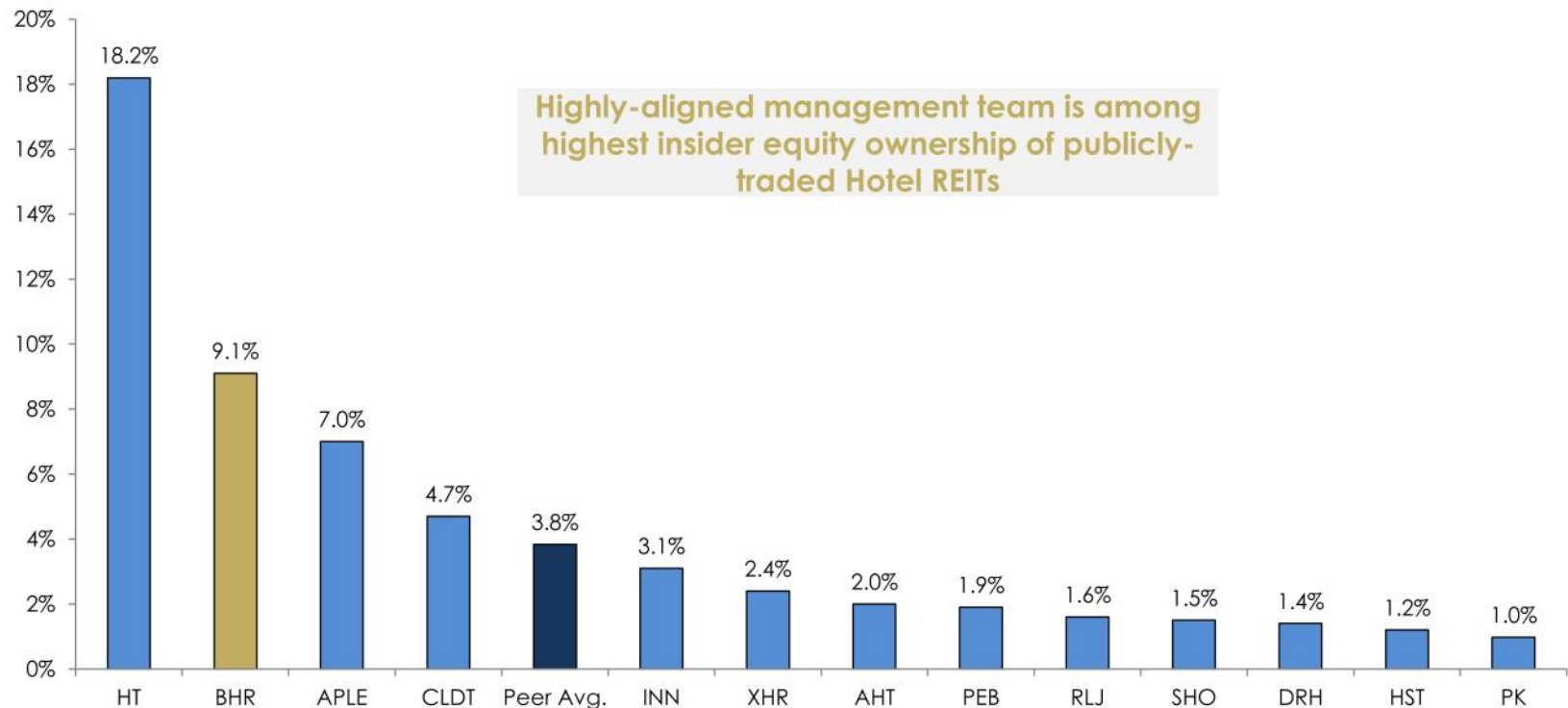
## Highly Aligned Management Team



**9.1%** Management has significant personal wealth invested in the Company

**2.4x** Insider ownership 2.4x higher than public lodging REIT industry average

**\$35.5M** Total dollar value of insider ownership (as of 11/1/2021)



REIT Avg includes: AHT, HT, APLE, CLDT, CHSP, RLJ, PEB, INN, HST, DRH, SHO, XHR, PK  
Source: Latest Proxy and Company filings





# Key Takeaways



Market Outlook: Recovery Favors Luxury Resorts



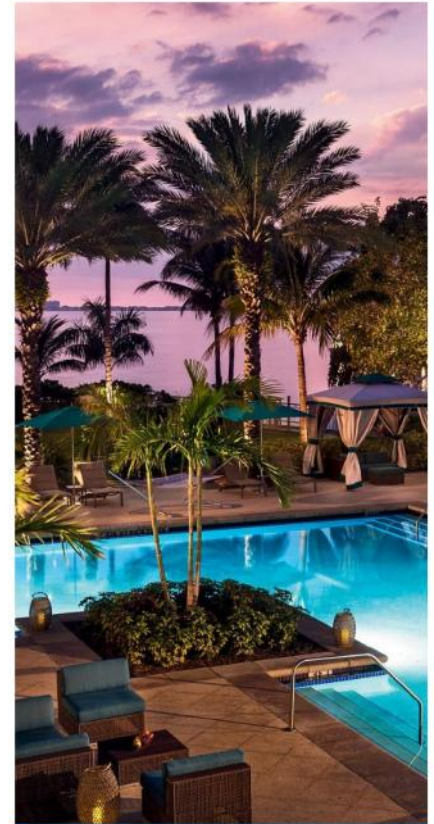
Ideal Portfolio Composition



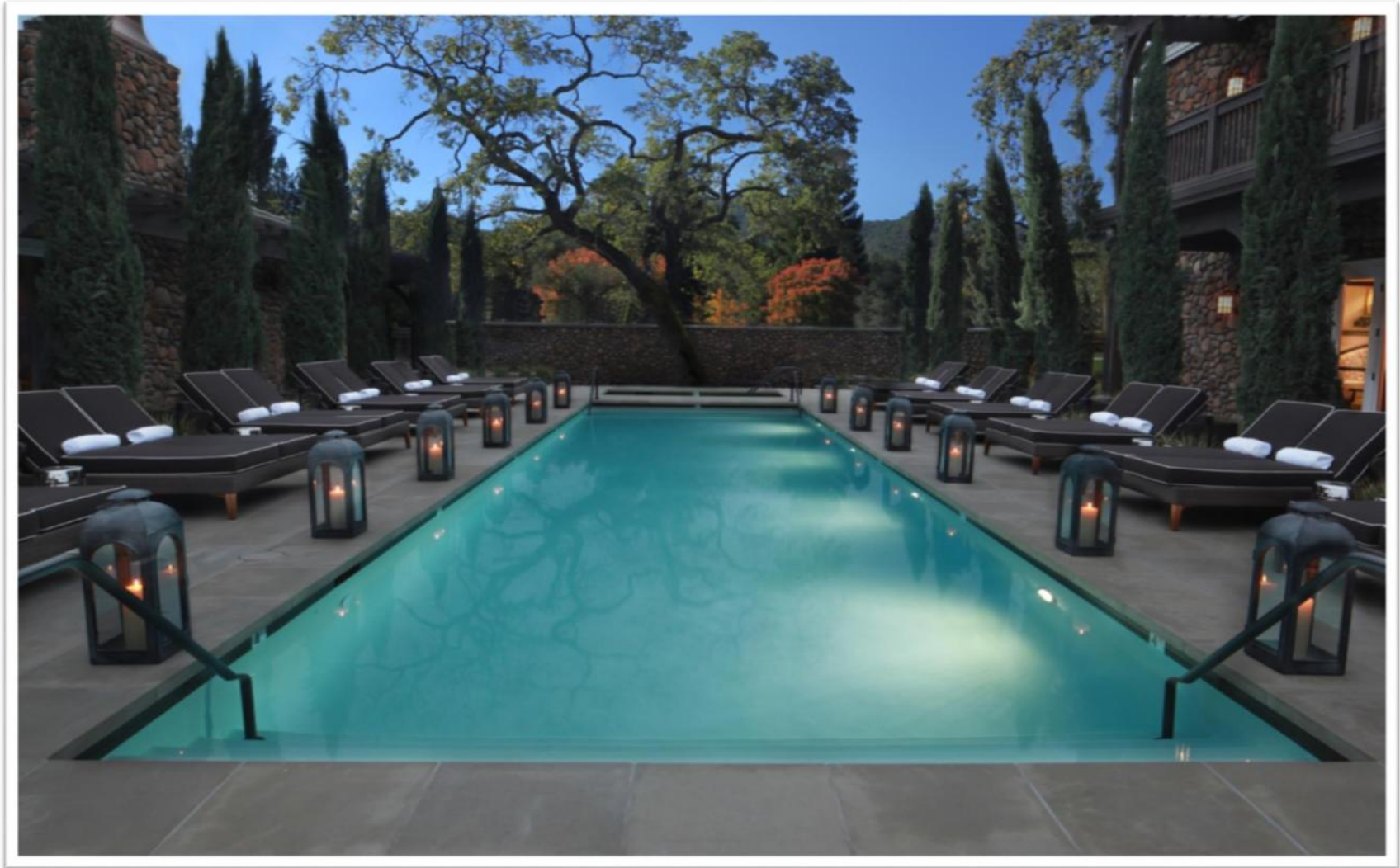
Focus on Growth



Solid Balance Sheet and Liquidity



Ritz-Carlton Sarasota



Appendix



**BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES**  
**INDEBTEDNESS BY MATURITY ASSUMING EXTENSION OPTIONS ARE EXERCISED**  
**September 30, 2021**  
**(dollars in thousands)**  
**(unaudited)**

| Lender                                    | Hotels  | 2021   | 2022      | 2023       | 2024       | 2025       | Thereafter | Total        |
|---|---|--------|-----------|------------|------------|------------|------------|--------------|
| JPMorgan                                  | Park Hyatt Beaver Creek Resort & Spa            | \$ —   | \$ 67,500 | \$ —       | \$ —       | \$ —       | \$ —       | \$ 67,500    |
| BAML                                      | Hotel Yountville                                | —      | —         | 51,000     | —          | —          | —          | 51,000       |
| BAML                                      | Bardessono Hotel and Spa                        | —      | —         | 40,000     | —          | —          | —          | 40,000       |
| BAML                                      | The Ritz-Carlton Sarasota                       | —      | —         | 98,000     | —          | —          | —          | 98,000       |
| BAML                                      | The Ritz-Carlton Lake Tahoe                     | —      | —         | —          | 54,000     | —          | —          | 54,000       |
| Prudential                                | Capital Hilton and Hilton La Jolla Torrey Pines | —      | —         | —          | 195,000    | —          | —          | 195,000      |
| Apollo                                    | The Ritz-Carlton St. Thomas                     | —      | —         | —          | 42,500     | —          | —          | 42,500       |
| LoanCore                                  | Mr. C Beverly Hills Hotel                       | —      | —         | —          | 30,000     | —          | —          | 30,000       |
| BAML                                      | Pier House Resort & Spa                         | —      | —         | —          | 80,000     | —          | —          | 80,000       |
| BAML                                      | See footnote 1                                  | —      | —         | —          | —          | 435,000    | —          | 435,000      |
| Convertible Senior Notes                  | N/A   | —      | —         | —          | —          | —          | 86,250     | 86,250       |
| Principal due in future periods           |   | \$ —   | \$ 67,500 | \$ 189,000 | \$ 401,500 | \$ 435,000 | \$ 86,250  | \$ 1,179,250 |
| Scheduled amortization payments remaining |   | 453    | 1,000     | 500        | —          | —          | —          | 1,953        |
| Total indebtedness                        |   | \$ 453 | \$ 68,500 | \$ 189,500 | \$ 401,500 | \$ 435,000 | \$ 86,250  | \$ 1,181,203 |

<sup>(1)</sup> This mortgage loan is secured by the Sofitel Chicago Magnificent Mile, The Clancy, Marriott Seattle Waterfront and The Notary Hotel.





# Indebtedness



**BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES**  
**SUMMARY OF INDEBTEDNESS**  
**September 30, 2021**  
**(dollars in thousands)**  
**(unaudited)**

| Lender                                | Hotels  | Current Maturity | Final Maturity <sup>(6)</sup> | Interest Rate | Fixed-Rate Debt | Floating-Rate Debt | Total Debt         | Comparable TTM Hotel EBITDA <sup>(7)</sup> | Comparable TTM EBITDA Debt Yield |
|---------------------------------------|---|------------------|-------------------------------|---------------|-----------------|--------------------|--------------------|--|----------------------------------|
| JPMorgan                              | Park Hyatt Beaver Creek Resort & Spa            | April 2022       | April 2022                    | LIBOR + 3.00% | \$ —            | \$ 67,500          | (1) \$ 67,500      | \$ 8,414                                   | 12.5 %                           |
| BAML                                  | See footnote                                    | June 2022        | June 2025                     | LIBOR + 2.16% | —               | 435,000            | (2) 435,000        | (6,573)                                    | (1.5)%                           |
| Apollo                                | The Ritz-Carlton St. Thomas                     | August 2022      | August 2024                   | LIBOR + 3.95% | —               | 42,500             | (3) 42,500         | 23,163                                     | 54.5 %                           |
| BAML                                  | The Ritz-Carlton Sarasota                       | April 2023       | April 2023                    | LIBOR + 2.65% | —               | 99,750             | (4) 99,750         | 21,563                                     | 21.6 %                           |
| BAML                                  | Hotel Yountville                                | May 2023         | May 2023                      | LIBOR + 2.55% | —               | 51,000             | (4) 51,000         | 4,306                                      | 8.4 %                            |
| BAML                                  | Bardessono Hotel and Spa                        | August 2023      | August 2023                   | LIBOR + 2.55% | —               | 40,000             | (4) 40,000         | 6,978                                      | 17.4 %                           |
| BAML                                  | The Ritz-Carlton Lake Tahoe                     | January 2024     | January 2024                  | LIBOR + 2.10% | —               | 54,000             | (4) 54,000         | 3,426                                      | 6.3 %                            |
| Prudential                            | Capital Hilton and Hilton La Jolla Torrey Pines | February 2024    | February 2024                 | LIBOR + 1.70% | —               | 195,203            | 195,203            | (2,825)                                    | (1.5)%                           |
| LoanCore                              | Mr. C Beverly Hills Hotel                       | August 2024      | August 2024                   | LIBOR + 3.60% | —               | 30,000             | (5) 30,000         | 1,630                                      | 5.4 %                            |
| BAML                                  | Pier House Resort & Spa                         | September 2024   | September 2024                | LIBOR + 1.85% | —               | 80,000             | (4) 80,000         | 15,180                                     | 19.0 %                           |
| Convertible Senior Notes              | N/A   | June 2026        | June 2026                     | 4.50%         | 86,250          | —                  | 86,250             | N/A  | N/A                              |
| <b>Total</b>                          |   |                  |                               |               | <b>\$86,250</b> | <b>\$1,094,953</b> | <b>\$1,181,203</b> | <b>\$ 75,262</b>                           | <b>6.4 %</b>                     |
| <b>Percentage</b>                     |   |                  |                               |               | <b>7.3 %</b>    | <b>92.7 %</b>      | <b>100.0 %</b>     |  |                                  |
| <b>Weighted average interest rate</b> |   |                  |                               |               | <b>4.50 %</b>   | <b>2.50 %</b>      | <b>2.64 %</b>      |  |                                  |

(1) This mortgage loan has three one-year extension options subject to satisfaction of certain conditions, of which the third was exercised in April 2021.

(2) This mortgage loan has five one-year extension options subject to satisfaction of certain conditions, of which the first was exercised in June 2020. This mortgage loan is secured by the Sofitel Chicago Magnificent Mile, The Clancy, Marriott Seattle Waterfront and The Notary Hotel.

(3) This mortgage loan has three one-year extension options subject to satisfaction of certain conditions, of which the first was exercised in August 2021. This mortgage loan has a LIBOR floor of 1.00%.

(4) This mortgage loan has a LIBOR floor of 0.25%.

(5) This mortgage loan has a LIBOR floor of 1.50%.

(6) The final maturity date assumes all available extension options will be exercised.

(7) See page 31 of this deck for reconciliation of net income (loss) to hotel EBITDA.



# Reconciliation of Net Income (Loss) to Comparable Hotel EBITDA



In thousands

## BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES RECONCILIATION OF NET INCOME (LOSS) TO HOTEL EBITDA (in thousands) (unaudited)

|  | 2021        |             | 2021        |             | 2021        |             | 2020        |             | September 30, 2021 |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------|-------------|
|  | 3rd Quarter | 2nd Quarter | 1st Quarter | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | 4th Quarter | TTM                | TTM         |
| Net income (loss)  | \$ 3,548    | \$ 2,585    | \$ (698)    | \$ (19,811) | \$          | \$          | \$          | \$ (19,811) | \$                 | \$ (14,370) |
| Non-property adjustments   | 945         | (386)       | (496)       | —           | —           | —           | —           | —           | —                  | 63          |
| Interest income  | (10)        | (10)        | (8)         | (10)        | (10)        | (10)        | (10)        | (10)        | (10)               | (38)        |
| Interest expense   | 3,517       | 3,216       | 3,160       | 3,236       | 3,160       | 3,236       | 3,160       | 3,236       | 3,160              | 13,129      |
| Amortization of loan costs   | 320         | 307         | 303         | 301         | 301         | 301         | 301         | 301         | 301                | 1,231       |
| Depreciation and amortization  | 18,284      | 18,244      | 18,353      | 17,973      | 17,973      | 17,973      | 17,973      | 17,973      | 17,973             | 72,854      |
| Income tax expense (benefit)   | 6           | 17          | 1           | (336)       | (336)       | (336)       | (336)       | (336)       | (336)              | (312)       |
| Non-hotel EBITDA ownership expense                                     | 651         | 755         | (116)       | 220         | 220         | 220         | 220         | 220         | 220                | 1,510       |
| Hotel EBITDA including amounts attributable to noncontrolling interest | 27,261      | 24,728      | 20,499      | 1,573       | 1,573       | 1,573       | 1,573       | 1,573       | 1,573              | 74,061      |
| Non-comparable adjustments   | 518         | 619         | 91          | (27)        | (27)        | (27)        | (27)        | (27)        | (27)               | 1,201       |
| Comparable hotel EBITDA  | \$ 27,779   | \$ 25,347   | \$ 20,590   | \$ 1,546    | \$ 1,546    | \$ 1,546    | \$ 1,546    | \$ 1,546    | \$ 1,546           | \$ 75,262   |

|  | 2020        |             | 2020        |             | 2020        |             | 2020        |             | December 31, 2020 |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|-------------|
|  | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | TTM               | TTM         |
| Net income (loss)  | \$ (19,811) | \$ (10,667) | \$ (39,781) | \$ (1,459)  | \$          | \$          | \$          | \$ (1,459)  | \$                | \$ (71,718) |
| Non-property adjustments   | —           | (10,149)    | 813         | —           | —           | —           | —           | —           | —                 | (9,336)     |
| Interest income  | (10)        | (10)        | (18)        | (62)        | (62)        | (62)        | (62)        | (62)        | (62)              | (100)       |
| Interest expense   | 3,236       | 2,315       | 6,275       | 4,906       | 4,906       | 4,906       | 4,906       | 4,906       | 4,906             | 16,732      |
| Amortization of loan costs   | 301         | 297         | 287         | 282         | 282         | 282         | 282         | 282         | 282               | 1,167       |
| Depreciation and amortization  | 17,973      | 18,507      | 18,553      | 18,338      | 18,338      | 18,338      | 18,338      | 18,338      | 18,338            | 73,371      |
| Income tax expense (benefit)   | (336)       | 8           | (804)       | 335         | 335         | 335         | 335         | 335         | 335               | (797)       |
| Non-hotel EBITDA ownership expense                                     | 220         | 57          | (1,129)     | 4,970       | 4,970       | 4,970       | 4,970       | 4,970       | 4,970             | 4,118       |
| Hotel EBITDA including amounts attributable to noncontrolling interest | 1,573       | 358         | (15,804)    | 27,310      | 27,310      | 27,310      | 27,310      | 27,310      | 27,310            | 13,437      |
| Non-comparable adjustments   | —           | —           | —           | —           | —           | —           | —           | —           | —                 | —           |
| Comparable hotel EBITDA  | \$ 1,573    | \$ 358      | \$ (15,804) | \$ 27,310   | \$ 27,310   | \$ 27,310   | \$ 27,310   | \$ 27,310   | \$ 27,310         | \$ 13,437   |

|  | 2019        |             | 2019        |             | 2019        |             | 2019        |             | December 31, 2019 |            |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|------------|
|  | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | TTM               | TTM        |
| Net income (loss)  | \$ 31,806   | \$ 8,410    | \$ 12,828   | \$ 16,800   | \$          | \$          | \$          | \$ 16,800   | \$                | \$ 70,844  |
| Non-property adjustments   | (26,320)    | 1,441       | (9)         | —           | —           | —           | —           | —           | —                 | (24,888)   |
| Interest income  | (69)        | (79)        | (77)        | (62)        | (62)        | (62)        | (62)        | (62)        | (62)              | (287)      |
| Interest expense   | 5,210       | 4,829       | 4,965       | 4,856       | 4,856       | 4,856       | 4,856       | 4,856       | 4,856             | 19,860     |
| Amortization of loan costs   | 309         | 229         | 209         | 345         | 345         | 345         | 345         | 345         | 345               | 1,092      |
| Depreciation and amortization  | 18,310      | 16,831      | 18,474      | 16,686      | 16,686      | 16,686      | 16,686      | 16,686      | 16,686            | 70,301     |
| Income tax expense (benefit)   | (173)       | (78)        | 422         | 115         | 115         | 115         | 115         | 115         | 115               | 286        |
| Non-hotel EBITDA ownership expense                                     | 1,277       | 1,048       | 1,395       | 1,279       | 1,279       | 1,279       | 1,279       | 1,279       | 1,279             | 4,999      |
| Hotel EBITDA including amounts attributable to noncontrolling interest | 30,350      | 33,631      | 38,207      | 40,019      | 40,019      | 40,019      | 40,019      | 40,019      | 40,019            | 142,207    |
| Non-comparable adjustments   | (44)        | 10          | 161         | 705         | 705         | 705         | 705         | 705         | 705               | 832        |
| Net income (loss)  | \$ 30,306   | \$ 33,641   | \$ 38,368   | \$ 40,724   | \$ 40,724   | \$ 40,724   | \$ 40,724   | \$ 40,724   | \$ 40,724         | \$ 143,039 |

|  | 2018        |             | 2018        |             | 2018        |             | 2018        |             | December 31, 2018 |            |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|------------|
|  | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | TTM               | TTM        |
| Net income (loss)  | \$ 6,525    | \$ 14,567   | \$ 38,623   | \$ 16,761   | \$          | \$          | \$          | \$ 16,761   | \$                | \$ 76,476  |
| Non-property adjustments   | (26)        | —           | (15,423)    | 12          | —           | —           | —           | 12          | —                 | (15,437)   |
| Interest income  | (61)        | (57)        | (39)        | (18)        | (18)        | (18)        | (18)        | (18)        | (18)              | (175)      |
| Interest expense   | 4,342       | 4,100       | 4,335       | 3,123       | 3,123       | 3,123       | 3,123       | 3,123       | 3,123             | 15,900     |
| Amortization of loan costs   | 284         | 279         | 277         | 199         | 199         | 199         | 199         | 199         | 199               | 1,039      |
| Depreciation and amortization  | 15,092      | 14,474      | 14,811      | 13,006      | 13,006      | 13,006      | 13,006      | 13,006      | 13,006            | 57,383     |
| Income tax expense (benefit)   | (353)       | (44)        | 382         | 154         | 154         | 154         | 154         | 154         | 154               | 139        |
| Non-hotel EBITDA ownership expense                                     | 1,147       | 26          | 755         | 368         | 368         | 368         | 368         | 368         | 368               | 2,296      |
| Hotel EBITDA including amounts attributable to noncontrolling interest | 26,950      | 33,345      | 43,721      | 33,605      | 33,605      | 33,605      | 33,605      | 33,605      | 33,605            | 137,621    |
| Non-comparable adjustments   | (27)        | (135)       | (4,127)     | 3,331       | 3,331       | 3,331       | 3,331       | 3,331       | 3,331             | (958)      |
| Comparable hotel EBITDA  | \$ 26,923   | \$ 33,210   | \$ 39,594   | \$ 36,936   | \$ 36,936   | \$ 36,936   | \$ 36,936   | \$ 36,936   | \$ 36,936         | \$ 136,663 |

|  | 2017        |             | 2017        |             | 2017        |             | 2017        |             | December 31, 2017 |            |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|------------|
|  | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | 4th Quarter | 3rd Quarter | 2nd Quarter | 1st Quarter | TTM               | TTM        |
| Net income (loss)  | \$ 35,206   | \$ 10,705   | \$ 21,607   | \$ 14,951   | \$          | \$          | \$          | \$ 14,951   | \$                | \$ 82,469  |
| (Income) loss from consolidated entities attributable to noncontrolling interest | (1,035)     | (872)       | (1,825)     | (1,444)     | (1,444)     | (1,444)     | (1,444)     | (1,444)     | (1,444)           | (5,176)    |
| Net income (loss) attributable to the Company                                    | 34,171      | 9,833       | 19,782      | 13,507      | 13,507      | 13,507      | 13,507      | 13,507      | 13,507            | 77,293     |
| Non-property adjustments   | (23,720)    | 1,008       | —           | —           | —           | —           | —           | —           | —                 | (22,712)   |
| Interest income  | (13)        | (18)        | (10)        | (10)        | (10)        | (10)        | (10)        | (10)        | (10)              | (51)       |
| Interest expense   | 2,986       | 2,744       | 2,204       | 1,280       | 1,280       | 1,280       | 1,280       | 1,280       | 1,280             | 9,214      |
| Amortization of loan costs   | 310         | 307         | 271         | 130         | 130         | 130         | 130         | 130         | 130               | 1,018      |
| Depreciation and amortization  | 12,705      | 14,134      | 13,468      | 11,851      | 11,851      | 11,851      | 11,851      | 11,851      | 11,851            | 52,158     |
| Income tax expense (benefit)   | (607)       | (404)       | 366         | 133         | 133         | 133         | 133         | 133         | 133               | (512)      |
| Non-hotel EBITDA ownership expense   | 1,301       | 4,554       | 465         | 396         | 396         | 396         | 396         | 396         | 396               | 6,716      |
| Income (loss) from consolidated entities attributable to noncontrolling interest | 1,035       | 872         | 1,825       | 1,444       | 1,444       | 1,444       | 1,444       | 1,444       | 1,444             | 5,176      |
| Hotel EBITDA including amounts attributable to noncontrolling interest           | 28,168      | 33,030      | 38,371      | 28,371      | 28,371      | 28,371      | 28,371      | 28,371      | 28,371            | 128,300    |
| Non-comparable adjustments   | (1,076)     | (2,402)     | (2,474)     | 4,573       | 4,573       | 4,573       | 4,573       | 4,573       | 4,573             | (1,379)    |
| Comparable hotel EBITDA  | \$ 27,092   | \$ 30,628   | \$ 35,897   | \$ 33,304   | \$ 33,304   | \$ 33,304   | \$ 33,304   | \$ 33,304   | \$ 33,304         | \$ 126,921 |



# Reconciliation of Net Income (Loss) to EBITDAre and Adjusted EBITDAre



In thousands

## BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES RECONCILIATION OF NET INCOME (LOSS) TO EBITDA, EBITDAre AND ADJUSTED EBITDAre (in thousands) (unaudited)

|   | Three Months Ended<br>September 30, |             | Nine Months Ended<br>September 30, |             |
|---|-------------------------------------|-------------|------------------------------------|-------------|
|   | 2021                                | 2020        | 2021                               | 2020        |
| <b>Net income (loss)</b>  | \$ (8,219)                          | \$ (23,057) | \$ (30,617)                        | \$ (94,549) |
| Interest expense and amortization of loan costs                       | 8,364                               | 8,859       | 22,346                             | 38,167      |
| Depreciation and amortization   | 18,284                              | 18,507      | 54,881                             | 55,398      |
| Income tax expense (benefit)  | 560                                 | (1,545)     | 766                                | (4,622)     |
| Equity in (earnings) loss of unconsolidated entity                    | 68                                  | 58          | 198                                | 138         |
| Company's portion of EBITDA of OpenKey                                | (68)                                | (56)        | (196)                              | (135)       |
| <b>EBITDA</b>   | 18,989                              | 2,766       | 47,378                             | (5,603)     |
| (Gain) loss on insurance settlement and disposition of assets         | —                                   | (10,149)    | (696)                              | (10,149)    |
| <b>EBITDAre</b>   | 18,989                              | (7,383)     | 46,682                             | (15,752)    |
| Amortization of favorable (unfavorable) contract assets (liabilities) | 118                                 | 207         | 394                                | 621         |
| Transaction and conversion costs                                      | 980                                 | 517         | 2,148                              | 1,128       |
| Other (income) expense  | —                                   | 3,604       | —                                  | 3,806       |
| Write-off of loan costs and exit fees                                 | 432                                 | 1,335       | 1,960                              | 3,572       |
| Unrealized (gain) loss on derivatives                                 | (142)                               | (3,561)     | (64)                               | (3,748)     |
| Non-cash stock/unit-based compensation                                | 3,044                               | 2,006       | 7,265                              | 6,039       |
| Legal, advisory and settlement costs                                  | 107                                 | 142         | (320)                              | 1,168       |
| Advisory services incentive fee                                       | (1,637)                             | —           | —                                  | —           |
| Company's portion of adjustments to EBITDAre of OpenKey               | 1                                   | 1           | 7                                  | 6           |
| <b>Adjusted EBITDAre</b>  | \$ 21,892                           | \$ (3,132)  | \$ 58,072                          | \$ (3,160)  |

## BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES RECONCILIATION OF NET INCOME (LOSS) TO EBITDA, EBITDAre AND ADJUSTED EBITDAre (in thousands) (unaudited)

|   | Three Months Ended<br>December 31, |           | Year Ended<br>December 31, |            |
|---|------------------------------------|-----------|----------------------------|------------|
|   | 2020                               | 2019      | 2020                       | 2019       |
| <b>Net income (loss)</b>  | \$ (30,128)                        | \$ 17,095 | \$ (124,677)               | \$ 1,196   |
| Interest expense and amortization of loan costs                       | 6,937                              | 12,613    | 45,104                     | 54,507     |
| Depreciation and amortization   | 17,973                             | 18,121    | 73,371                     | 70,112     |
| Income tax expense (benefit)  | 216                                | 271       | (4,406)                    | 1,764      |
| Equity in (earnings) loss of unconsolidated entity                    | 79                                 | 50        | 217                        | 199        |
| Company's portion of EBITDA of OpenKey                                | (79)                               | (48)      | (214)                      | (195)      |
| <b>EBITDA</b>   | (5,002)                            | 48,102    | (10,605)                   | 127,383    |
| (Gain) loss on insurance settlement and disposition of assets         | —                                  | (26,319)  | (10,149)                   | (25,165)   |
| <b>EBITDAre</b>   | (5,002)                            | 21,783    | (20,754)                   | 102,418    |
| Amortization of favorable (unfavorable) contract assets (liabilities) | 213                                | 285       | 834                        | 651        |
| Transaction and conversion costs                                      | 242                                | 893       | 1,370                      | 2,076      |
| Other (income) expense  | 1,320                              | 13,577    | 5,126                      | 13,947     |
| Write-off of loan costs and exit fees                                 | 348                                | —         | 3,920                      | 647        |
| Unrealized (gain) loss on investments                                 | —                                  | (13,262)  | —                          | (7,872)    |
| Unrealized (gain) loss on derivatives                                 | (1,211)                            | 131       | (4,959)                    | 1,103      |
| Non-cash stock/unit-based compensation                                | 1,853                              | 2,035     | 7,892                      | 7,943      |
| Legal, advisory and settlement costs                                  | 820                                | 93        | 2,023                      | 527        |
| Advisory services incentive fee                                       | —                                  | (77)      | —                          | —          |
| Company's portion of adjustments to EBITDAre of OpenKey               | 7                                  | 3         | 13                         | 25         |
| <b>Adjusted EBITDAre</b>  | \$ (1,410)                         | \$ 25,461 | \$ (4,535)                 | \$ 121,465 |

## BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES RECONCILIATION OF NET INCOME (LOSS) TO EBITDA, EBITDAre AND ADJUSTED EBITDAre (in thousands) (unaudited)

|   | Three Months Ended<br>December 31, |           | Year Ended<br>December 31, |            |
|---|------------------------------------|-----------|----------------------------|------------|
|   | 2018                               | 2017      | 2018                       | 2017       |
| <b>Net income (loss)</b>  | \$ (13,913)                        | \$ 28,444 | \$ 2,585                   | \$ 28,324  |
| Interest expense and amortization of loan costs                       | 13,712                             | 10,194    | 49,653                     | 38,937     |
| Depreciation and amortization   | 15,092                             | 12,689    | 57,383                     | 52,262     |
| Income tax expense (benefit)  | (82)                               | (856)     | 2,432                      | (522)      |
| Equity in (earnings) loss of unconsolidated entity                    | 88                                 | —         | 234                        | —          |
| Company's portion of EBITDA of OpenKey                                | (77)                               | —         | (220)                      | —          |
| <b>EBITDA</b>   | 14,820                             | 50,471    | 112,067                    | 119,001    |
| Impairment charges on real estate                                     | —                                  | 60        | 71                         | 1,068      |
| (Gain) loss on sale of hotel property                                 | (27)                               | (23,797)  | (15,738)                   | (23,797)   |
| <b>EBITDAre</b>   | 14,793                             | 26,734    | 96,400                     | 96,272     |
| Amortization of favorable (unfavorable) contract assets (liabilities) | 52                                 | 44        | 195                        | 180        |
| Transaction and management conversion costs                           | 2,000                              | 74        | 2,965                      | 6,774      |
| Other (income) expense  | 63                                 | 85        | 253                        | 377        |
| Write-off of loan costs and exit fees                                 | —                                  | 1,531     | 4,178                      | 3,874      |
| Unrealized (gain) loss on investments                                 | 4,672                              | (6,314)   | 8,010                      | (9,717)    |
| Unrealized (gain) loss on derivatives                                 | (721)                              | 527       | 82                         | 2,056      |
| Non-cash stock/unit-based compensation                                | 1,295                              | 665       | 7,004                      | (1,327)    |
| Legal, advisory and settlement costs                                  | 426                                | 203       | (241)                      | 3,711      |
| Advisory services incentive fee                                       | (2,241)                            | —         | —                          | —          |
| Contract modification cost  | —                                  | —         | —                          | 5,000      |
| Software implementation costs   | —                                  | —         | —                          | 79         |
| Uninsured hurricane and wildfire related costs                        | —                                  | 248       | 412                        | 3,821      |
| Company's portion of adjustments to EBITDAre of OpenKey               | 8                                  | —         | 7                          | —          |
| <b>Adjusted EBITDAre</b>  | \$ 20,347                          | \$ 23,797 | \$ 119,265                 | \$ 111,100 |





# Reconciliation of Net Income (Loss) to Adjusted FFO Q4



BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES  
RECONCILIATION OF NET INCOME (LOSS) TO FUNDS FROM OPERATIONS ("FFO") AND ADJUSTED FFO  
(in thousands, except per share amounts)  
(unaudited)

|   | Three Months Ended |                  | Year Ended         |                  |
|---|--------------------|------------------|--------------------|------------------|
|   | December 31,       | December 31,     | December 31,       | December 31,     |
|   | 2020               | 2019             | 2020               | 2019             |
| <b>Net income (loss)</b>  | \$ (30,128)        | \$ 17,095        | \$ (123,677)       | \$ 1,196         |
| (Income) loss attributable to noncontrolling interest in consolidated entities  | 1,461              | (282)            | 6,436              | (2,032)          |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership  | 2,943              | (1,563)          | 12,979             | 1,207            |
| Preferred dividends   | (2,555)            | (2,545)          | (10,219)           | (10,142)         |
| Net income (loss) attributable to common stockholders   | (28,279)           | 12,705           | (115,481)          | (9,771)          |
| Depreciation and amortization on real estate  | 17,284             | 17,324           | 70,426             | 66,933           |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership  | (2,943)            | 1,563            | (12,979)           | (1,207)          |
| Equity in (earnings) loss of unconsolidated entity  | 79                 | 50               | 217                | 199              |
| (Gain) loss on insurance settlement and disposition of assets   | —                  | (26,319)         | (10,149)           | (25,165)         |
| Company's portion of FFO of OpenKey   | (79)               | (50)             | (216)              | (201)            |
| <b>FFO available to common stockholders and OP unitholders</b>  | <b>(13,938)</b>    | <b>5,227</b>     | <b>(68,182)</b>    | <b>30,788</b>    |
| Series B Cumulative Convertible Preferred Stock dividends   | 1,730              | 1,720            | 6,919              | 6,842            |
| Transaction and conversion costs  | 242                | 893              | 1,370              | 2,076            |
| Other (income) expense  | 1,320              | 13,577           | 5,126              | 13,947           |
| Interest expense accretion on refundable membership club deposits   | 202                | 213              | 818                | 864              |
| Write-off of loan costs and exit fees   | 348                | —                | 3,920              | 647              |
| Amortization of loan costs  | 681                | 1,076            | 3,332              | 4,263            |
| Unrealized (gain) loss on investments   | —                  | (13,262)         | —                  | (7,872)          |
| Unrealized (gain) loss on derivatives   | (1,211)            | 131              | (4,959)            | 1,103            |
| Non-cash stock/unit-based compensation  | 1,853              | 2,035            | 7,892              | 7,943            |
| Legal, advisory and settlement costs  | 820                | 93               | 2,023              | 527              |
| Advisory services incentive fee   | —                  | (77)             | —                  | —                |
| Company's portion of adjustments to FFO of OpenKey  | 7                  | 4                | 13                 | 28               |
| <b>Adjusted FFO available to common stockholders, OP unitholders and Series B Cumulative Convertible preferred stockholders on an "as converted" basis</b>            | <b>\$ (7,946)</b>  | <b>\$ 11,676</b> | <b>\$ (41,728)</b> | <b>\$ 61,156</b> |
| Adjusted FFO per diluted share available to common stockholders, OP unitholders and Series B Cumulative Convertible preferred stockholders on an "as converted" basis | \$ (0.17)          | \$ 0.27          | \$ (0.93)          | \$ 1.41          |
| Weighted average diluted shares   | 47,272             | 43,381           | 44,890             | 43,387           |

BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES  
RECONCILIATION OF NET INCOME (LOSS) TO FUNDS FROM OPERATIONS ("FFO") AND ADJUSTED FFO  
(in thousands, except per share amounts)  
(unaudited)

|  | Three Months Ended |                  | Year Ended       |                  |
|--|--------------------|------------------|------------------|------------------|
|  | December 31,       | December 31,     | December 31,     | December 31,     |
|  | 2018               | 2017             | 2018             | 2017             |
| <b>Net income (loss)</b>   | \$ (13,913)        | \$ 28,444        | \$ 2,385         | \$ 28,324        |
| (Income) loss from consolidated entities attributable to noncontrolling interest               | (274)              | (528)            | (2,016)          | (3,264)          |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 1,826              | (2,996)          | 751              | (2,038)          |
| Preferred dividends  | (2,083)            | (1,708)          | (7,205)          | (6,795)          |
| Net income (loss) attributable to common stockholders  | (14,444)           | 23,212           | (5,889)          | 16,227           |
| Depreciation and amortization on real estate   | 14,320             | 11,852           | 53,350           | 49,361           |
| Impairment charges on real estate  | —                  | 60               | 71               | 1,068            |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership | (1,826)            | 2,996            | (751)            | 2,038            |
| Equity in (earnings) loss of unconsolidated entity   | 88                 | —                | 234              | —                |
| (Gain) loss on sale of hotel property  | (27)               | (23,797)         | (15,730)         | (23,797)         |
| Company's portion of FFO of OpenKey  | (78)               | —                | (224)            | —                |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | <b>(1,967)</b>     | <b>14,423</b>    | <b>32,057</b>    | <b>44,897</b>    |
| Series B Cumulative Convertible Preferred Stock dividends                                      | 1,797              | 1,708            | 6,829            | 6,795            |
| Transaction and management conversion costs  | 2,000              | 74               | 3,965            | 6,774            |
| Other (income) expense   | 63                 | 85               | 253              | 377              |
| Interest expense accretion on refundable membership club deposits                              | 300                | —                | 676              | —                |
| Write-off of loan costs and exit fees  | —                  | 1,531            | 4,178            | 3,874            |
| Amortization of loan costs   | 1,080              | 1,125            | 4,164            | 4,804            |
| Unrealized (gain) loss on investments  | 4,672              | (6,314)          | 8,010            | (9,717)          |
| Unrealized (gain) loss on derivatives  | (721)              | 524              | 82               | 2,053            |
| Non-cash stock/unit-based compensation   | 1,295              | 665              | 7,004            | (1,327)          |
| Legal, advisory and settlement costs   | 426                | 203              | (241)            | 3,711            |
| Advisory services incentive fee  | (2,241)            | —                | —                | —                |
| Contract modification cost   | —                  | —                | —                | 5,000            |
| Software implementation costs  | —                  | —                | —                | 79               |
| Uninsured hurricane and wildfire-related costs   | —                  | 248              | 412              | 3,821            |
| Tax reform   | —                  | (161)            | —                | (161)            |
| Company's portion of adjustments to FFO of OpenKey   | 8                  | —                | 7                | —                |
| <b>Adjusted FFO available to common stockholders and OP unitholders</b>                        | <b>\$ 6,612</b>    | <b>\$ 14,111</b> | <b>\$ 66,996</b> | <b>\$ 70,980</b> |
| Adjusted FFO per diluted share available to common stockholders and OP unitholders             | \$ 0.15            | \$ 0.33          | \$ 1.55          | \$ 1.73          |
| Weighted average diluted shares  | 43,026             | 42,406           | 43,787           | 40,957           |



# Reconciliation of Net Income (Loss) to Adjusted FFO Q3



## BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES RECONCILIATION OF NET INCOME (LOSS) TO FUNDS FROM OPERATIONS ("FFO") AND ADJUSTED FFO (in thousands, except per share amounts) (unaudited)

|   | Three Months Ended<br>September 30, |                   | Nine Months Ended<br>September 30, |                    |
|---|-------------------------------------|-------------------|------------------------------------|--------------------|
|   | 2021                                | 2020              | 2021                               | 2020               |
| <b>Net income (loss)</b>  | \$ (8,219)                          | \$ (23,057)       | \$ (30,617)                        | \$ (94,549)        |
| (Income) loss attributable to noncontrolling interest in consolidated entities  | 450                                 | 1,999             | 2,546                              | 4,975              |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership  | 823                                 | 2,381             | 3,184                              | 10,036             |
| Preferred dividends   | (1,977)                             | (2,554)           | (6,258)                            | (7,664)            |
| Gain (loss) on extinguishment of preferred stock  | (111)                               | —                 | (4,595)                            | —                  |
| Net income (loss) attributable to common stockholders   | (9,034)                             | (21,231)          | (35,740)                           | (87,202)           |
| Depreciation and amortization on real estate  | 17,619                              | 17,791            | 52,843                             | 53,142             |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership  | (823)                               | (2,381)           | (3,184)                            | (10,036)           |
| Equity in (earnings) loss of unconsolidated entity  | 68                                  | 58                | 198                                | 138                |
| (Gain) loss on insurance settlement and disposition of assets   | —                                   | (10,149)          | (696)                              | (10,149)           |
| Company's portion of FFO of OpenKey   | (68)                                | (57)              | (197)                              | (137)              |
| <b>FFO available to common stockholders and OP unitholders</b>  | <b>7,762</b>                        | <b>(15,969)</b>   | <b>13,224</b>                      | <b>(54,244)</b>    |
| Series B Cumulative Convertible Preferred Stock dividends   | 1,058                               | 1,729             | 3,689                              | 5,189              |
| (Gain) loss on extinguishment of preferred stock  | 111                                 | —                 | 4,595                              | —                  |
| Transaction and conversion costs  | 980                                 | 517               | 2,148                              | 1,128              |
| Other (income) expense  | —                                   | 3,604             | —                                  | 3,806              |
| Interest expense on convertible notes   | 1,361                               | —                 | 2,010                              | —                  |
| Interest expense accretion on refundable membership club deposits   | 190                                 | 201               | 582                                | 616                |
| Write-off of loan costs and exit fees   | 432                                 | 1,335             | 1,960                              | 3,572              |
| Amortization of loan costs  | 407                                 | 670               | 1,684                              | 2,651              |
| Unrealized (gain) loss on derivatives   | (142)                               | (3,561)           | (64)                               | (3,748)            |
| Non-cash stock/unit-based compensation  | 3,044                               | 2,006             | 7,265                              | 6,039              |
| Legal, advisory and settlement costs  | 107                                 | 142               | (320)                              | 1,168              |
| Advisory services incentive fee   | (1,637)                             | —                 | —                                  | —                  |
| Company's portion of adjustments to FFO of OpenKey  | 1                                   | 1                 | 7                                  | 6                  |
| <b>Adjusted FFO available to common stockholders, OP unitholders, Series B Cumulative Convertible preferred stockholders and convertible note holders on an "as converted" basis</b>            | <b>\$ 13,674</b>                    | <b>\$ (9,325)</b> | <b>\$ 36,780</b>                   | <b>\$ (33,817)</b> |
| Adjusted FFO per diluted share available to common stockholders, OP unitholders, Series B Cumulative Convertible preferred stockholders and convertible note holders on an "as converted" basis | \$ 0.17                             | \$ (0.21)         | \$ 0.56                            | \$ (0.77)          |
| Weighted average diluted shares   | 82,585                              | 44,793            | 65,593                             | 44,088             |

## BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES RECONCILIATION OF NET INCOME (LOSS) TO FUNDS FROM OPERATIONS ("FFO") AND ADJUSTED FFO (in thousands, except per share amounts) (unaudited)

|  | Three Months Ended<br>September 30, |                  | Nine Months Ended<br>September 30, |                  |
|--|-------------------------------------|------------------|------------------------------------|------------------|
|  | 2019                                | 2018             | 2019                               | 2018             |
| <b>Net income (loss)</b>   | \$ 18,954                           | \$ 16,261        | \$ (15,899)                        | \$ 16,498        |
| (Income) loss from consolidated entities attributable to noncontrolling interest               | (1,899)                             | (1,895)          | (1,750)                            | (1,742)          |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 1,465                               | 452              | 2,770                              | (1,075)          |
| Preferred dividends  | (2,523)                             | (1,707)          | (7,597)                            | (5,122)          |
| Net income (loss) attributable to common stockholders  | (11,921)                            | (2,787)          | (22,476)                           | 8,559            |
| Depreciation and amortization on real estate   | 16,036                              | 13,720           | 49,609                             | 40,010           |
| Impairment charges on real estate  | —                                   | —                | —                                  | 71               |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership | (1,465)                             | (452)            | (2,770)                            | 1,075            |
| Equity in (earnings) loss of unconsolidated entity   | 48                                  | 81               | 149                                | 146              |
| (Gain) loss on disposition of assets and sale of hotel property                                | 1,163                               | —                | 1,154                              | (15,711)         |
| Company's portion of FFO of OpenKey  | (81)                                | (81)             | (251)                              | (1,460)          |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | <b>3,810</b>                        | <b>9,602</b>     | <b>25,315</b>                      | <b>34,054</b>    |
| Series B Cumulative Convertible Preferred Stock dividends                                      | 1,708                               | 1,707            | 5,122                              | 5,122            |
| Transaction and management conversion costs  | 506                                 | —                | 1,183                              | 965              |
| Other (income) expense   | 114                                 | 64               | 376                                | 190              |
| Interest expense accretion on refundable membership club deposits                              | 213                                 | 226              | 651                                | 376              |
| Write-off of loan costs and exit fees  | 315                                 | —                | 647                                | 4,178            |
| Amortization of loan costs   | 1,029                               | 1,070            | 3,187                              | 3,084            |
| Unrealized (gain) loss on investments  | 1,471                               | (2,158)          | 5,390                              | 3,338            |
| Unrealized (gain) loss on derivatives  | 754                                 | 378              | 972                                | 803              |
| Non-cash stock/unit-based compensation   | 2,389                               | 1,674            | 5,908                              | 5,399            |
| Legal, advisory and settlement costs   | 203                                 | 277              | 349                                | (667)            |
| Advisory services incentive fee  | (132)                               | 1,380            | 77                                 | 2,241            |
| Uninsured hurricane and wildfire related costs   | —                                   | —                | —                                  | 412              |
| Company's portion of adjustments to FFO of OpenKey   | 5                                   | 2                | 24                                 | 4                |
| <b>Adjusted FFO available to common stockholders and OP unitholders</b>                        | <b>\$ 12,375</b>                    | <b>\$ 14,512</b> | <b>\$ 40,955</b>                   | <b>\$ 49,779</b> |
| Adjusted FFO per diluted share available to common stockholders and OP unitholders             | \$ 0.20                             | \$ 0.34          | \$ 1.14                            | \$ 1.40          |
| Weighted average diluted shares  | 43,315                              | 42,930           | 41,588                             | 42,707           |

## BRAEMAR HOTELS & RESORTS INC. AND SUBSIDIARIES RECONCILIATION OF NET INCOME (LOSS) TO FUNDS FROM OPERATIONS ("FFO") AND ADJUSTED FFO (in thousands, except per share amounts) (unaudited)

|  | Three Months Ended<br>September 30, |                  | Nine Months Ended<br>September 30, |                  |
|--|-------------------------------------|------------------|------------------------------------|------------------|
|  | 2018                                | 2017             | 2018                               | 2017             |
| <b>Net income (loss)</b>   | \$ (626)                            | \$ (217)         | \$ 16,498                          | \$ (120)         |
| (Income) loss from consolidated entities attributable to noncontrolling interest               | (1,695)                             | (1,143)          | (1,742)                            | (2,716)          |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 452                                 | 360              | (1,075)                            | 958              |
| Preferred dividends  | (1,707)                             | (1,707)          | (5,122)                            | (5,087)          |
| Net income (loss) attributable to common stockholders  | (3,576)                             | (2,707)          | 3,559                              | (6,985)          |
| Depreciation and amortization on real estate   | 13,720                              | 13,406           | 40,010                             | 37,499           |
| Impairment charges on real estate  | —                                   | —                | —                                  | 1,068            |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership | (452)                               | (360)            | 1,075                              | (958)            |
| Equity in (earnings) loss of unconsolidated entity   | 81                                  | —                | 146                                | —                |
| (Gain) loss on sale of hotel property  | —                                   | —                | (15,711)                           | —                |
| Company's portion of FFO of OpenKey  | (81)                                | (81)             | (251)                              | (1,460)          |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | <b>9,602</b>                        | <b>11,347</b>    | <b>34,024</b>                      | <b>30,474</b>    |
| Preferred dividends  | 1,707                               | 1,707            | 5,122                              | 5,087            |
| Transaction and management conversion costs  | —                                   | 260              | 965                                | 6,700            |
| Other (income) expense   | 64                                  | 22               | 180                                | 292              |
| Interest expense accretion on refundable membership club deposits                              | 226                                 | —                | 376                                | —                |
| Write-off of loan costs and exit fees  | —                                   | 380              | 4,178                              | 2,343            |
| Amortization of loan costs   | 1,070                               | 1,331            | 3,084                              | 3,679            |
| Unrealized (gain) loss on investments  | (2,158)                             | (1,875)          | 2,338                              | (3,403)          |
| Unrealized (gain) loss on derivatives  | 578                                 | 531              | 803                                | 1,529            |
| Non-cash stock/unit-based compensation   | 1,674                               | (921)            | 5,709                              | (1,992)          |
| Legal, advisory and settlement costs   | 277                                 | 560              | (667)                              | 3,508            |
| Advisory services incentive fee  | 1,380                               | —                | 2,241                              | —                |
| Contract modification cost   | —                                   | —                | —                                  | 5,000            |
| Software implementation costs  | —                                   | —                | —                                  | 79               |
| Uninsured hurricane and wildfire related costs   | —                                   | 3,571            | 412                                | 3,573            |
| Company's portion of adjustments to FFO of OpenKey   | 2                                   | 4                | —                                  | —                |
| <b>Adjusted FFO available to the Company and OP unitholders</b>                                | <b>\$ 14,512</b>                    | <b>\$ 16,915</b> | <b>\$ 59,779</b>                   | <b>\$ 46,869</b> |
| Adjusted FFO per diluted share available to the Company and OP unitholders                     | \$ 0.34                             | \$ 0.40          | \$ 1.40                            | \$ 1.41          |
| Weighted average diluted shares  | 42,910                              | 42,519           | 42,707                             | 40,465           |

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# Reconciliation of Net Income (Loss) to Adjusted FFO Q2



|   | Three Months Ended |               | Six Months Ended |               |
|---|--------------------|---------------|------------------|---------------|
|   | June 30, 2021      | June 30, 2020 | June 30, 2021    | June 30, 2020 |
| <b>Net income (loss)</b>  | \$ (11,364)        | \$ (56,105)   | \$ (22,398)      | \$ (71,492)   |
| (Income) loss attributable to noncontrolling interest in consolidated entities  | 849                | 2,404         | 2,096            | 2,976         |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership  | 1,282              | 5,770         | 2,361            | 7,655         |
| Preferred dividends   | (1,893)            | (2,555)       | (4,281)          | (5,110)       |
| Gain (loss) on extinguishment of preferred stock  | (4,411)            | —             | (4,484)          | —             |
| Net income (loss) attributable to common stockholders   | (15,537)           | (50,486)      | (26,706)         | (65,971)      |
| Depreciation and amortization on real estate  | 17,565             | 17,792        | 35,224           | 35,351        |
| Impairment charges on real estate   | —                  | —             | —                | —             |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership  | (1,282)            | (5,770)       | (2,361)          | (7,655)       |
| Equity in (earnings) loss of unconsolidated entity  | 66                 | 40            | 130              | 80            |
| (Gain) loss on insurance settlement and disposition of assets   | (197)              | —             | (696)            | —             |
| Company's portion of FFO of OpenKey   | (65)               | (40)          | (129)            | (80)          |
| <b>FFO available to common stockholders and OP unitholders</b>  | \$ 550             | \$ (38,464)   | \$ 5,462         | \$ (38,275)   |
| Series B Cumulative Convertible Preferred Stock dividends   | 1,068              | 1,730         | 2,631            | 3,460         |
| (Gain) loss on extinguishment of preferred stock  | 4,411              | —             | 4,484            | —             |
| Transaction and conversion costs  | 828                | 120           | 1,168            | 611           |
| Other (income) expense  | —                  | 64            | —                | 202           |
| Interest expense on convertible notes   | 649                | —             | 649              | —             |
| Interest expense accretion on refundable membership club deposits   | 190                | 202           | 392              | 415           |
| Write-off of loan costs and exit fees   | 1,177              | 2,237         | 1,528            | 2,237         |
| Amortization of loan costs  | 571                | 928           | 1,277            | 1,981         |
| Unrealized (gain) loss on derivatives   | 58                 | 969           | 78               | (187)         |
| Non-cash stock/unit-based compensation  | 2,805              | 2,048         | 4,221            | 4,033         |
| Legal, advisory and settlement costs  | (632)              | 413           | (427)            | 1,026         |
| Advisory services incentive fee   | 1,266              | —             | 1,637            | —             |
| Company's portion of adjustments to FFO of OpenKey  | 1                  | 2             | 6                | 5             |
| <b>Adjusted FFO available to common stockholders, OP unitholders, Series B Cumulative Convertible preferred stockholders and convertible note holders on an "as converted" basis</b>            | \$ 12,942          | \$ (29,751)   | \$ 23,106        | \$ (24,492)   |
| Adjusted FFO per diluted share available to common stockholders, OP unitholders, Series B Cumulative Convertible preferred stockholders and convertible note holders on an "as converted" basis | \$ 0.20            | \$ (0.68)     | \$ 0.38          | \$ (0.56)     |
| Weighted average diluted shares   | 63,649             | 43,715        | 60,297           | 43,731        |

|  | Three Months Ended |               | Six Months Ended |               |
|--|--------------------|---------------|------------------|---------------|
|  | June 30, 2019      | June 30, 2018 | June 30, 2019    | June 30, 2018 |
| <b>Net income (loss)</b>   | \$ (5,623)         | \$ (2,854)    | \$ (6,945)       | \$ (7,124)    |
| (Income) loss from consolidated entities attributable to noncontrolling interest               | 248                | (89)          | 149              | (47)          |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 865                | (1,235)       | 1,305            | (1,527)       |
| Preferred dividends  | (2,532)            | (1,708)       | (5,064)          | (3,415)       |
| Net income (loss) attributable to common stockholders  | (7,042)            | 9,822         | (10,555)         | 12,135        |
| Depreciation and amortization on real estate   | 17,669             | 14,052        | 33,573           | 26,310        |
| Impairment charges on real estate  | —                  | 59            | —                | 71            |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership | (865)              | 1,235         | (1,305)          | 1,527         |
| Equity in (earnings) loss of unconsolidated entity   | 51                 | 62            | 101              | 65            |
| (Gain) loss on sale of hotel property  | (9)                | (15,711)      | (9)              | (15,711)      |
| Company's portion of FFO of OpenKey  | (429)              | (63)          | (100)            | (65)          |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | 9,755              | 9,456         | 21,705           | 24,332        |
| Series B Cumulative Convertible Preferred Stock dividends                                      | 1,707              | 1,708         | 3,414            | 3,415         |
| Transaction and management conversion costs  | 235                | 462           | 869              | 965           |
| Other (income) expense   | 139                | 63            | 256              | 126           |
| Interest expense accretion on refundable membership club deposits                              | 213                | 150           | 438              | 150           |
| Write-off of loan costs and exit fees  | —                  | 4,176         | 312              | 4,178         |
| Amortization of loan costs   | 1,003              | 1,050         | 2,158            | 2,014         |
| Unrealized (gain) loss on investments  | 4,626              | 6,024         | 3,919            | 5,496         |
| Unrealized (gain) loss on derivatives  | (654)              | 298           | 218              | 225           |
| Non-cash stock/unit-based compensation   | 2,021              | 1,442         | 3,549            | 4,035         |
| Legal, advisory and settlement costs   | 197                | —             | 146              | (944)         |
| Advisory services incentive fee  | (1,105)            | 691           | 209              | 861           |
| Uninsured hurricane and wildfire related costs   | —                  | (55)          | —                | 412           |
| Company's portion of adjustments to FFO of OpenKey   | 8                  | 2             | 19               | 2             |
| <b>Adjusted FFO available to common stockholders and OP unitholders</b>                        | \$ 18,023          | \$ 25,664     | \$ 37,212        | \$ 45,267     |
| Adjusted FFO per diluted share available to common stockholders and OP unitholders             | \$ 0.42            | \$ 0.60       | \$ 0.86          | \$ 1.06       |
| Weighted average diluted shares  | 43,347             | 42,743        | 43,412           | 42,593        |

|  | Three Months Ended |               | Six Months Ended |               |
|--|--------------------|---------------|------------------|---------------|
|  | June 30, 2018      | June 30, 2017 | June 30, 2018    | June 30, 2017 |
| <b>Net income (loss)</b>   | \$ 12,854          | \$ 386        | \$ 17,124        | \$ 97         |
| (Income) loss from consolidated entities attributable to noncontrolling interest               | (89)               | (1,614)       | (47)             | (1,593)       |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | (1,235)            | 343           | (1,527)          | 598           |
| Preferred dividends  | (1,708)            | (1,707)       | (3,415)          | (3,380)       |
| Net income (loss) attributable to common stockholders  | 9,822              | (2,992)       | 12,135           | (4,278)       |
| Depreciation and amortization on real estate   | 14,052             | 12,752        | 26,310           | 24,003        |
| Impairment charges on real estate  | 59                 | —             | 71               | —             |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 1,235              | (343)         | 1,527            | (598)         |
| Equity in (earnings) loss of unconsolidated entity   | 62                 | —             | 45               | —             |
| Gain (loss) on sale of hotel property  | (15,711)           | —             | (15,711)         | —             |
| Company's portion of FFO of OpenKey  | (63)               | —             | (65)             | —             |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | 9,456              | 9,817         | 24,332           | 19,127        |
| Preferred dividends  | 1,708              | 1,707         | 3,415            | 3,380         |
| Transaction and management conversion costs  | 462                | 2,112         | 965              | 6,440         |
| Other (income) expense   | 63                 | 113           | 126              | 270           |
| Interest expense accretion on refundable membership club deposits                              | 150                | —             | 150              | —             |
| Write-off of loan costs and exit fees  | 4,176              | —             | 4,178            | 1,963         |
| Unrealized (gain) loss on investments  | 6,024              | 1,563         | 5,496            | (1,528)       |
| Unrealized (gain) loss on derivatives  | 298                | 100           | 225              | 598           |
| Non-cash stock/unit-based compensation   | 1,442              | 597           | 4,035            | (1,071)       |
| Legal, advisory and settlement costs   | 197                | 3             | (944)            | 2,948         |
| Contract modification cost   | —                  | 5,000         | —                | 5,000         |
| Software implementation costs  | —                  | 79            | —                | 79            |
| Uninsured hurricane and wildfire related costs   | (55)               | —             | 412              | —             |
| Company's portion of adjustments to FFO of OpenKey   | 2                  | —             | 2                | —             |
| <b>Adjusted FFO available to the Company and OP unitholders</b>                                | \$ 23,923          | \$ 21,091     | \$ 42,392        | \$ 37,606     |
| Adjusted FFO per diluted share available to the Company and OP unitholders                     | \$ 0.56            | \$ 0.50       | \$ 1.00          | \$ 0.95       |
| Weighted average diluted shares  | 42,743             | 42,556        | 42,593           | 39,426        |





# Reconciliation of Net Income (Loss) to Adjusted FFO Q1



|  | Three Months Ended |            |
|--|--------------------|------------|
|  | March 31,          |            |
|  | 2020               | 2019       |
| <b>Net income (loss)</b>   | \$ (15,387)        | \$ (1,322) |
| (Income) loss attributable to noncontrolling interest in consolidated entities                 | 572                | (99)       |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 1,885              | 440        |
| Preferred dividends  | (2,555)            | (2,532)    |
| Net income (loss) attributable to common stockholders  | (15,485)           | (3,513)    |
| Depreciation and amortization on real estate   | 17,559             | 15,904     |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership | (1,885)            | (440)      |
| Equity in (earnings) loss of unconsolidated entity   | 40                 | 50         |
| Company's portion of FFO of OpenKey  | (40)               | (51)       |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | 189                | 11,950     |
| Series B Cumulative Convertible Preferred Stock dividends                                      | 1,730              | 1,707      |
| Transaction and conversion costs   | 491                | 634        |
| Other (income) expense   | 138                | 117        |
| Interest expense accretion on refundable membership club deposits                              | 213                | 225        |
| Write-off of loan costs and exit fees  | —                  | 312        |
| Amortization of loan costs   | 1,053              | 1,155      |
| Unrealized (gain) loss on investments  | —                  | (707)      |
| Unrealized (gain) loss on derivatives  | (1,156)            | 872        |
| Non-cash stock/unit-based compensation   | 1,985              | 1,528      |
| Legal, advisory and settlement costs   | 613                | 71         |
| Advisory services incentive fee  | —                  | 1,314      |
| Company's portion of adjustments to FFO of OpenKey   | 3                  | 11         |
| <b>Adjusted FFO available to common stockholders and OP unitholders</b>                        | \$ 5,259           | \$ 19,189  |
| Adjusted FFO per diluted share available to common stockholders and OP unitholders             | \$ 0.12            | \$ 0.44    |
| Weighted average diluted shares  | 43,751             | 43,474     |

|  | Three Months Ended |           |
|--|--------------------|-----------|
|  | March 31,          |           |
|  | 2019               | 2018      |
| <b>Net income (loss)</b>   | \$ (1,322)         | \$ 4,270  |
| (Income) loss from consolidated entities attributable to noncontrolling interest               | (99)               | 42        |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 440                | (292)     |
| Preferred dividends  | (2,532)            | (1,707)   |
| Net income (loss) attributable to common stockholders  | (3,513)            | 2,313     |
| Depreciation and amortization on real estate   | 15,904             | 12,258    |
| Impairment charges on real estate  | —                  | 12        |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership | (440)              | 292       |
| Equity in (earnings) loss of unconsolidated entity   | 50                 | 3         |
| Company's portion of FFO of OpenKey  | (51)               | (2)       |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | 11,950             | 14,876    |
| Series B Cumulative Convertible Preferred Stock dividends                                      | 1,707              | 1,707     |
| Transaction and management conversion costs  | 634                | 503       |
| Other (income) expense   | 117                | 63        |
| Interest expense accretion on refundable membership club deposits                              | 225                | —         |
| Write-off of loan costs and exit fees  | 312                | 2         |
| Amortization of loan costs   | 1,155              | 964       |
| Unrealized (gain) loss on investments  | (707)              | (528)     |
| Unrealized (gain) loss on derivatives  | 872                | (73)      |
| Non-cash stock/unit-based compensation   | 1,528              | 2,593     |
| Legal, advisory and settlement costs   | 71                 | (1,141)   |
| Advisory services incentive fee  | 1,314              | 170       |
| Uninsured hurricane and wildfire related costs   | —                  | 467       |
| Company's portion of adjustments to FFO of OpenKey   | 11                 | —         |
| <b>Adjusted FFO available to common stockholders and OP unitholders</b>                        | \$ 19,189          | \$ 19,603 |
| Adjusted FFO per diluted share available to common stockholders and OP unitholders             | \$ 0.44            | \$ 0.46   |
| Weighted average diluted shares  | 43,474             | 42,440    |

|  | Three Months Ended |           |
|--|--------------------|-----------|
|  | March 31,          |           |
|  | 2017               | 2016      |
| <b>Net income (loss)</b>   | \$ (289)           | \$ (139)  |
| (Income) loss from consolidated entities attributable to noncontrolling interest               | 21                 | (145)     |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership | 255                | 150       |
| Preferred dividends  | (1,673)            | (894)     |
| Net income (loss) attributable to common stockholders  | (1,686)            | (1,028)   |
| Depreciation and amortization on real estate   | 11,251             | 11,200    |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership | (255)              | (150)     |
| <b>FFO available to common stockholders and OP unitholders</b>                                 | 9,310              | 10,022    |
| Preferred dividends  | 1,673              | 894       |
| Transaction costs  | 4,328              | —         |
| Other (income) expense   | 157                | 10        |
| Write-off of loan costs and exit fees  | 1,963              | —         |
| Unrealized (gain) loss on investments  | (3,091)            | 1,493     |
| Unrealized (gain) loss on derivatives  | 898                | (3,533)   |
| Non-cash stock/unit-based compensation   | (1,668)            | (613)     |
| Legal, advisory and settlement costs   | 2,945              | 3,313     |
| Company's portion of unrealized (gain) loss of investment in securities investment fund        | —                  | 2,650     |
| <b>Adjusted FFO available to the Company and OP unitholders</b>                                | \$ 16,515          | \$ 14,236 |
| Adjusted FFO per diluted share available to the Company and OP unitholders                     | \$ 0.46            | \$ 0.39   |
| Weighted average diluted shares  | 36,272             | 36,290    |

|   | Three Months Ended |             |
|---|--------------------|-------------|
|   | March 31,          |             |
|   | 2021               | 2020        |
| <b>Net income (loss)</b>  | \$ (11,034)        | \$ (15,387) |
| (Income) loss attributable to noncontrolling interest in consolidated entities  | 1,247              | 572         |
| Net (income) loss attributable to redeemable noncontrolling interests in operating partnership  | 1,079              | 1,885       |
| Preferred dividends   | (2,388)            | (2,555)     |
| Gain (loss) on extinguishment of preferred stock  | (73)               | —           |
| Net income (loss) attributable to common stockholders   | (11,169)           | (15,485)    |
| Depreciation and amortization on real estate  | 17,659             | 17,559      |
| Net income (loss) attributable to redeemable noncontrolling interests in operating partnership  | (1,079)            | (1,885)     |
| Equity in (earnings) loss of unconsolidated entity  | 64                 | 40          |
| (Gain) loss on insurance settlement and disposition of assets   | (499)              | —           |
| Company's portion of FFO of OpenKey   | (64)               | (40)        |
| <b>FFO available to common stockholders and OP unitholders</b>  | 4,912              | 189         |
| Series B Cumulative Convertible Preferred Stock dividends   | 1,563              | 1,730       |
| (Gain) loss on extinguishment of preferred stock  | 73                 | —           |
| Transaction and conversion costs  | 340                | 491         |
| Other (income) expense  | —                  | 138         |
| Interest expense accretion on refundable membership club deposits   | 202                | 213         |
| Write-off of loan costs and exit fees   | 351                | —           |
| Amortization of loan costs  | 706                | 1,053       |
| Unrealized (gain) loss on derivatives   | 20                 | (1,156)     |
| Non-cash stock/unit-based compensation  | 1,416              | 1,985       |
| Legal, advisory and settlement costs  | 205                | 613         |
| Advisory services incentive fee   | 371                | —           |
| Company's portion of adjustments to FFO of OpenKey  | 5                  | 3           |
| <b>Adjusted FFO available to common stockholders, OP unitholders and Series B Cumulative Convertible preferred stockholders on an "as converted" basis</b>            | \$ 10,164          | \$ 5,259    |
| Adjusted FFO per diluted share available to common stockholders, OP unitholders and Series B Cumulative Convertible preferred stockholders on an "as converted" basis | \$ 0.20            | \$ 0.12     |
| Weighted average diluted shares   | 50,315             | 43,751      |