



WYNDHAM

HOTELS & RESORTS

Investor Presentation

APRIL 28, 2021

La Quinta Inn & Suites by Wyndham Dallas Plano - The Colony
Dallas, Texas, USA

Introduction to Wyndham Hotels & Resorts

<p>Largest hotel franchisor by hotels worldwide</p>	<p>Leading economy & midscale brands in attractive select-service space</p>	<p>Asset-light business model with significant cash generation capabilities</p>	<p>Primarily leisure-focused “drive to” portfolio of hotels</p>
<p>8,900+ Hotels</p>	<p>797,000+ Current Rooms</p>	<p>95 Countries</p>	<p>187,000+ Rooms in the Pipeline</p>
<p>87M Loyalty Members</p>	<p>\$621M^(a) FY2019 Adjusted EBITDA</p>	<p>\$360M^(b) FY2019 Adjusted Free Cash Flow</p>	<p>~80%^(c) FY2019 Franchising Margin</p>

Data is approximated as of March 31, 2021. FY2019 metrics provided to illustrate normalized, pre COVID-19 results. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix.

(a) Recast to reflect exclusion of development advance notes amortization. Net income was \$157 million for the year ended December 31, 2019.

(b) Net cash provided by operating activities was \$100 million for the year ended December 31, 2019.

(c) Consistent with our peers, franchising margin excludes the effects of the marketing, reservation and loyalty funds from Hotel Franchising segment revenues and adjusted EBITDA, as well as license and other fees. Calculation can be found in the Appendix.

Select-Service Segments Lead Recovery

MTD April
Economy segment
occupancy & RevPAR
now surpassing
2019 levels

MTD April
Midscale segment
occupancy & RevPAR
within 90% of
2019 levels

Cancelation
rates returned to
pre-pandemic levels

Website visits and
booking volumes
now at 2019 levels

Call volumes
within 90%
of 2019 levels

Franchisee collection
rates within 95%
of 2019 levels

Since onset of the pandemic,
**our brands have gained an average of
nearly 500 bps of RevPAR Index**

1

Q1 2021 Performance Recap

CLEAR FOCUS & PRIORITIES TO
DRIVE SHAREHOLDER VALUE

First Quarter 2021 Performance Recap



\$97M

Adjusted EBITDA ^(a)



\$59M

Free cash flow ^(b)



+17 pts

RevPAR outperformed the total industry ^(c)



112

New contracts signed;
90% of 2019 volume



>70%

Conversions as a
% of openings



+120 bps

Growth in
global pipeline

Data as of March 31, 2021. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix.

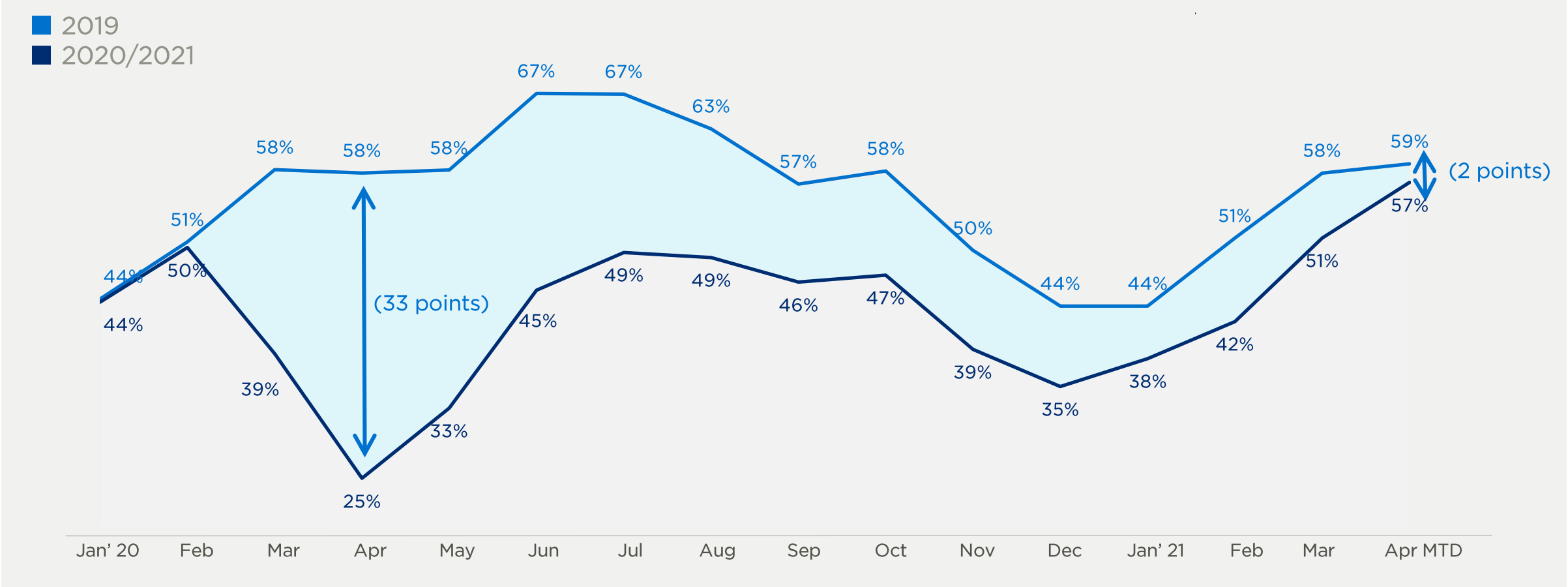
(a) Net income was \$24 million.

(b) Net cash provided by operating activities was \$64 million.

(c) Domestic RevPAR compared to STR results versus 2019.

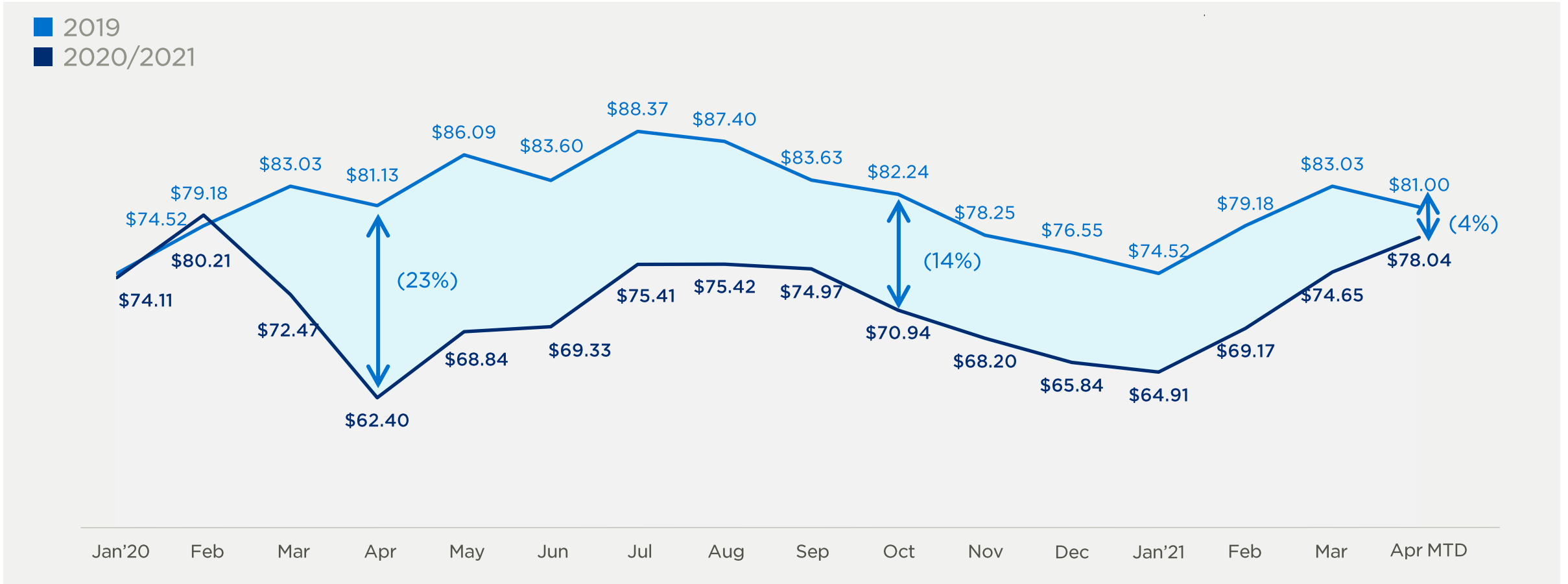
Occupancy Declines Continue to Narrow

MONTHLY WH U.S. OCCUPANCY



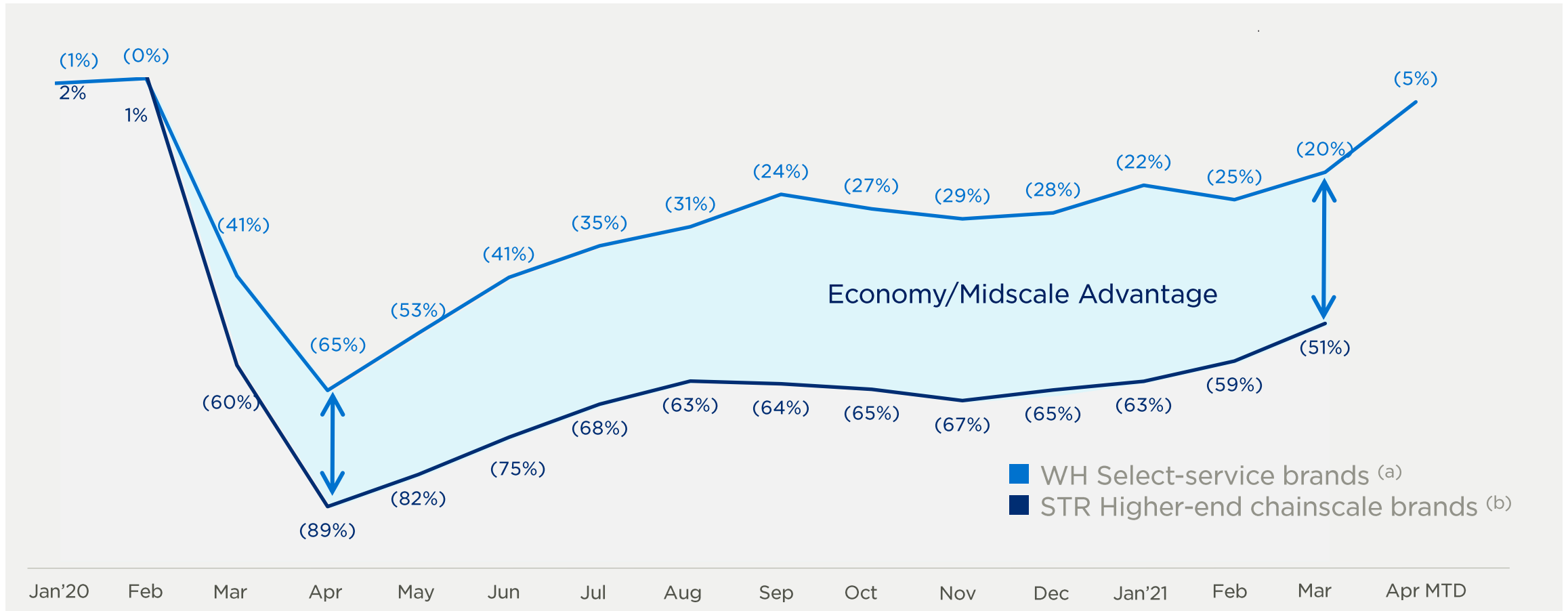
ADR Continues to Improve

MONTHLY WH U.S. AVERAGE DAILY RATE



WH Select-Service Brands Continue to Outperform Higher-end Chainscales

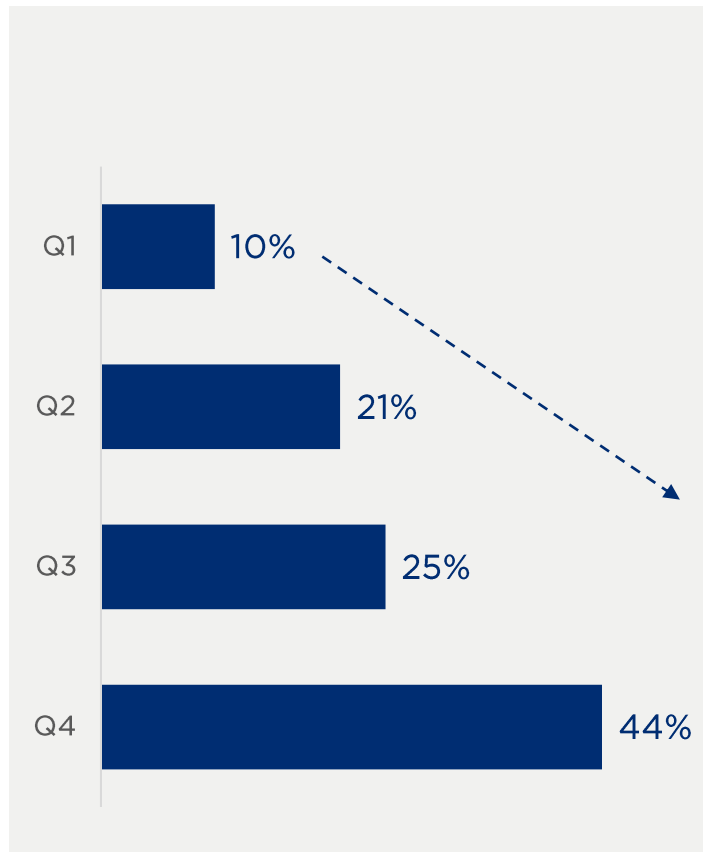
MONTHLY U.S. REVPAR CHANGE VS. 2019



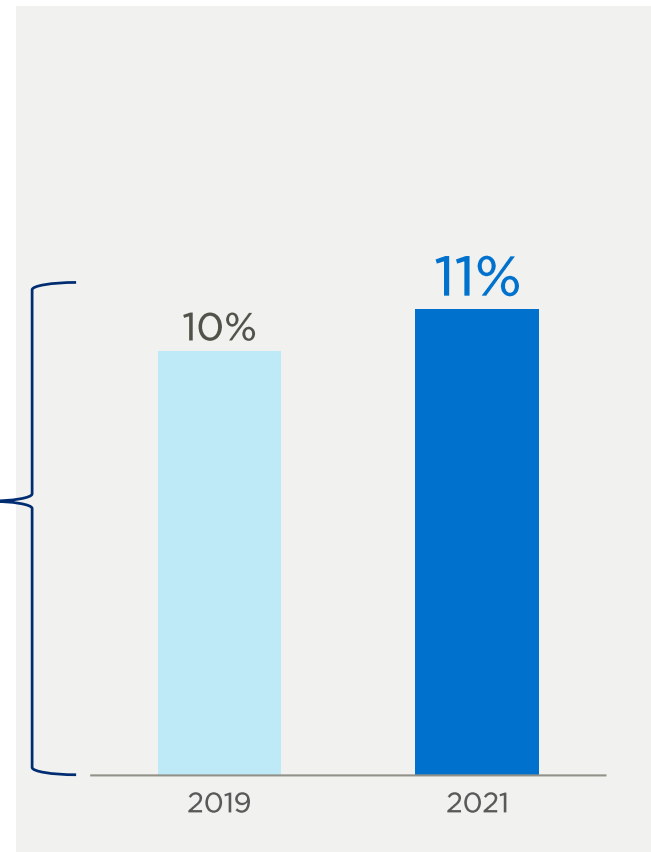
Note: April month-to-date includes RevPAR change through April 17th.
 (a) Includes WH brands in the economy, midscale and upper midscale segments.
 (b) Includes STR performance for upscale, upper upscale and luxury segments.

Net Room Growth Tracking in Line with Expectations

2019 QUARTERLY CONTRIBUTION TO ANNUAL NET ROOM GROWTH



FIRST QUARTER 2021 TRENDING IN LINE WITH 2019 PACE



FIRST QUARTER 2021 NOTABLE ADDITIONS

Conversion

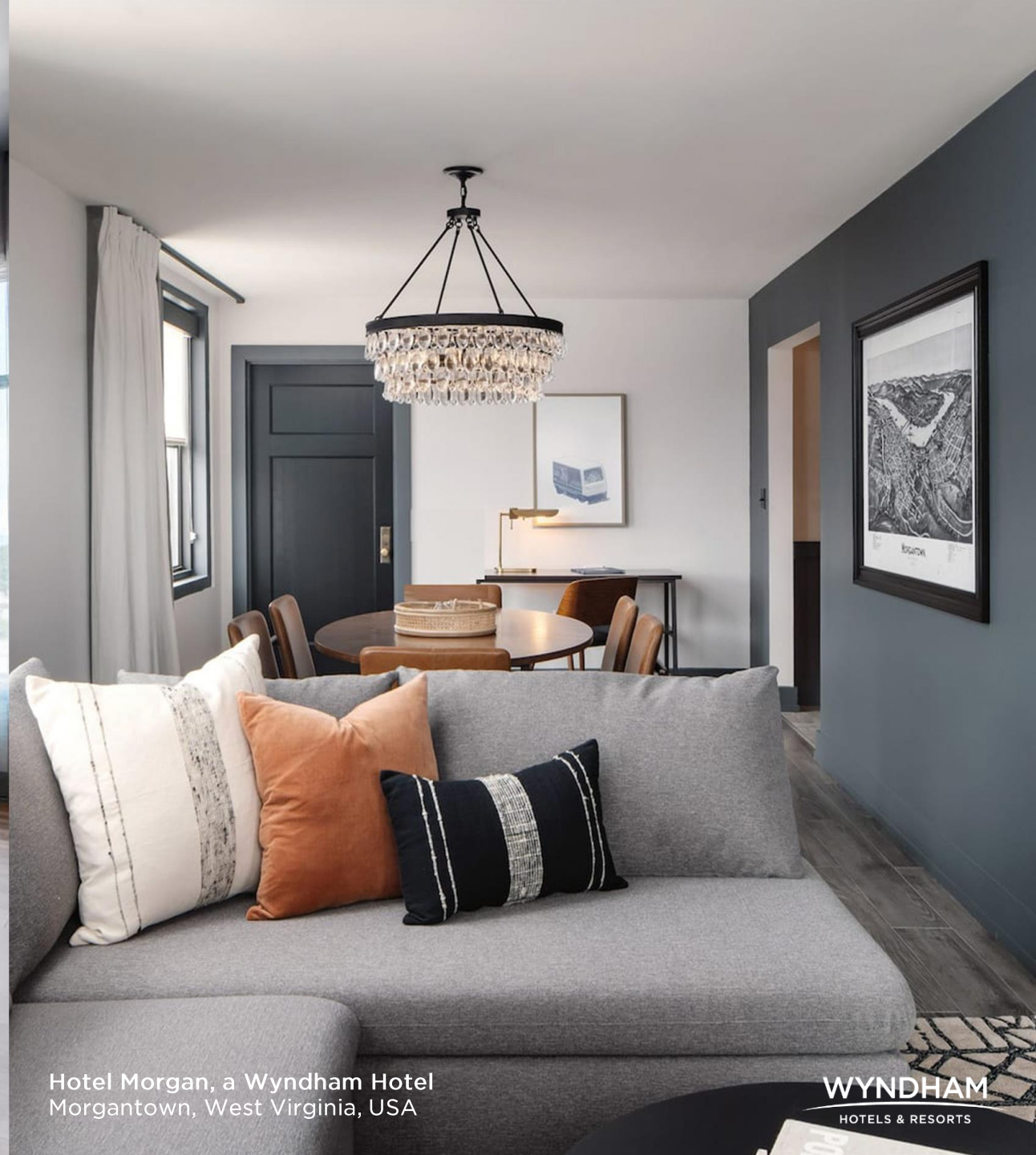
- Origin Westminster, a Wyndham Hotel
- Hotel Origin Morgantown, a Wyndham Hotel
- Viana Hotel & Spa by Trademark
- Kunuku Resort All Inclusive Curacao, Trademark by Wyndham
- Turtle Island Beach Resort, Trademark Collection by Wyndham
- Wyndham XinYang Downtown
- Hotel Avenue Louise Brussels Trademark Collection by Wyndham

New Build

- Microtel Inn & Suites by Wyndham Lac-Mégantic Canada
- Comwell Copenhagen Portside Dolce by Wyndham
- Microtel by Wyndham Tianjin



Origin Westminster, a Wyndham Hotel
Westminster, Colorado, USA



Hotel Morgan, a Wyndham Hotel
Morgantown, West Virginia, USA



Kunuku Resort All Inclusive Curaçao, a Trademark Collection Hotel
Willemstad, Curaçao



Turtle Island Beach Resort, a Trademark Collection Hotel
San Pedro, Belize



Microtel Inn & Suites by Wyndham Lac-Megantic
Lac-Megantic, Quebec, Canada



Viana Hotel & Spa, a Trademark Collection Hotel
Westbury, NY, USA



Comwell Copenhagen Portside Dolce by Wyndham
Copenhagen, Denmark



Hotel Avenue Louise Brussels, a Trademark Collection Hotel
Brussels, Belgium



Wyndham Xinyang Downtown
Xinyang, China



MICROTEL 麦客达温德姆酒店
BY WYNDHAM

Microtel by Wyndham Tianjin
Tianjin, China

WYNDHAM
HOTELS & RESORTS

Diversified Pipeline Provides Runway for Growth

TOTAL PIPELINE @ 3/31/21

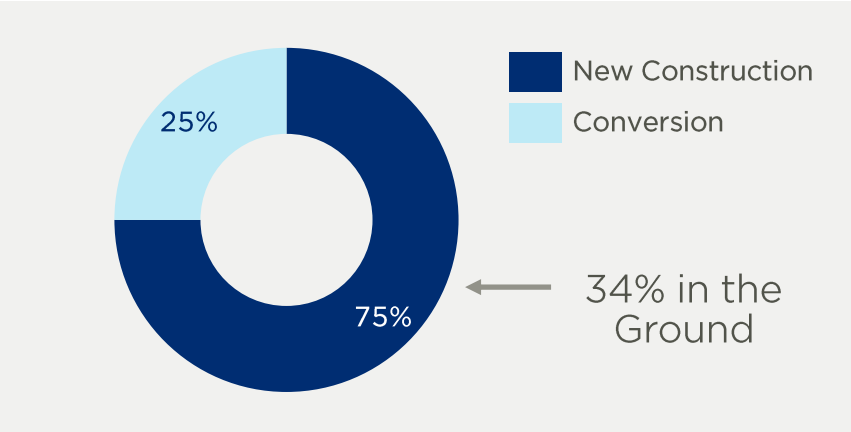
~187K Global rooms ~1,400 Global hotels

+120bps Global sequential growth +70bps Domestic sequential growth

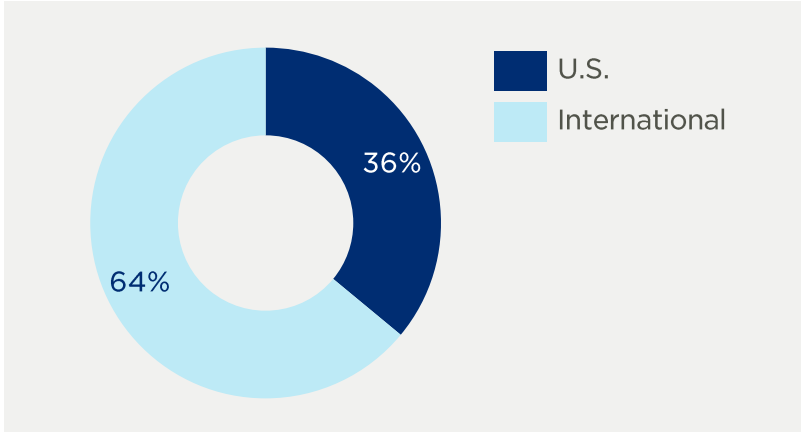
+90bps Sequential growth in conversion pipeline

23% of current system

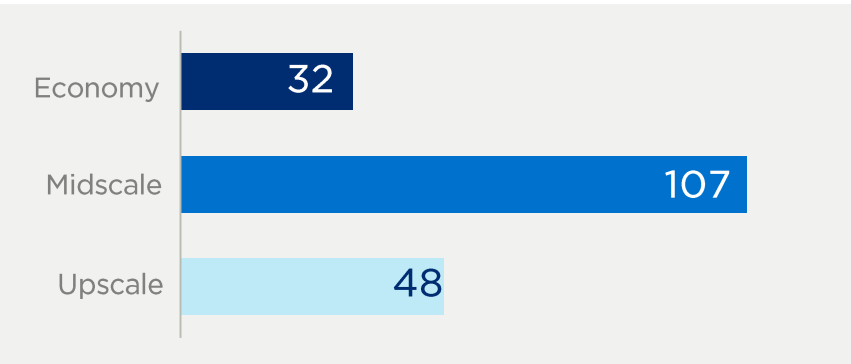
COMPOSITION



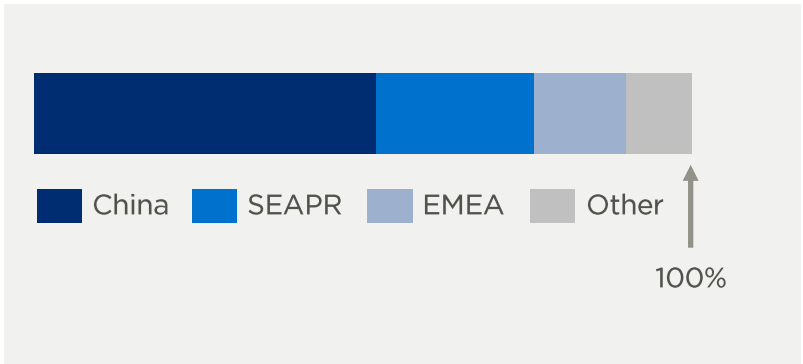
GEOGRAPHICAL MIX



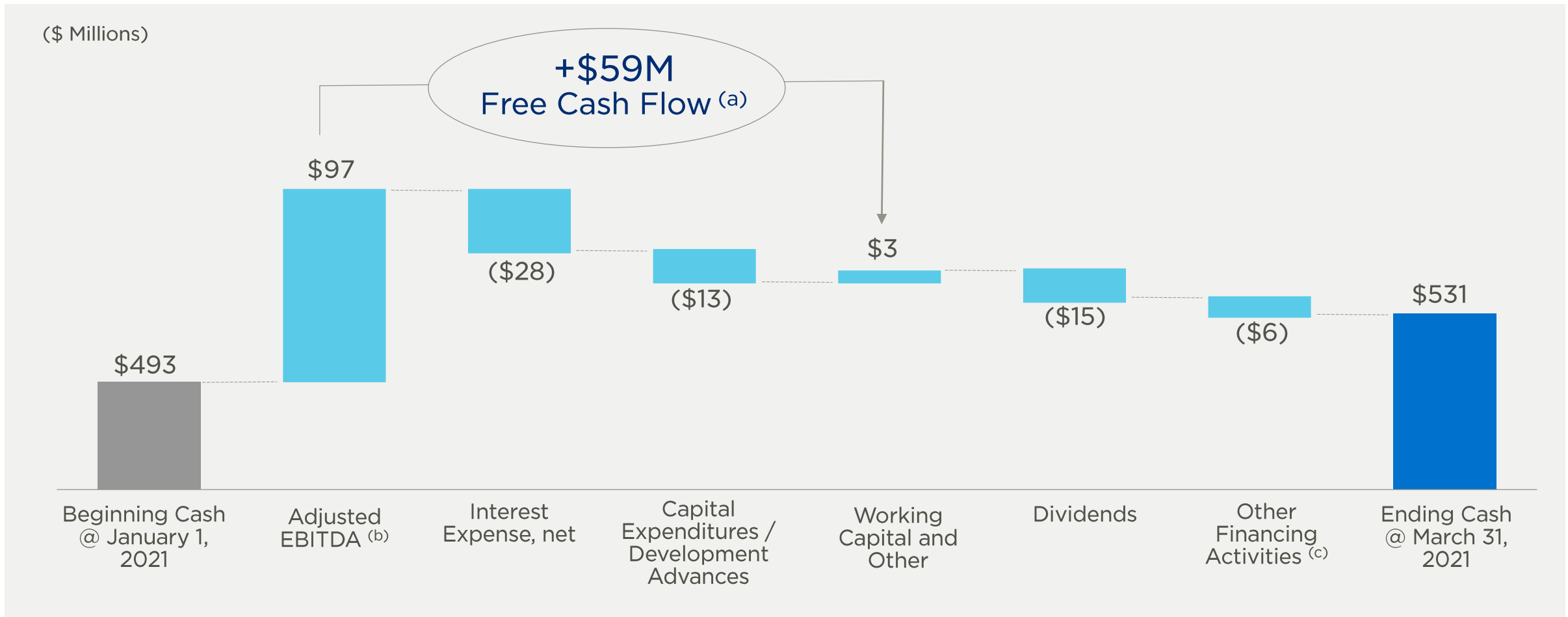
PIPELINE BY CHAINSCALE (000s)



INTERNATIONAL MIX



Asset-Light, Franchised Model Generates Strong Free Cash Flow



Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix.

(a) Net cash provided by operating activities was \$64 million.

(b) Net income was \$24 million.

(c) Primarily consists of required quarterly payments on our term loan.

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2021 Focus

CLEAR FOCUS & PRIORITIES TO
DRIVE SHAREHOLDER VALUE



2021 Key Priorities

NET ROOM GROWTH

Deliver 1-2% net room growth in 2021 and return to 2-4% post COVID-19

Targeting 3-5% long-term net room growth through investments in business, return of new construction and improvement in domestic retention rate to 96%

FRANCHISEE SUPPORT

Modified brand standards and enhanced sourcing programs drive hotel-level cost savings

Enhanced sales, marketing and revenue strategies drive lower-cost direct bookings, higher ADR and greater market share

NextGen property level technology drives higher ADR and operational efficiencies

GUEST EXPERIENCE

Best-in-class digital eco-system, mobile app evolution and suite of Wyndham Business products streamlines travel planning

“Count on Us to Put Safety First” initiative, flexible booking/cancellation policies & dynamic personalized offers meet rising guest expectations

Compelling Value Proposition for Franchisees . . .

LOYAL & GROWING CUSTOMER BASE DRIVES LOWER COST BOOKINGS

- Trusted, iconic brands endorsed by the world's largest hotel franchise company^(a) reassure travelers that they can book with confidence
- Over 70%^(b) of hotel room revenue in the U.S. is generated through Wyndham's central channels
- Award winning rewards program with 87 million enrolled members drives >40% of U.S. hotel stays
- Wyndham's award winning marketing and dedicated team of sellers drive global and regional business to hotels
- Best-in-class digital eco-system, drives guest engagement and loyalty

BUYING POWER DRIVES BOTTOM-LINE SAVINGS & EFFICIENCIES

- Strong negotiated rates on key OTA partnerships drive significant savings
- Best-in-class pricing on FF&E, OS&E, F&B and PMS
- Efficient design & operations maximize owner returns
- Shared expert services reduce labor costs

DEDICATED SUPPORT & PERFORMANCE TOOLS SIMPLIFY OPERATIONS

- Dedicated, local support -- from construction, opening and training to operations, marketing and revenue management
- Industry leading PMS and CRS systems simplify operations and enable seamless access to >100 distribution channels
- Experienced revenue management professionals optimize property rates and inventory, delivering double-digit RevPAR premiums
- Comprehensive health, safety and cleanliness program instill guests' trust
- Wyndham Green Toolbox aids owners globally in tracking, measuring and reporting energy, emissions, water and waste diversion performance



...That Has Historically Delivered Strong Returns



Cost per room	~\$75,000
Loan-to-value	~70%
Franchisee Investment	\$1,575,000
RevPAR	\$53.00
Revenues	\$1,355,000
Operating expenses	\$705,000
Brand fees	\$115,000
Interest expense	\$220,000
Hotel EBTDA	\$315,000

Cash-on-Cash Return
of ~20%

3

Strong Financial Profile

CLEAR FOCUS & PRIORITIES TO
DRIVE SHAREHOLDER VALUE



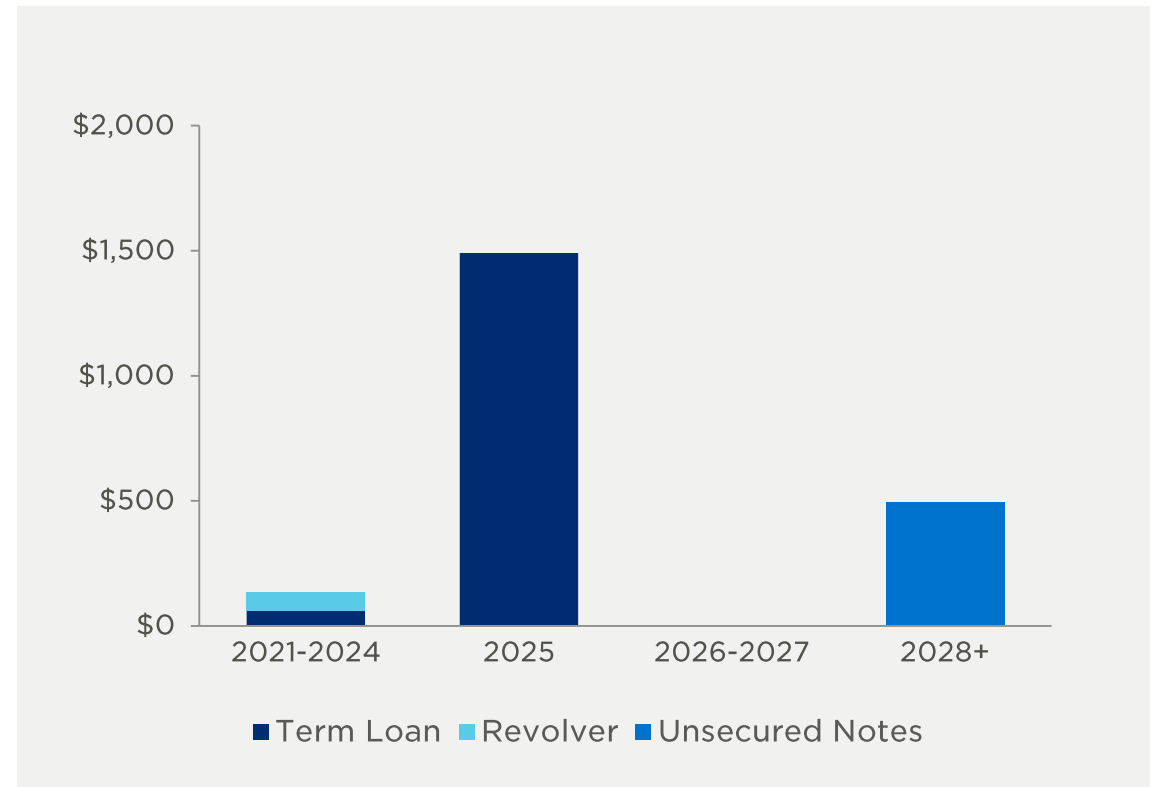
Strong Balance Sheet & Substantial Cash Reserves

BALANCE SHEET

Total liquidity at March 31, 2021 <i>(Before giving effect to 2026 Notes redemption)</i>	\$1,265M
Major maturities due prior to 2023	None
First lien leverage ratio of 5.0x testing waived until:	June 30, 2021
First lien net leverage at March 31, 2021	3.4x
Financial and operating liabilities	Limited

No Further Credit Agreement
Waivers Expected*

CURRENT DEBT MATURITIES



\$750 Million Revolver Maturity – May 2023

Chart excludes \$54 million of capital leases and includes the redemption of the 5.375% \$500 million 2026 Senior Unsecured Notes on April 15.

Maximizing Capital Allocation For All Stakeholders

MAINTAIN STRONG BALANCE SHEET

Repaid all revolving credit facility borrowings through 3/31/21

Redeemed \$500 million 2026 Notes on 4/15/21

Approx. \$750 million of liquidity
(post notes redemption)

No near-term debt maturities

3-4x
Leverage Target

INVEST IN BUSINESS

Support franchisees' health and recovery

Increase deployment of capital to accelerate system growth

Continued investment in guest facing technology, customer data platform and business traveler technology

~25% of Pre-Covid
Capital Allocation

RETURN EXCESS CAPITAL TO SHAREHOLDERS

Increased first quarter 2021 dividend by 100%

Share repurchase restrictions under credit agreement expired in April 2021

Gradually increase total return as adjusted EBITDA increases and leverage ratio declines

~75% of Pre-Covid
Capital Allocation

ESG Efforts Ongoing; Continued Investment & Focus Despite Pandemic

A CULTURE OF DIVERSITY, EQUITY & INCLUSION

- Pledged CEO Action for Diversity, Equity & Inclusion
- Executive-level sponsorship of all Diversity, Equity & Inclusion Associate Business Groups
- Perfect score of 100 on Human Rights Campaign 2021 Corporate Equality Index for 3rd consecutive year
- ~55% of global corporate workforce is female



LEADERSHIP IN SUSTAINABILITY

- Certifying hotels with Wyndham Green Certification
 - Wyndham® Deerfield Beach Resort
 - Wyndham Grand® Clearwater Beach Resort
 - Ramada® by Wyndham The Hague Scheveningen
- Maintaining LEED® Gold certification at corporate headquarters
- Received A- on CDP Response for Climate Change 2nd year in a row



QualityScore ratings ^(a):

- Environment – 2 out of 10
- Social – 1 out of 10
- Governance – 2 out of 10

PROTECTING HUMAN RIGHTS

- Enhanced training to support hotel ^(b) workers through AHLA's "5-Star Promise"
- Employee safety devices deployed to owned and managed hotels
- Human trafficking training mandated across all ^(b) hotels
- Supplier Code of Conduct prohibits forced and child labor
- Signatory to ECPAT Code to combat trafficking since 2011
- Continuing to strengthen partnerships with ECPAT, Polaris, Sustainable Hospitality Alliance and BEST

10M Wyndham Rewards points donated to Polaris

SUPPORTING OUR COMMUNITIES

- Helping over 2,800 impacted Team Members through Wyndham Relief Fund
- Continuing to strengthen Wyndham's Count on Us health and safety efforts



- Wyndham Rewards and its members donated 113 million points to non-profits
- Instant complimentary Wyndham Rewards GOLD membership upgrade and special rates to all essential workers fighting the front lines of COVID-19

(a) As of April 1, 2021.

(b) Represents owned, managed and franchised hotels.

4

Business Model & Core Strengths

CLEAR FOCUS & PRIORITIES TO DRIVE SHAREHOLDER VALUE

Core Strengths

1

PRIMARILY
LEISURE-FOCUSED

2

PREDOMINATELY
“DRIVE TO”
LOCATIONS

3

SELECT-SERVICE
LEADER

4

POWERFUL
GROWTH ENGINE

5

LOW RISK
BUSINESS MODEL

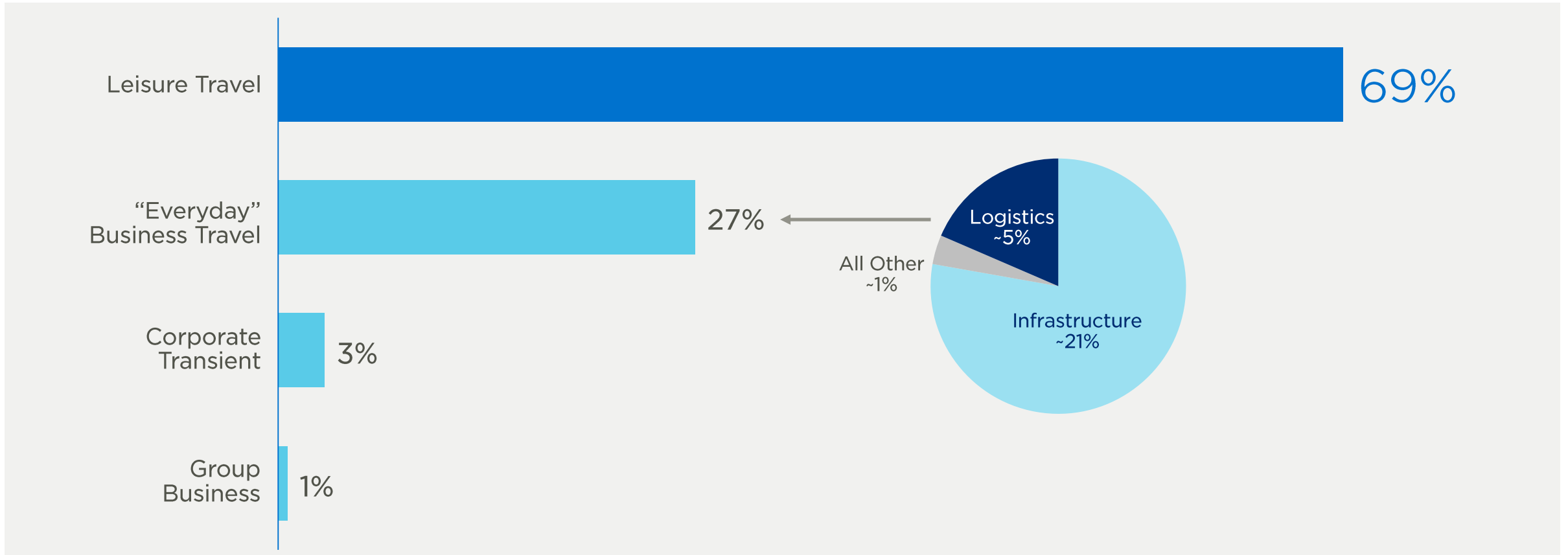


Super 8 by Wyndham Austin/Airport North
Austin, Texas, USA

REASON 1

Leisure Guests Power Our Business

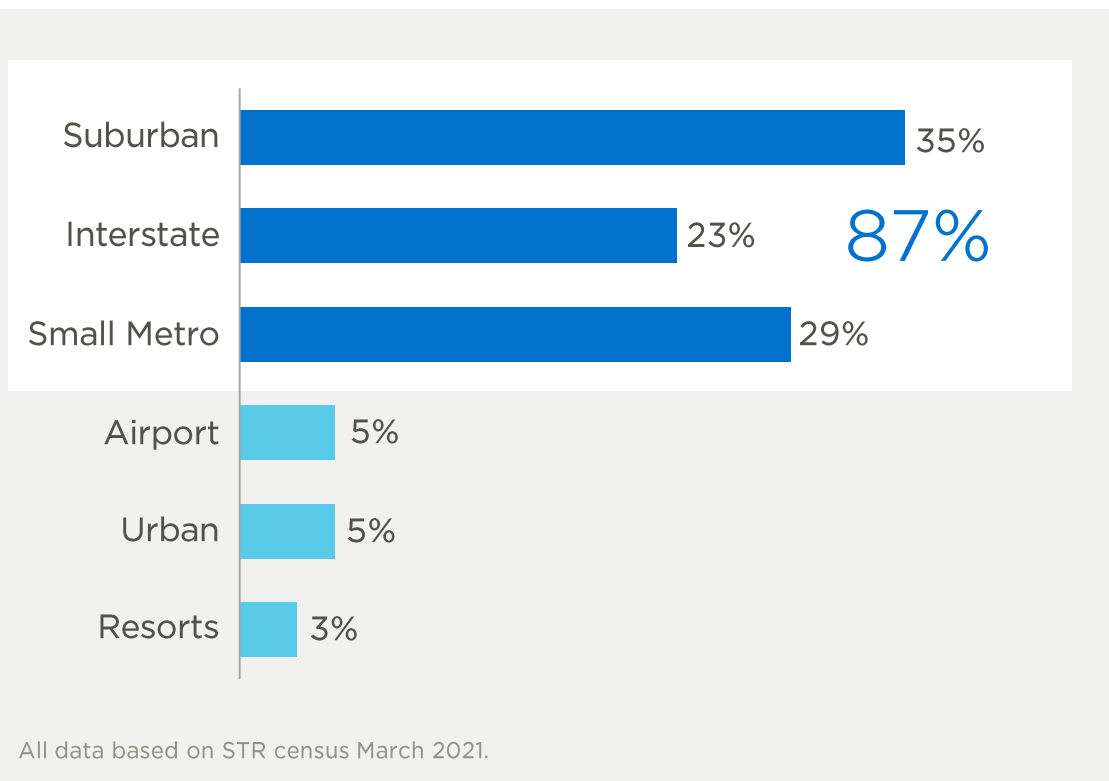
NEARLY 70% LEISURE FOCUS



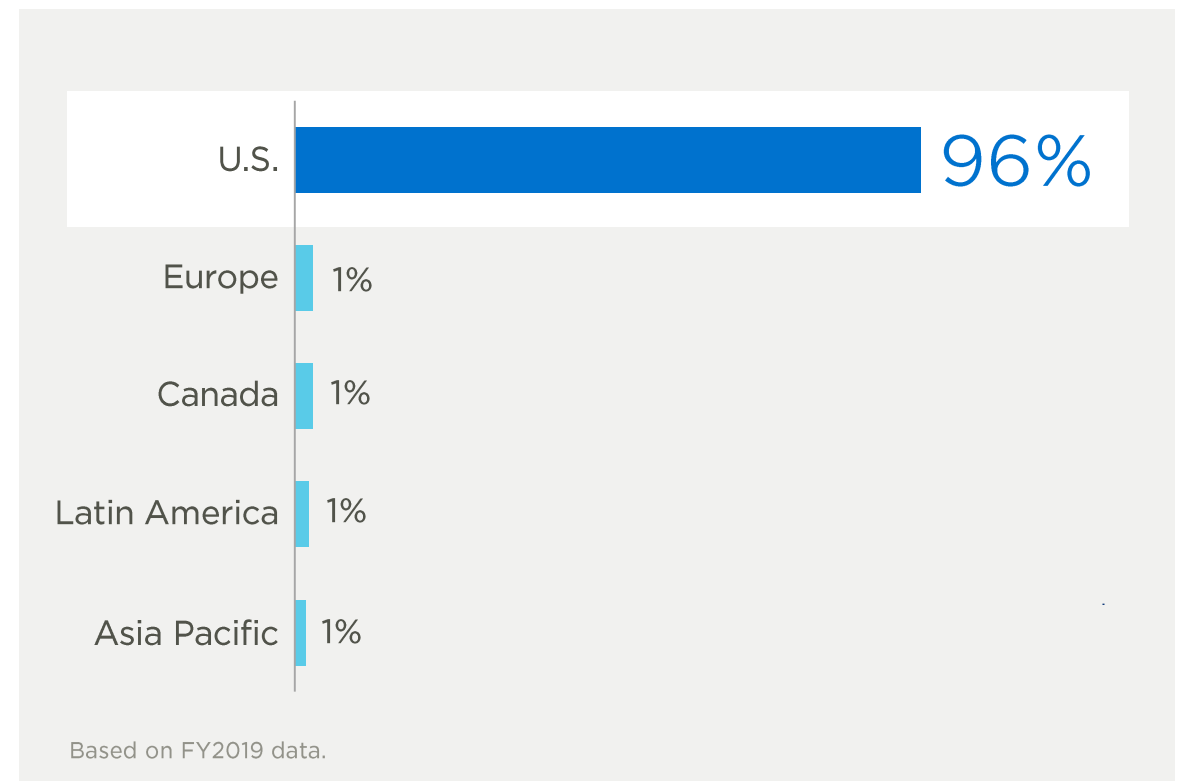
REASON 2

“Drive to” Destinations Not Reliant on Air Travel or International Travelers

87% U.S. HOTELS IN “DRIVE TO” LOCATIONS

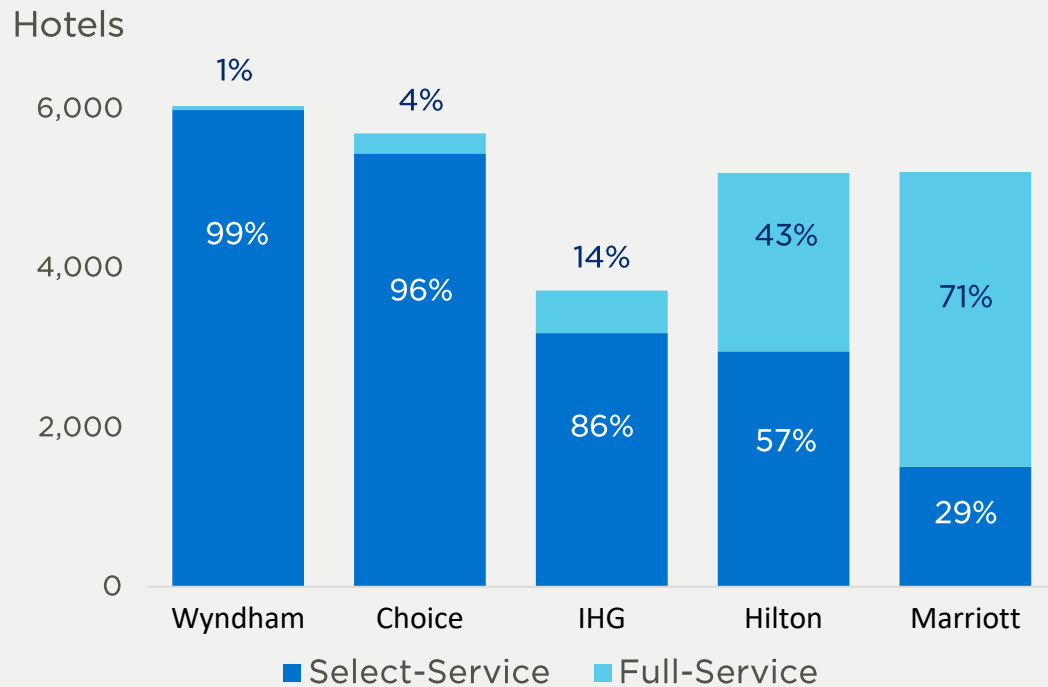


96% OF U.S. GUESTS ORIGINATE DOMESTICALLY



Leader in the Attractive Select-Service Space

PERCENT OF U.S. HOTELS IN SELECT SERVICE VS. FULL SERVICE



All data based on STR census March 2021.

ADVANTAGEOUS FEATURES OF SELECT-SERVICE HOTELS

- Less labor-intensive and lower operating costs
- Higher operating margins
- Lower construction costs and manageable debt service
- Can breakeven at ~30% occupancy
- Predominately small business owners, eligible for government stimulus and/or SBA debt relief

Significant Growth Opportunity in Large Conversion Market

UNIQUE VALUE PROPOSITION IN TODAY'S MARKET

Our brands outperformed their competition in the U.S. by ~500 bps since onset of the pandemic

Our franchisees leverage Wyndham's purchasing power to significantly lower operating expenses and third-party booking costs

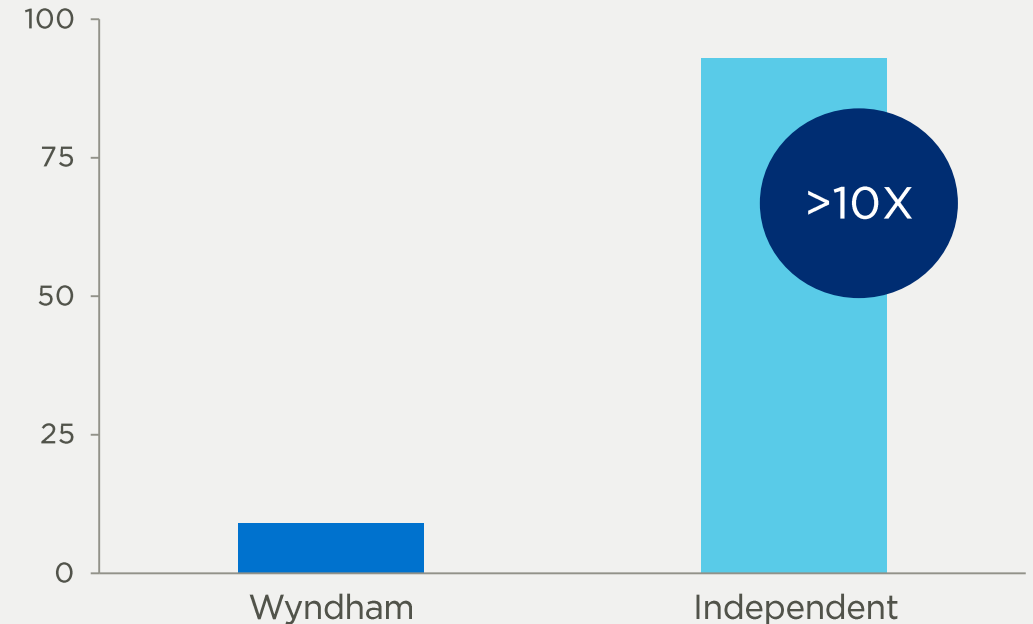
Our owner-first approach compels us to support and invest in our franchisees' health and recovery



SIGNIFICANT ADDRESSABLE MARKET IN THE ECONOMY & MIDSCALE SEGMENTS

(Thousands)

Global Hotels

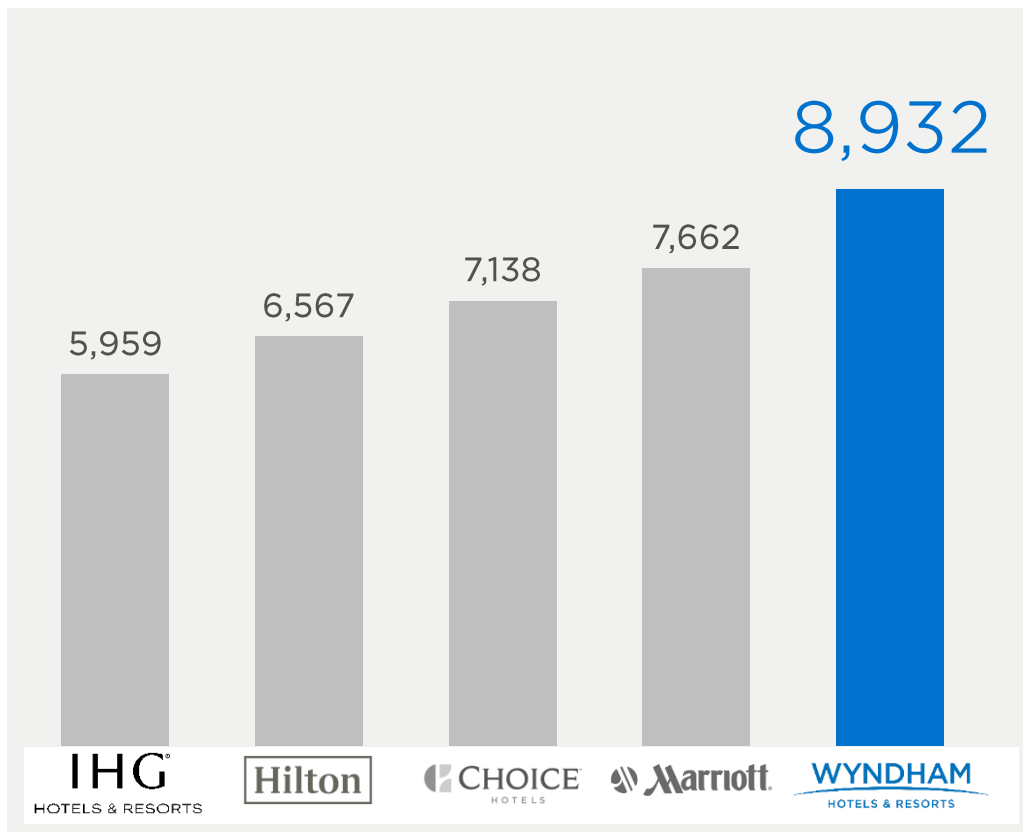


Independent data based on STR census December 2020.

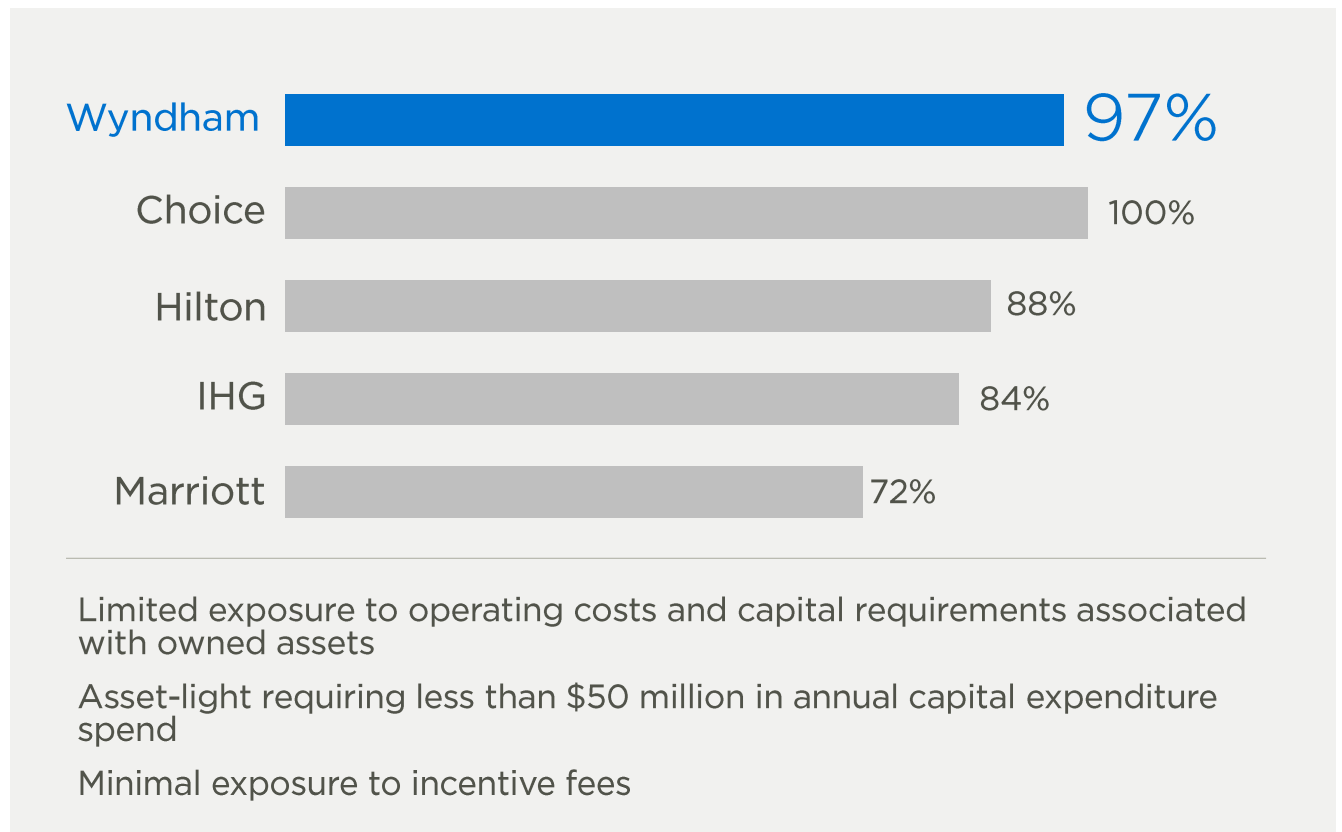
REASON 5

World's Largest Hotel Franchisor with Minimal Exposure to Asset Risk

NUMBER OF HOTELS WORLDWIDE



PERCENT OF FRANCHISED HOTELS



Strong Leadership Navigating Through the Storm



GEOFF BALLOTTI
CHIEF EXECUTIVE OFFICER
32 Years of Industry Experience

- Served as President and Chief Executive Officer of Wyndham Hotel Group (2014 – 2018)
- Served as Chief Executive Officer of Wyndham Destination Network (2008 – 2014)
- Held leadership positions of increasing responsibility at Starwood Hotels and Resorts Worldwide including President of Starwood North America, Executive Vice President, Operations, Senior Vice President, Southern Europe and Managing Director, Ciga Spa, Italy (1989 – 2008)
- Served as Banking Officer in the Commercial Real Estate Group at the Bank of New England



MICHELE ALLEN
CHIEF FINANCIAL OFFICER
22 Years of Industry Experience

- Served as Executive Vice President and Treasurer of Wyndham Hotels & Resorts (2018 – 2019)
- Served as Senior Vice President of Finance for Wyndham Worldwide responsible for budgeting, capital allocation, financial analysis and strategy (2015 – 2018)
- Held varied financial leadership positions of increasing responsibility within Wyndham Hotel Group and Wyndham Worldwide's predecessor (1999 – 2015)
- Began her career as an independent auditor with Deloitte where she earned a CPA



PAUL CASH
GENERAL COUNSEL
16 Years of Industry Experience



LISA CHECCHIO
CHIEF MARKETING OFFICER
18 Years of Industry Experience



SCOTT LEPAGE
PRESIDENT, AMERICAS
10 Years of Industry Experience



DIMITRIS MANIKIS
PRESIDENT, EMEA
30 Years of Industry Experience



MONICA MELANCON
CHIEF HUMAN RESOURCE OFFICER
23 Years of Human Resource Experience



CHIP OHLSSON
CHIEF DEVELOPMENT OFFICER
27 Years of Industry Experience



JOON AUN OOI
PRESIDENT, APAC
18 Years of Industry Experience



KRISHNA PALIWAL
PRESIDENT, LA QUINTA
HEAD OF DESIGN & CONSTRUCTION
15 Years of Industry Experience



SCOTT STRICKLAND
CHIEF INFORMATION OFFICER
20 Years of IT Experience

The Wyndham Family of Brands

Wherever people go, Wyndham will be there to welcome them.

ECONOMY



MIDSCALE



UPPER MIDSCALE



UPSCALE



UPPER UPSCALE



APPENDIX

2021 RevPAR Sensitivity, Illustrative EBITDA Example & Reconciliation to 2019 Performance

ILLUSTRATIVE EXAMPLE VS. 2020

(\$ Millions)

2020 Adjusted EBITDA	\$327
EBITDA impact per point of RevPAR change	~\$2.8
Hypothetical RevPAR increase ^(a)	~35%
Hypothetical RevPAR change	~\$98
License fees ^(b)	--
Absence of excess marketing fund spend ^(c)	49
Subtotal	~\$474
DAN amortization expense addback ^(d)	9
2021 Hypothetical Adjusted EBITDA ^(a)	~\$483

RECONCILIATION TO 2019

(\$ Millions)

2020 Adjusted EBITDA (incl. \$40m COVID savings)	\$327
Absence of excess marketing fund spend ^(c)	49
67% RevPAR growth (to 2019 levels) @ \$2.8m/point ^(e)	188
Not in the RevPAR per point estimate ^(f) :	
License fee improvement ^(b)	43
Owned hotel improvement ^(g)	15
Ancillary fee stream improvement ^(h)	20
Bad debt expense improvement ⁽ⁱ⁾	10
Subtotal	~\$650
DAN amortization expense addback ^(d)	9
2019 Hypothetical Adjusted EBITDA Scenario	~\$659

(a) Not outlook.

(b) License fees are not linear to RevPAR (but are sensitive to travel demand) and therefore not included in the RevPAR per point sensitivity; expected to be \$70 million in 2021 reflecting the minimum levels outlined in the underlying agreements, which is consistent with the 2020 amount and \$43 million lower than the 2019 amount.

(c) Marketing, reservation & loyalty funds projected to break even in 2021.

(d) We modified the definition of adjusted EBITDA during the first quarter to exclude the amortization of development advance notes, which is now consistent with our peers.

(e) 67% growth reflects full return to 2019 RevPAR levels (from \$24.51 in 2020 to \$40.92 achieved in 2019). Not outlook.

(f) In a full recovery environment, these amounts would be incremental Adjusted EBITDA above the \$2.8 million per point sensitivity.

(g) Adjusted EBITDA for our two owned hotels will not improve linear with RevPAR due to the fixed nature of the cost base.

(h) Ancillary fee streams are not expected to fully recover in 2021 as they are tied to either revenue recognition deferral accounting, franchisee spend or franchisee relief programs in effect during 2021.

(i) Bad debt expense is currently elevated due to the impact of the pandemic. In a full recovery environment, bad debt would normalize to 2019 levels.

APPENDIX

Non-GAAP Reconciliations

The following tables reconcile certain non-GAAP financial measures. The presentation of these adjustments is intended to permit the comparison of particular adjustments as they appear in the income statement in order to assist investors' understanding of the overall impact of such adjustments. We believe that adjusted EBITDA provides useful information to investors about us and our financial condition and results of operations because adjusted EBITDA is among the measures used by our management team to evaluate our operating performance and make day-to-day operating decisions and because adjusted EBITDA is frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in our industry. During the first quarter of 2021, we modified the definition of adjusted EBITDA to exclude the amortization of development advance notes to reflect how our chief operating decision maker reviews operating performance beginning in 2021. We have applied the modified definition of adjusted EBITDA to all periods presented. Explanations for adjustments within the reconciliations can be found in our fourth quarter 2019 and subsequent Earnings Releases at investor.wyndhamhotels.com.

	Three Months Ended March 31, 2021	Year Ended December 31, 2019
Net income	\$ 24	\$ 157
Provision for income taxes	11	50
Depreciation and amortization	24	109
Interest expense, net	28	100
Stock-based compensation expense	5	15
Development advance notes amortization	2	8
Impairment, net	-	45
Contract termination costs	-	42
Transaction-related expenses, net	-	40
Separation-related expenses	2	22
Transaction-related item	-	20
Restructuring costs	-	8
Foreign currency impact of highly inflationary countries	1	5
Adjusted EBITDA	<u>\$ 97</u>	<u>\$ 621</u>

APPENDIX

Non-GAAP Reconciliations

The following tables reconcile certain non-GAAP financial measures. We define free cash flow to be net cash provided by operating activities less property and equipment additions, which we also refer to as capital expenditures, and adjusted free cash flow as free cash flow less special-item cash outlays. We believe free cash flow and adjusted free cash flow to be useful operating performance measures to us and investors to evaluate the ability of our operations to generate cash for uses other than capital expenditures and special-item cash outlays and, after debt service and other obligations, our ability to grow our business through acquisitions and investments, as well as our ability to return cash to shareholders through dividends and share repurchases, to the extent permitted. These non-GAAP measures are not necessarily a representation of how we will use excess cash. A limitation of using free cash flow and adjusted free cash flow versus the GAAP measure of net cash provided by operating activities as a means for evaluating Wyndham Hotels is that free cash flow and adjusted free cash flow do not represent the total cash movement for the period as detailed in the consolidated statement of cash flows.

	Three Months Ended March 31, 2021	Year Ended December 31, 2019
Net cash provided by operating activities	\$ 64	\$ 100
Less: Property and equipment additions	(5)	(50)
Free cash flow	<u>\$ 59</u>	50
Payments to tax authorities related to the La Quinta acquisition		195
Transaction-related and separation-related cash outlays		78
Restructuring payments		-
Payment to terminate an unprofitable hotel-management arrangement		35
Capital expenditures at owned hotel in Puerto Rico, all of which were reimbursed by insurance proceeds in 2018		2
Adjusted free cash flow		<u>\$ 360</u>

APPENDIX

Calculation of Franchising Margin

Consistent with our peers, franchising margin excludes the effects of the marketing, reservation and loyalty funds from Hotel Franchising segment revenues and adjusted EBITDA, as well as license and other fees. Management evaluates the operating results of each of its reportable segments based upon net revenues and “adjusted EBITDA”. During the first quarter of 2021, we modified the definition of adjusted EBITDA to exclude the amortization of development advance notes and have applied the modified definition of adjusted EBITDA to all periods presented.

	Year Ended December 31, 2019
Hotel Franchising segment revenues	\$ 1,279
Hotel Franchising segment adjusted EBITDA	629
Segment margin	49%
Effect of license fees	(6%)
Effect of marketing, reservation and loyalty funds	37%
Franchising margin	80%

Definitions & Disclaimer

Definitions:

Adjusted EBITDA: Represents net income excluding net interest expense, depreciation and amortization, impairment charges, restructuring and related charges, contract termination costs, transaction-related items (acquisition-, disposition-, or separation-related), foreign currency impacts of highly inflationary countries, stock-based compensation expense, income taxes and development advance notes amortization. Adjusted EBITDA is a financial measure that is not recognized under U.S. GAAP and should not be considered as an alternative to net income or other measures of financial performance or liquidity derived in accordance with U.S. GAAP. In addition, our definition of Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Adjusted EBITDA also assists our investors in evaluating our ongoing operating performance by adjusting for certain items which may be recurring or non-recurring and which in our view do not necessarily reflect ongoing performance. We also internally use these measures to assess our operating performance, both absolutely and in comparison to other companies, and in evaluating or making selected compensation decisions. These supplemental disclosures are in addition to GAAP reported measures. These non-GAAP reconciliation tables should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP. During the first quarter of 2021, we modified the definition of adjusted EBITDA to exclude the amortization of development advance notes to reflect how our chief operating decision maker reviews operating performance beginning in 2021. We have applied the modified definition of adjusted EBITDA to all periods presented.

Adjusted Free Cash Flow: Adjusted free cash flow represents net cash provided by operating activities less property and equipment additions, which we also refer to as capital expenditures, and special-item cash outlays. We believe adjusted free cash flow to be a useful operating performance measure to us and investors to evaluate the ability of our operations to generate cash for uses other than capital expenditures and special-item outlays and, after debt service and other obligations, our ability to grow our business through acquisitions and investments, as well as our ability to return cash to shareholders through dividends and share repurchases, to the extent permitted. This non-GAAP measure is not necessarily a representation of how we will use excess cash. A limitation of using adjusted free cash flow versus the GAAP measure of net cash provided by operating activities as a means for evaluating Wyndham Hotels is that adjusted free cash flow does not represent the total cash movement for the period as detailed in the consolidated statement of cash flows.

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The information in this presentation should be read in conjunction with the consolidated financial statements and accompanying notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section in Wyndham Hotels & Resorts’ Form 10-K, filed with the SEC on February 13, 2020 and subsequent reports filed with the SEC.

Forward-Looking Statements

Certain statements in this presentation constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Any statements that refer to expectations or other characterizations of future events, circumstances or results are forward-looking statements. Such forward-looking statements include projections, which were not prepared in accordance with public guidelines of the American Institute of Certified Public Accountants regarding projections and forecasts, nor have they been audited or otherwise reviewed by the independent auditors of Wyndham Hotels & Resorts. The forward-looking statements, including the projections, are inherently uncertain and are subject to a wide variety of risks and uncertainties that could cause actual results to differ materially from those contained therein, including those specified in the section “Risk Factors” of Wyndham Hotels & Resorts’ Form 10-K filed with the SEC and subsequent reports filed with the SEC.

Non-GAAP Financial Measures

Financial information contained in this presentation includes certain financial measures that are calculated and presented on the basis of methodologies other than in accordance with U.S. generally accepted accounting principles (GAAP), such as adjusted EBITDA, free cash flow and adjusted free cash flow, which include or exclude certain items from the most directly comparable GAAP financial measure. Any non-GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by GAAP, have no standardized meaning prescribed by GAAP and may not be comparable to the calculation of similar measures of other companies. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix. In some instances, we have provided certain non-GAAP measures only because we are unable to predict with reasonable certainty the occurrence or amount of potential adjustments that may arise in the future. The Company is providing certain financial metrics only on a non-GAAP basis because, without unreasonable efforts, it is unable to predict with reasonable certainty the occurrence or amount of potential adjustments that may arise in the future during the forward-looking period, which can be dependent on future events that may not be reliably predicted. Based on past reported results, where one or more of these items have been applicable, such excluded items could be material, individually or in the aggregate, to the reported results.