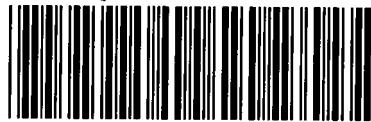


REGISTERED NUMBER: 06400453 (England and Wales)

HLT Owned Mezz IX-G Limited

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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for the year ended 31 December 2018**

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HLT Owned Mezz IX-G Limited

COMPANY INFORMATION
for the year ended 31 December 2018

DIRECTORS:

Mr R Payer
Hilton Corporate Director LLC
Mr M Maas

SECRETARY:

HLT Secretary Limited

REGISTERED OFFICE:

Maple Court
Central Park
Reeds Crescent
Watford
Hertfordshire
WD24 4QQ

REGISTERED NUMBER:

06400453 (England and Wales)

ACCOUNTANTS:

Hilton Worldwide
Amsterdam Hilton
Apollolaan 138
Amsterdam, Netherlands
1077 BG

**STRATEGIC REPORT
for the year ended 31 December 2018**

The directors present their strategic report for the year ended 31 December 2018.

The principal activity of the company in the year under review was that of an investment holding company.

REVIEW OF BUSINESS

The company has not traded during the year and accordingly it has made neither a profit or a loss (2017: €-). No profit and loss account has been prepared and no dividend is recommended. It is not expected that the company will commence trading in the current year.

PRINCIPAL RISKS AND UNCERTAINTIES

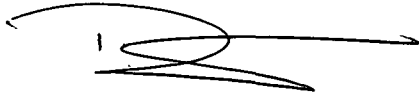
The company's principal activities are those of an investment holding company. As such the principal risks and uncertainties facing the company relate solely to the recoverability of the value of those investments.

The company monitors the fair value of all underlying assets to determine whether there are indicators that the carrying values of investments are not recoverable.

FUTURE DEVELOPMENTS

The company will continue to operate as an investment holding company in the future.

ON BEHALF OF THE BOARD:



Hilton Corporate Director LLC - Director

13 September 2019

**REPORT OF THE DIRECTORS
for the year ended 31 December 2018**

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2018.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

Mr R Payer
Hilton Corporate Director LLC

Other changes in directors holding office are as follows:

Mr G W Bennie - resigned 1 May 2018
Mr M M Arandelovic - resigned 1 October 2018
Mr M Maas - appointed 1 April 2018

EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

No significant post balance sheet events have occurred.

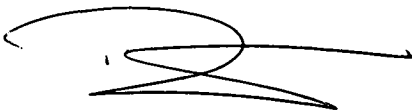
GOING CONCERN

The company's activities, together with the factors likely to affect its future development, its competitive, economic and interest rate risks are set out in the 'Review of Business' and 'Principal Risks and Uncertainties' section in the Strategic Report. The financial statements have been prepared under the going concern basis because the company has net assets. Management believe that the company has the ability to meet its liabilities as they fall due.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the year Hilton Worldwide Holdings Inc. purchased and maintained on behalf of the company liability insurance for its directors and officers.

ON BEHALF OF THE BOARD:



Hilton Corporate Director LLC - Director

13 September 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2018

	Notes	2018 €	2017 €
TURNOVER		-	-
OPERATING PROFIT and PROFIT BEFORE TAXATION	5	-	-
Tax on profit	6	-	-
PROFIT FOR THE FINANCIAL YEAR		-	-
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-	-

The notes form part of these financial statements

BALANCE SHEET
31 December 2018

	Notes	2018 €	2017 €
FIXED ASSETS			
Investments	7	25,467,805	25,467,805
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>25,467,805</u>	<u>25,467,805</u>
CAPITAL AND RESERVES			
Called up share capital	8	145	145
Share premium	9	25,467,660	25,467,660
SHAREHOLDER FUNDS		<u>25,467,805</u>	<u>25,467,805</u>

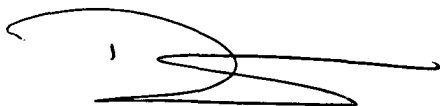
The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 13 September 2019 and were signed on its behalf by:



Hilton Corporate Director LLC - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2018

	Called up share capital €	Retained earnings €	Share premium €	Total equity €
Balance at 1 January 2017	145	-	25,467,660	25,467,805
Changes in equity				
Balance at 31 December 2017	<u>145</u>	<u>-</u>	<u>25,467,660</u>	<u>25,467,805</u>
Changes in equity				
Balance at 31 December 2018	<u>145</u>	<u>-</u>	<u>25,467,660</u>	<u>25,467,805</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2018

1. FUNDAMENTAL ACCOUNTING CONCEPT

HLT Owned Mezz IX-G Limited is incorporated and domiciled in England and Wales.

The financial statements have been prepared under the going concern basis because the company has net assets. Management believe that the company has the ability to meet its liabilities as they fall due.

2. STATUTORY INFORMATION

HLT Owned Mezz IX-G Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company's financial statements are presented in Euro, which is the company's functional currency. Amounts have been rounded to the nearest €.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirements of paragraphs 10(d), 16 and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 130(f), 134(d to f) and 135 (c to e) of IAS 36 Impairments of Assets.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

3. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Foreign currency

An entity's functional currency is determined (not chosen). IAS 21 (The Effects of Changes in Foreign Exchange Rates) provide factors, often referred to as indicators, that are considered when identifying the functional currency. In some cases, the indicators will clearly identify a particular currency as the functional currency. In other cases they will not. When the factors provide a varied result and the functional currency is not obvious, management must use judgement based on the entity's individual facts and circumstances to determine its functional currency in a way that gives a fair presentation (ie faithfully represents the economic effects of transactions, events and conditions). As HLT Owned Mezz IX-G Limited's cash flows are denominated in Euro and the immediate parent reporting currency is Euro, management has used their judgement and determined a change in the functional currency of the company from GBP to EUR, this change has been applied fully retrospectively to the underlying records which are in Euro, in accordance with the required Accounting Standards.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next financial year.

Impairment of investments

Determining whether a subsidiary is impaired requires an estimation of the value in use of its subsidiary. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the subsidiary and a suitable discount rate in order to calculate present value. Each investment in subsidiary is an individual cash generating unit.

Details of any impairment losses are disclosed in 'Investments' note.

Changes in accounting policies

IFRS 9 Financial Instruments provides a standardised approach for classification, measurement and derecognition of financial assets and liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. There were no material changes identified from adoption of the new standard.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

3. ACCOUNTING POLICIES - continued

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through the Statement of Profit or Loss and Other Comprehensive Income. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Profit or Loss and Other Comprehensive Income, transaction costs.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the asset is derecognised, modified or impaired.

Subsequent measurement

The company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the asset is derecognised, modified or impaired.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e., removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement? and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

3. ACCOUNTING POLICIES - continued

Impairment of financial assets

The company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through the Statement of Profit or Loss and Other Comprehensive Income. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. For trade receivables and some intercompany loans, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit or Loss and Other Comprehensive Income, loans and borrowings, or payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement - Intercompany loans

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit or Loss and Other Comprehensive Income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Fixed asset investments

Investments in subsidiary undertakings are stated at cost. The carrying value of investments is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

4. EMPLOYEES AND DIRECTORS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

All operations of the company during the year ended 31 December 2018 have been undertaken by employees of other companies within Hilton Worldwide Holdings Inc.. A charge of €- has been included in cost of sales in respect of their services (2017: €-).

The directors received no remuneration in respect of their qualifying services as directors of the company.

5. PROFIT BEFORE TAXATION

This company does not incur audit fees.

6. TAXATION

Although the company is registered in the UK, it is not resident in the UK for tax purposes as it is managed and controlled in the Netherlands, which country has the taxing right by virtue of the UK and Netherlands Double Taxation Convention. The company is included in the Fiscal Unity election made by HLT Owned IX Holding Limited.

The company made neither a profit nor a loss during the year ended 31 December 2018 nor for the year ended 31 December 2017 and as such there is no tax charge or any tax balances to report.

7. INVESTMENTS

	Shares in group undertakings €
COST	
At 1 January 2018 and 31 December 2018	25,467,805
NET BOOK VALUE	
At 31 December 2018	25,467,805
At 31 December 2017	25,467,805

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018

7. INVESTMENTS - continued

Details of the investments in which the company holds nominal value of any class of share capital are as follows:

	Country of registration and operation	Principal activity	Proportion of voting rights and shares held
HLT Owned Mezz IX-F Limited	England	Investment holding company	100%
HLT Owned Mezz IX-E Limited	England	Investment holding company	100%
HLT Owned Mezz IX-D Limited	England	Investment holding company	100%
HLT Owned Mezz IX-C Limited	England	Investment holding company	100%
HLT Owned Mezz IX-B Limited	England	Investment holding company	100%
HLT Owned Mezz IX-A Limited	England	Investment holding company	100%
HLT Owned IX-A Holding Limited	England	Investment holding company	100%

Consolidated financial statements have not been prepared as the company is consolidated into the financial statements of a larger group, for which the consolidated financial statements are publicly available, as disclosed in the below note "Parent undertaking, controlling party and consolidating entity".

In the opinion of the directors the aggregate value of the investment in subsidiary undertakings is not less than the amounts at which they are stated in these financial statements.

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 €	2017 €
101	Ordinary	1	145	145

9. RESERVES

	Retained earnings €	Share premium €	Totals €
At 1 January 2018	-	25,467,660	25,467,660
Profit for the year	-	-	-
At 31 December 2018	-	25,467,660	25,467,660

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2018**

10. PARENT UNDERTAKING, CONTROLLING PARTY AND CONSOLIDATING ENTITY

The company's immediate parent undertaking is HLT Owned Mezz IX-H Limited, an investment holding company registered in England.

The ultimate parent undertaking and the only undertaking for which group financial statements were prepared and into which the company is consolidated for 31 December 2018, was Hilton Worldwide Holdings Inc., a Delaware company incorporated in the United States of America. These group financial statements are available from the company secretary, Hilton Worldwide Holdings Inc., 7930 Jones Branch Drive, McLean, Fairfax County, Virginia VA 22102-3302, United States of America.