



## Hilton Worldwide Holdings, Inc. | Strategic Foundations, Market Insights, & Competitive Edge

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### Notable Facts

In 1943, Hilton revolutionized the hospitality industry by acquiring the Roosevelt and Plaza hotels in New York City, becoming the first coast-to-coast hotel chain in the United States. This strategic move set a new standard for national hotel networks, laying the groundwork for Hilton's current global presence of 24 brands, 8,300 properties, and 1.25 million rooms across 138 countries (Stories From Hilton).

In 2021, Hilton emerged as an industry leader by becoming the first major hotel brand to commit to science-based emissions targets aligned with the Paris Agreement. This bold approach to sustainability demonstrated the company's ability to address environmental concerns, going beyond typical corporate ESG efforts, all while meeting modern consumer expectations (Hilton 2021 ESG Report). Hilton showed how sustainability has become essential to corporate strategy by positioning itself at the forefront of environmental responsibility.

During the challenging post-COVID recovery of 2024, Hilton topped Fortune's *Best Companies to Work For* list yet again, highlighting the firm's commitment to employee well-being and organizational resilience. This marked Hilton's ninth consecutive year on this highly esteemed list and sixth year in the top 10. This recognition spotlighted the company's strategic focus on workplace satisfaction in the competitive hospitality landscape. Ultimately, Hilton honed in on creating an inclusive work culture and once again positioned itself as a leader in hospitality management (Fortune Best Companies List).

### Key Products & Markets

Hilton generates revenue in 5 major categories. In 2023 revenue was divided into 53% franchising and licensing fees, 14% base and incentive management fees, 28% owned and leased hotels, 4% other revenues, and 1% other revenues from managed and franchised properties (Hilton 2023 10K).

Hilton delivers its hospitality services through a portfolio of 21 brands covering lodging segments from luxury full-service hotels and resorts to focused-service and vacation ownership (Hilton 2023 10K). Its luxury brands account for 3% of the portfolio, including hotels such as Waldorf Astoria and Conrad. Hilton's luxury properties strive for elegance, offer exclusively tailored experiences, and are strategically located near iconic landmark destinations.

Hilton's lifestyle brands, which make up 1% of its portfolio, cater to travelers seeking unique and personalized, yet affordable, experiences. Brands such as Tempo and Canopy embody a stylish, locally inspired atmosphere. While currently holding a modest share of the brand mix, Hilton intends to double its lifestyle offerings to 700 hotels by 2028.



The company's upscale brands, which account for 59% of its portfolio, include Hilton Hotels & Resorts and DoubleTree. These brands balance luxury and comfort, offering extensive amenities and accommodations while fostering a welcoming atmosphere.

Hilton's midscale hotels, which represent 36% of its portfolio, include hotels like Hampton and Motto. Hampton is the company's largest brand with over 2,900 properties. Focused on efficiency and value, Hilton's midscale brands offer thoughtfully designed accommodations and amenities, such as complimentary breakfast and free Wi-Fi.

Hilton's timeshare brands, such as Hilton Vacation Club, are operated and managed by Hilton Grand Vacations, Inc., which was a wholly owned subsidiary until becoming a separate, publicly traded company (NYSE: HGV) in 2017. Hilton continues to report this segment as part of its brand portfolio (1% of the mix) through a long-term licensing agreement that allows HGV to market and operate resorts under the Hilton brand name.

Along with its hotels, Hilton has an extended list of discounts, specialty rates, and loyalty programs. Including Hilton Honors, Hilton Leisure Rates, and Hilton for Business.

Hilton operates 8,300 properties in 138 countries and territories. The global region split is 80% the Americas, 10% Europe, Middle East and Africa, and 10% Asia-Pacific (Hilton 2023 Year in Review). The United States is the core market.

### **Executive & Organizational News**

In 2023, Hilton saw some changes to its leadership with the appointments of Katherine Lugar as Executive Vice President of Corporate Affairs and Anne-Marie D'Angelo as Executive Vice President and General Counsel (Stories from Hilton). Lugar has previously served as President and CEO of the American Beverage Association (ABA) and the American Hotel & Lodging Association, while D'Angelo was Chief Legal and Government Affairs Officer at Molson Coors Beverage Company. In 2024, Kevin Osterhaus was appointed as president of global lifestyle brands with previous leadership experience at Graduate Hotels and Ennismore. Hilton ended the year with the announcement of Michael W. Duffy's resignation as Chief Accounting and Risk Officer, effective February 7, 2025, with Misha Moylan as his successor after 8 years in Hilton's internal audit sector (NASDAQ).

Hilton has also seen leadership changes in its regional divisions. In 2023, the company appointed Zubin Saxena as senior vice president and country head, India who will have a key role in the expansion to have 75 trading and pipeline hotels in India (Stories from Hilton). In 2024, Hilton strengthened its Asia-Pacific leadership with Candice D'Cruz as vice president of Luxury Brands for Asia Pacific, Nong Xia as president of Development for Greater China & Mongolia, Maria Ariizumi as vice president of Development for South East Asia, and Joseph Khairallah as area vice president and head of Japan, Korea, and Micronesia (Stories from Hilton). These appointments will help with the expansion of the brand in these regions and focus on strengthening Hilton's leadership in luxury.



## **Key Competitors**

Although Hyatt is smaller on a global scale, with around 1,200 properties, it competes with Hilton in the luxury and premium markets (World of Hyatt). Hyatt tailors their brands towards the upper middle class consumer leveraging exclusivity and more personalized experiences. Its World of Hyatt loyalty program directly competes with Hilton, advertising similar tiering strategies.

Marriott is the biggest competitor in terms of size with 9,100 properties in 142 countries, compared to Hilton's 8,300 properties in 138 countries (Marriott Bonvoy). Both companies have brands across luxury, premium, midscale, and value markets. Marriott also offers extensive loyalty programs to attract and hook travelers to their hotels. With its 30+ brands, Marriott can compete on a larger scale and tailor to more niche customers making it a key rival to Hilton.

Wyndham claims itself as the world's largest hotel franchisor with over 9,100 properties in 95 countries (Wyndham Hotels & Resorts). It competes with Hilton in the midscale and economy segments with brands like La Quinta, Ramada, and Days Inn directly. Their focus on budget-friendly franchises makes it a strong competitor to Hilton which has a broader focus.

Intercontinental Hotel Group (IHG) operates over 6,000 hotels with about 4,500 in their essentials category, focusing on travelers' basic needs (IHG Hotels & Resorts). This makes them a strong competitor in the midscale market, with brands like Holiday Inn, Crowne Plaza, and InterContinental Hotels. Their focus on midscale affordable options makes it a strong competitor for Hilton's focused service brands.

## **Big Issues**

Over the past two years, Hilton has faced a series of significant challenges that have impacted its operations and overall reputation. In 2023, Hilton reported revenues of approximately \$10.24 billion. Despite this growth, the company, along with its competitors, encountered difficulties in urban markets. For example, San Francisco's hotel sector experienced a decline in occupancy rates and increased financial strain, with prominent hotels, including Hilton properties, witnessing substantial value losses (The Wall Street Journal).

In 2024, hotel labor strikes impacted Hilton operations across the United States, including major cities like Boston, MA, San Diego, CA, and Seattle, WA. Participants in the strikes ranged from housekeepers to dishwashers, mostly those necessary to maintain daily hotel operations. Workers demanded better wages, fair staffing, and more reasonable workloads. Employees did not feel that they were compensated enough to support their families and expressed exhaustion from being overworked since the COVID-19 pandemic (The Wall Street Journal).

The strikes disrupted operations and put pressure on owners and operators. Hilton publicly addressed the press to solidify its commitment to negotiating in good faith with unions and aiming to reach fair agreements while maintaining operations with contingency plans. Hilton ratified a new contract with employees in San Francisco, CA to end the strikes (Hotel Dive), as



well as reached tentative deals with employees in cities like Boston, MA to temporarily end the strikes (NBC). Hilton still saw a negative impact on its quarterly report, as the labor disputes led to a lower-than-expected RevPAR growth during the third quarter of 2024 (Stories from Hilton).

Towards the end of 2024, the tragic assassination of UnitedHealthcare CEO Brian Thompson brought unwanted media attention to Hilton. Thompson was fatally shot outside a Hilton hotel in New York City, where he was staying during his visit. Given Thompson's status as a high-profile executive, this event has raised concerns regarding Hilton's safety and security measures. This could deter future business leaders from staying at Hilton properties and may discourage organizations from holding conferences and events (New York Post; NPR).

### **Strategy**

Hilton applies a multifaceted strategy approach to address its various aspects of business. Hilton's most prominent approach is its differentiation strategy, offering a wide range of brands that appeal to various consumer types. Hilton has curated luxury options like Waldorf Astoria and Conrad, as well as more affordable brands like Hampton by Hilton and Hilton Garden Inn. This allows Hilton to cater to a broad range of customers, from those looking for a high-end experience to those who need something more budget-friendly, capturing more of the market and building loyalty among different consumer groups (Hilton).

Hilton employs a global expansion strategy to compete with its international competitors like IHG and Accor S.A. In 2023, Hilton expanded hotels into Monaco, Tunisia, and the Democratic Republic of Congo and, in 2024, into Paraguay, Nepal, and Laos. Hilton leverages its strategic partnerships to access prime tourist locations to excel in new markets adapting its offerings to the unique needs and cultures of its new locations. This not only allows residents to feel represented but also further immerses tourists into their vacations.

Another key strategy Hilton executes is that of technological-driven innovation. Hilton heavily relies on its Hilton Honors loyalty program to encourage repeat business from its customers. By collecting a wide range of data about its customers, like guest booking patterns, stay preferences and room types, Hilton can promote brand loyalty and maintain its competitive edge in the hospitality industry by personalizing offers and tailoring experiences based on individual preferences (Hilton). Hilton also leverages technology to provide a seamless and efficient check-in process for its members in a digital format.

### **Underlying Resources & Capabilities**

Hilton has an extensive portfolio of hotels from luxury to budget-friendly which cater to many different target markets. Hilton has over 4,400 hotels worldwide which support its brand diversification strategy (Our Hotel Brands - Learn More About our Brands). Also, Hilton's digital innovations, including digital keys and contactless payment make the experience much easier and customer friendly. Lastly, Hilton has a program called Travel with Purpose which involves partnerships to achieve environmental and social goals (2023 Travel with Purpose Report).

## Hilton Worldwide Holdings Inc. (NYSE: HLT) FINANCIAL ANALYSIS

Hilton reports FY 2024 results on Feb. 6, 2025. Resultingly, figures under 2024E are based on consensus forecasts.

(in \$ Billions USD)	2024E	2023	2022	2021	2020	2019
<b>Revenues</b>	11.1	10.2	8.8	5.8	4.3	9.5
% chg YOY	8.7%	16.7%	51.6%	34.4%	-54.4%	6.2%
<b>Largest Expense</b> (Other expenses from managed and franchised properties)	6.6	6.2	5.1	3.5	3.1	5.8
% chg YOY	7.1%	21.4%	47.0%	11.3%	-46.1%	8.7%
<b>Largest Exp/Revenue</b>	59.3%	60.2%	57.9%	59.7%	72.1%	61.0%
% pt. Δ YOY	-0.9%	2.4%	-1.8%	-12.4%	11.1%	1.5%
<b>Second Largest Expense</b> (Owned and leased hotels)	1.3	1.1	1.0	0.7	0.6	1.3
% chg YOY	11.1%	14.2%	47.1%	9.5%	-50.6%	-5.9%
<b>Sec. Largest Exp/Revenue</b>	11.4%	11.1%	11.4%	11.7%	14.4%	13.3%
% pt. Δ YOY	0.2%	-0.2%	-0.3%	-2.7%	1.1%	-1.7%
<b>Total Expenses</b>	8.7	8.0	6.7	4.8	4.7	7.9
% chg YOY	8.6%	19.9%	40.0%	1.0%	-40.0%	5.4%
<b>Operating Profit</b>	2.4	2.2	2.1	1.0	-0.4	1.7
% chg YOY	9.2%	6.3%	107.3%	341.6%	-125.2%	15.7%
<b>Operating Profit Margin</b> (oper profit/revenue)	21.8%	21.7%	23.9%	17.4%	-9.7%	17.5%
% pt. Δ YOY	0.1%	-2.1%	6.4%	27.2%	-27.2%	8.9%
<b>Net Income</b>	1.4	1.1	1.3	0.4	-0.7	0.9
% chg YOY	24.0%	-9.1%	206.1%	157.3%	-181.2%	15.3%
<b>Profit Margin</b>	12.7%	11.1%	14.3%	7.1%	-16.6%	9.3%
% pt. Δ YOY	1.6%	-3.2%	7.2%	23.7%	-25.9%	0.7%
<b>Leverage</b> (liabilities/equity)	-3.4	-4.2	-8.7	-11.7	-7.7	-18.7
<b>Cash Flow from Continuing Operations</b>	2.0	1.9	1.7	0.1	0.7	1.4
% chg YOY	3.1%	15.8%	1442.2%	-84.6%	-48.8%	10.3%
<b>Market Capitalisation</b>	60.1	46.2	33.8	43.5	30.9	30.9
% chg YOY	30.2%	36.4%	-22.3%	41.0%	-0.2%	46.2%
<b>Price/Earnings Ratio</b>	35.0	35.8	27.1	84.7	0.0	31.3
Change YOY	-0.8	8.7	-57.7	84.7	-31.3	5.43

## INDUSTRY FINANCIAL ANALYSIS

(in \$ Billions USD)	2024E	2023	2022	2021	2020	2019
<b>Revenues</b>						
Hilton Worldwide Holdings Inc. (NYSE: HLT)	11.1	10.2	8.8	5.8	4.3	9.5
% chg YOY	8.7%	16.7%	51.6%	34.4%	-54.7%	6.7%
Marriott International, Inc. (NASDAQ: MAR)	25.1	23.7	20.8	13.9	10.6	21.0
% chg YOY	5.7%	14.2%	49.9%	31.1%	-49.6%	1.0%
Hyatt Hotels Corporation (NYSE: H)	6.7	6.7	5.9	3.0	2.1	5.0
% chg YOY	0.4%	13.2%	94.6%	46.6%	-58.8%	12.7%
Wyndham Hotels & Resorts, Inc. (NYSE: WH)	1.4	1.4	1.5	1.6	1.3	2.1
% chg YOY	1.3%	-6.7%	-4.3%	20.4%	-36.7%	9.9%
InterContinental Hotels Group PLC (LSE: IHG)	2.3	4.6	3.9	2.9	2.4	4.6
% chg YOY	-49.9%	18.8%	33.9%	21.4%	-48.3%	6.7%
Accor S.A. (XPAR: AC)	5.7	5.5	4.4	2.6	1.9	4.5
% chg YOY	3.9%	22.9%	70.7%	40.9%	-59.2%	16.9%
Other	10.2	9.8	7.3	6.3	4.8	8.9
% chg YOY	5.0%	32.9%	16.5%	32.2%	-46.3%	10.4%
Hotels, Resorts & Cruise Lines Industry	62.5	61.9	52.6	36.1	27.3	55.5
% chg YOY	1.1%	17.6%	45.9%	32.3%	-50.9%	6.3%
<b>Market Share</b> (company rev./industry rev.)						
Hilton Worldwide Holdings Inc.	17.8%	16.5%	16.7%	16.1%	15.8%	17.1%
% pt. Δ YOY	1.2%	-0.1%	0.6%	0.3%	-1.3%	0.1%
Marriott International, Inc.	40.1%	38.3%	39.5%	38.4%	38.8%	37.8%
% pt. Δ YOY	1.7%	-1.1%	1.0%	-0.4%	1.0%	-2.0%
Hyatt Hotels Corporation	10.7%	10.8%	11.2%	8.4%	7.6%	9.0%
% pt. Δ YOY	-0.1%	-0.4%	2.8%	0.8%	-1.5%	0.5%
Wyndham Hotels & Resorts, Inc.	2.3%	2.3%	2.8%	4.3%	4.8%	3.7%
% pt. Δ YOY	0.0%	-0.6%	-1.5%	-0.4%	1.1%	0.1%
InterContinental Hotels Group PLC	3.7%	7.5%	7.4%	8.1%	8.8%	8.3%
% pt. Δ YOY	-3.8%	0.1%	-0.7%	-0.7%	0.5%	0.0%
Accor S.A.	9.1%	8.8%	8.5%	7.2%	6.8%	8.2%
% pt. Δ YOY	0.2%	0.4%	1.2%	0.4%	-1.4%	0.7%
<b>Expenses/Revenue</b>						
Hilton Worldwide Holdings Inc.	78.2%	78.3%	76.1%	82.4%	109.7%	83.3%
% pt. Δ YOY	-0.1%	2.1%	-6.3%	-27.3%	26.4%	-0.6%
Marriott International, Inc.	86.1%	83.7%	83.3%	87.4%	99.2%	91.4%
% pt. Δ YOY	2.4%	0.4%	-4.0%	-11.8%	7.8%	2.8%
Hyatt Hotels Corporation	93.7%	95.4%	93.2%	108.3%	130.6%	96.1%
% pt. Δ YOY	-1.7%	2.2%	-15.0%	-22.3%	34.5%	3.5%
Wyndham Hotels & Resorts, Inc.	62.7%	64.0%	62.8%	71.5%	103.5%	85.0%
% pt. Δ YOY	-1.3%	1.2%	-8.8%	-32.0%	18.5%	0.2%
InterContinental Hotels Group PLC	51.8%	62.0%	66.4%	66.4%	91.7%	69.7%
% pt. Δ YOY	-10.3%	-4.4%	0.1%	-25.3%	22.0%	-1.3%
Accor S.A.	84.9%	83.0%	86.0%	82.7%	197.1%	80.7%
% pt. Δ YOY	1.9%	-3.0%	3.3%	-114.4%	116.4%	-14.8%
Other	82.6%	63.2%	67.9%	69.3%	88.2%	56.7%
% pt. Δ YOY	19.3%	-4.6%	-1.4%	-18.9%	31.5%	-7.1%
Hotels, Resorts & Cruise Lines Industry	79.3%	72.4%	74.7%	80.2%	114.8%	73.6%
% chg YOY	9.5%	-3.1%	-7.0%	-30.1%	55.9%	-4.3%

## INDUSTRY FINANCIAL ANALYSIS continued

(in \$ Billions USD)	2024E	2023	2022	2021	2020	2019
<b>Operating Profit Margin</b>						
Hilton Worldwide Holdings Inc.	21.8%	21.7%	23.9%	17.4%	-9.7%	17.5%
% pt. Δ YOY	0.1%	-2.1%	6.4%	27.2%	-27.2%	8.9%
Marriott International, Inc.	16.4%	16.3%	16.7%	12.6%	0.8%	8.6%
% pt. Δ YOY	0.1%	-0.4%	4.0%	11.8%	-7.8%	-2.8%
Hyatt Hotels Corporation	6.3%	4.6%	6.8%	-8.3%	-30.6%	3.9%
% pt. Δ YOY	1.7%	-2.2%	15.0%	22.3%	-34.5%	-3.5%
Wyndham Hotels & Resorts, Inc.	37.3%	36.0%	37.2%	28.5%	-3.5%	15.0%
% pt. Δ YOY	1.3%	-1.2%	8.8%	32.0%	-18.5%	-0.2%
InterContinental Hotels Group PLC	48.2%	22.4%	17.7%	17.3%	-5.8%	13.7%
% pt. Δ YOY	25.8%	4.7%	0.4%	23.1%	-19.5%	0.2%
Accor S.A.	15.1%	14.5%	12.1%	14.8%	-100.1%	16.7%
% pt. Δ YOY	0.6%	2.5%	-2.8%	115.0%	-116.8%	14.4%
Other	17.4%	16.0%	8.5%	-1.6%	-27.0%	14.1%
% chg YOY	9.1%	88.1%	635.8%	-94.1%	-292.3%	-11.3%
Hotels, Resorts & Cruise Lines Industry	20.9%	17.5%	14.0%	5.7%	-29.8%	13.3%
% chg YOY	20.0%	25.1%	146.8%	119.0%	-323.2%	-6.7%
<b>Profit Margin</b>						
Hilton Worldwide Holdings Inc.	12.7%	11.1%	14.3%	7.1%	-16.6%	9.3%
% pt. Δ YOY	1.6%	-3.2%	7.2%	23.7%	-25.9%	0.7%
Marriott International, Inc.	10.5%	13.0%	11.4%	7.9%	-2.5%	6.1%
% pt. Δ YOY	-2.5%	1.7%	3.4%	10.5%	-8.6%	-3.1%
Hyatt Hotels Corporation	21.3%	3.3%	7.7%	-7.3%	-34.0%	15.3%
% pt. Δ YOY	18.0%	-4.4%	15.1%	26.7%	-49.3%	-2.0%
Wyndham Hotels & Resorts, Inc.	19.7%	20.7%	23.7%	15.6%	-10.2%	7.6%
% pt. Δ YOY	-1.0%	-3.0%	8.1%	25.7%	-17.8%	-1.0%
InterContinental Hotels Group PLC	31.5%	16.2%	9.6%	9.2%	-10.9%	8.3%
% pt. Δ YOY	15.3%	6.6%	0.5%	20.0%	-19.2%	0.3%
Accor S.A.	10.7%	12.5%	9.5%	3.9%	-122.6%	11.5%
% pt. Δ YOY	-1.8%	3.0%	5.7%	126.5%	-134.1%	-56.6%
Other	10.4%	12.0%	-0.6%	-5.1%	-34.3%	9.2%
% pt. Δ YOY	-1.6%	12.7%	4.4%	29.2%	-43.6%	-1.3%
Hotels, Resorts & Cruise Lines Industry	13.9%	11.9%	6.3%	0.2%	-40.1%	9.6%
% pt. Δ YOY	2.0%	5.6%	6.0%	40.4%	-49.7%	-7.0%
<b>Leverage</b> (liabilities/equity)						
Hilton Worldwide Holdings Inc.	-3.4	-4.2	-8.7	-11.7	-7.7	-18.7
Marriott International, Inc.	-6.0	-18.7	19.5	7.9	26.0	16.8
Hyatt Hotels Corporation	0.9	0.9	0.9	1.2	1.1	0.5
Wyndham Hotels & Resorts, Inc.	4.3	3.0	2.2	1.9	2.7	1.8
InterContinental Hotels Group PLC	-1.9	-1.8	-1.7	-2.2	-2.3	-1.9
Accor S.A.	0.9	0.7	0.7	0.8	0.9	0.5
Other	-2.0	11.3	4.2	3.7	-35.2	-5.9
Hotels, Resorts & Cruise Lines Industry	0.9	0.9	1.0	1.2	0.9	0.5

## INDUSTRY FINANCIAL ANALYSIS continued

(in \$ Billions USD)	2024E	2023	2022	2021
<b>Market Capitalisation</b>				
Hilton Worldwide Holdings Inc.	61.8	46.2	33.8	43.5
% chg YOY	34.0%	36.4%	-22.3%	41.0%
Marriott International, Inc.	80.2	65.5	46.2	53.9
% chg YOY	22.4%	41.7%	-14.2%	26.0%
Hyatt Hotels Corporation	14.9	13.4	9.6	10.5
% chg YOY	11.0%	39.6%	-8.7%	40.2%
Wyndham Hotels & Resorts, Inc.	8.2	6.5	6.2	8.2
% chg YOY	25.1%	6.2%	-25.3%	46.4%
InterContinental Hotels Group PLC	20.8	15.3	10.4	12.1
% chg YOY	36.3%	47.2%	-14.2%	1.1%
Accor S.A.	12.6	9.7	6.6	8.5
% chg YOY	30.1%	46.8%	-22.4%	-10.3%
Hotels, Resorts & Cruise Lines Industry	221.3	177.9	137.7	163.5
% chg YOY	24.4%	29.2%	-15.8%	25.4%
<b>Price/Earnings Ratio</b>				
Hilton Worldwide Holdings Inc.	41.4	35.8	27.1	84.7
Marriott International, Inc.	29.9	22.6	20.3	47.7
Hyatt Hotels Corporation	55.3	40.3	23.6	0.0
Wyndham Hotels & Resorts, Inc.	28.0	22.5	21.5	32.1
InterContinental Hotels Group PLC	34.1	20.4	27.7	44.5
Accor S.A.	20.1	14.7	17.1	930.4



## REFERENCE DATA

(in \$ billions USD)

International Players Revenue	2024E	2023	2022	2021	2020	2019	2018
InterContinental Hotels Group PLC	2.3	4.6	3.9	2.9	2.4	4.6	4.3
Shangri-La Asia Ltd	2.2	2.1	1.5	1.2	1.0	2.4	2.5
Melia Hotels International SA	2.1	2.1	1.8	1.1	0.6	2.0	2.2
H World Group Ltd	3.2	3.1	2.1	2.0	1.5	1.6	1.5
Accor S.A.	5.7	5.5	4.4	2.6	1.9	4.5	3.9
Hong Kong & Shanghai Hotels Ltd	1.3	1.0	0.5	0.4	0.3	0.7	0.8
<b>Total</b>	<b>16.8</b>	<b>18.5</b>	<b>14.2</b>	<b>10.2</b>	<b>7.7</b>	<b>16.0</b>	<b>15.2</b>

Domestic Players Revenue	2024E	2023	2022	2021	2020	2019	2018
<b>Hilton Worldwide Holdings Inc.</b>	<b>11.1</b>	<b>10.2</b>	<b>8.8</b>	<b>5.8</b>	<b>4.3</b>	<b>9.5</b>	<b>8.9</b>
Marriott International, Inc.	25.1	23.7	20.8	13.9	10.6	21.0	20.8
Hyatt Hotels Corporation	6.7	6.7	5.9	3.0	2.1	5.0	4.5
Wyndham Hotels & Resorts, Inc.	1.4	1.4	1.5	1.6	1.3	2.1	1.9
Choice Hotels International, Inc.	1.4	1.4	1.5	1.6	1.3	2.1	1.0
<b>Total</b>	<b>45.7</b>	<b>43.4</b>	<b>38.4</b>	<b>25.8</b>	<b>19.5</b>	<b>39.6</b>	<b>37.0</b>

<b>Aggregate Industry Revenue YoY</b>	<b>62.5</b>	<b>61.9</b>	<b>52.6</b>	<b>36.1</b>	<b>27.3</b>	<b>55.5</b>	<b>52.2</b>
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Operating Expenses	2024E	2023	2022	2021	2020	2019	2018
<b>Hilton Worldwide Holdings Inc.</b>	<b>8.7</b>	<b>8.0</b>	<b>6.7</b>	<b>4.8</b>	<b>4.7</b>	<b>7.9</b>	<b>7.5</b>
Marriott International, Inc.	21.6	19.8	17.3	12.1	10.5	19.2	18.4
Hyatt Hotels Corporation	6.3	6.4	5.5	3.3	2.7	4.8	4.1
Wyndham Hotels & Resorts, Inc.	0.9	0.9	0.9	1.1	1.3	1.7	1.6
Choice Hotels International, Inc.	1.0	1.2	0.9	0.6	0.7	0.8	0.7
Accor S.A.	4.8	4.5	3.8	2.2	3.6	3.7	3.7
InterContinental Group	1.2	2.9	2.6	1.9	2.2	3.2	3.1
Shangri-La Asia Ltd	2.0	1.0	0.7	0.9	0.9	1.1	1.3
Melia Hotels International	1.8	1.8	1.6	1.2	1.2	1.8	1.9
H World Group	2.5	1.5	1.3	1.1	1.0	0.8	0.6
Hong Kong & Shanghai Hotels Ltd	1.2	0.7	0.5	0.4	0.4	0.6	0.7

Industry Expenses/Rev	2024E	2023	2022	2021	2020	2019	2018
<b>Hilton Worldwide Holdings Inc.</b>	<b>78.2%</b>	<b>78.3%</b>	<b>76.1%</b>	<b>82.4%</b>	<b>109.7%</b>	<b>83.3%</b>	<b>83.9%</b>
Marriott International, Inc.	86.1%	83.7%	83.3%	87.4%	99.2%	91.4%	88.6%
Hyatt Hotels Corporation	93.7%	95.4%	93.2%	108.3%	130.6%	96.1%	92.5%
Wyndham Hotels & Resorts, Inc.	62.7%	64.0%	62.8%	71.5%	103.5%	85.0%	84.9%
Choice Hotels International, Inc.	69.0%	83.7%	61.6%	40.9%	50.2%	38.8%	69.4%
Accor S.A.	84.9%	83.0%	86.0%	82.7%	197.1%	80.7%	95.5%
InterContinental Group	51.8%	62.0%	66.4%	66.4%	91.7%	69.7%	71.0%
Shangri-La Asia Ltd	88.5%	45.5%	48.7%	76.1%	83.2%	43.2%	49.7%
Melia Hotels International	85.8%	88.0%	88.1%	116.1%	205.5%	87.9%	85.9%
H World Group	77.8%	49.7%	62.0%	56.7%	69.0%	47.1%	42.1%
Hong Kong & Shanghai Hotels Ltd	93.6%	62.9%	92.9%	94.1%	122.7%	86.4%	82.6%
<b>Average Industry Margin YoY</b>	<b>79.3%</b>	<b>72.4%</b>	<b>74.7%</b>	<b>80.2%</b>	<b>114.8%</b>	<b>73.6%</b>	<b>76.9%</b>

## REFERENCE DATA continued

(in \$ billions USD)

Operating Income	2024E	2023	2022	2021	2020	2019	2018
Hilton Worldwide Holdings Inc.	2.4	2.2	2.1	1.0	(0.4)	1.7	1.4
% Margin	21.8%	21.7%	23.9%	17.4%	-9.7%	17.5%	16.1%
Marriott International, Inc.	4.1	3.9	3.5	1.8	0.1	1.8	2.4
% Margin	16.4%	16.3%	16.7%	12.6%	0.8%	8.6%	11.4%
Hyatt Hotels Corporation	0.4	0.3	0.4	(0.3)	(0.6)	0.2	0.3
% Margin	6.3%	4.6%	6.8%	-8.3%	-30.6%	3.9%	7.5%
Wyndham Hotels & Resorts, Inc.	0.5	0.5	0.6	0.4	(0.0)	0.3	0.3
% Margin	37.3%	36.0%	37.2%	28.5%	-3.5%	15.0%	15.1%
Choice Hotels International, Inc.	0.4	0.4	0.5	0.4	0.1	0.3	0.3
% Margin	31.0%	26.8%	31.9%	27.4%	9.4%	15.5%	30.6%
Accor S.A.	0.9	0.8	0.5	0.4	(1.9)	0.8	0.1
% Margin	15.1%	14.5%	12.1%	14.8%	-100.1%	16.7%	2.2%
InterContinental Group	1.1	1.0	0.7	0.5	(0.1)	0.6	0.6
% Margin	48.2%	22.4%	17.7%	17.3%	-5.8%	13.7%	13.4%
Shangri-La Asia Ltd	0.3	0.2	(0.0)	(0.4)	(0.4)	0.3	0.2
% Margin	11.5%	9.1%	-1.1%	-29.7%	-43.5%	11.2%	6.2%
Melia Hotels International	0.3	0.2	0.2	(0.2)	(0.6)	0.2	0.3
% Margin	14.2%	12.0%	11.9%	-16.1%	-105.5%	12.4%	14.1%
H World Group	0.7	0.7	(0.0)	0.0	(0.2)	0.3	0.4
% Margin	22.2%	21.5%	-2.1%	1.3%	-16.5%	18.8%	23.3%
Hong Kong & Shanghai Hotels Ltd	0.1	0.1	(0.0)	(0.0)	(0.1)	0.1	0.1
% Margin	6.4%	7.1%	-1.3%	-3.0%	-22.7%	13.6%	17.4%
<b>Average Industry Margin YoY</b>	<b>20.9%</b>	<b>17.5%</b>	<b>14.0%</b>	<b>5.7%</b>	<b>-29.8%</b>	<b>13.3%</b>	<b>14.3%</b>

Net Income	2024E	2023	2022	2021	2020	2019	2018
Hilton Worldwide Holdings Inc.	1.4	1.1	1.3	0.4	(0.7)	0.9	0.8
% Margin	12.7%	11.1%	14.3%	7.1%	-16.6%	9.3%	8.6%
Marriott International, Inc.	2.6	3.1	2.4	1.1	(0.3)	1.3	1.9
% Margin	10.5%	13.0%	11.4%	7.9%	-2.5%	6.1%	9.2%
Hyatt Hotels Corporation	1.4	0.2	0.5	(0.2)	(0.7)	0.8	0.8
% Margin	21.3%	3.3%	7.7%	-7.3%	-34.0%	15.3%	17.3%
Wyndham Hotels & Resorts, Inc.	0.3	0.3	0.4	0.2	(0.1)	0.2	0.2
% Margin	19.7%	20.7%	23.7%	15.6%	-10.2%	7.6%	8.7%
Choice Hotels International, Inc.	0.3	0.3	0.3	0.3	0.1	0.2	0.2
% Margin	20.0%	18.5%	22.2%	18.5%	5.8%	10.9%	20.8%
Accor S.A.	0.6	0.7	0.4	0.1	(2.3)	0.5	2.6
% Margin	10.7%	12.5%	9.5%	3.9%	-122.6%	11.5%	68.0%
InterContinental Group	0.7	0.8	0.4	0.3	(0.3)	0.4	0.3
% Margin	31.5%	16.2%	9.6%	9.2%	-10.9%	8.3%	8.0%
Shangri-La Asia Ltd	0.2	0.2	(0.2)	(0.3)	(0.5)	0.2	0.2
% Margin	8.7%	8.6%	-10.8%	-23.4%	-44.5%	6.3%	7.7%
Melia Hotels International	0.1	0.1	0.1	(0.2)	(0.7)	0.1	0.2
% Margin	6.5%	6.1%	6.5%	-21.4%	-112.8%	6.3%	8.0%
H World Group	0.5	0.6	(0.3)	(0.1)	(0.3)	0.3	0.1
% Margin	15.9%	18.9%	-13.3%	-3.8%	-21.6%	15.7%	7.2%
Hong Kong & Shanghai Hotels Ltd	(0.1)	0.0	(0.1)	(0.0)	(0.3)	0.1	0.2
% Margin	-4.3%	1.8%	-11.6%	-3.5%	-71.6%	8.4%	19.6%
<b>Average Industry Margin YoY</b>	<b>13.9%</b>	<b>11.9%</b>	<b>6.3%</b>	<b>0.2%</b>	<b>-40.1%</b>	<b>9.6%</b>	<b>16.6%</b>

Industry Leverage	2024E	2023	2022	2021	2020	2019	2018
Hilton Worldwide Holdings Inc.	-3.4	-4.2	-8.7	-11.7	-7.7	-18.7	13.2
Marriott International, Inc.	-6.0	-18.7	19.5	7.9	26.0	16.8	4.2
Hyatt Hotels Corporation	0.9	0.9	0.9	1.2	1.1	0.5	0.4
Wyndham Hotels & Resorts, Inc.	4.3	3.0	2.2	1.9	2.7	1.8	1.5
Choice Hotels International, Inc.	-20.0	47.1	8.2	4.1	-184.7	-37.1	-4.1
Accor S.A.	0.9	0.7	0.7	0.8	0.9	0.5	0.6
InterContinental Group	-1.9	-1.8	-1.7	-2.2	-2.3	-1.9	-2.4
Shangri-La Asia Ltd	1.3	1.1	1.0	0.9	0.9	0.9	0.7
Melia Hotels International	5.3	4.7	6.3	9.3	3.4	1.2	1.8
H World Group	3.0	3.0	5.0	4.0	4.0	5.2	1.6
Hong Kong & Shanghai Hotels Ltd	0.5	0.5	0.5	0.4	0.4	0.3	0.3
<b>Median Industry Leverage</b>	<b>0.90</b>	<b>0.90</b>	<b>0.99</b>	<b>1.20</b>	<b>0.94</b>	<b>0.50</b>	<b>0.75</b>

## REFERENCE DATA continued

(in \$ billions USD)

'Other Bucket' Revenue	2024E	2023	2022	2021	2020	2019	2018
Shangri-La Asia Ltd	2.2	2.1	1.5	1.2	1.0	2.4	2.5
Melia Hotels International SA	2.1	2.1	1.8	1.1	0.6	2.0	2.2
H World Group Ltd	3.2	3.1	2.1	2.0	1.5	1.6	1.5
Hong Kong & Shanghai Hotels Ltd	1.3	1.0	0.5	0.4	0.3	0.7	0.8
Choice Hotels International, Inc.	1.4	1.4	1.5	1.6	1.3	2.1	1.0
<b>Total</b>	<b>10.2</b>	<b>9.8</b>	<b>7.3</b>	<b>6.3</b>	<b>4.8</b>	<b>8.9</b>	<b>8.0</b>

'Other Bucket' Expenses	2024E	2023	2022	2021	2020	2019	2018
Shangri-La Asia Ltd	2.0	1.0	0.7	0.9	0.9	1.1	1.3
Melia Hotels International SA	1.8	1.8	1.6	1.2	1.2	1.8	1.9
H World Group Ltd	2.5	1.5	1.3	1.1	1.0	0.8	0.6
Hong Kong & Shanghai Hotels Ltd	1.2	0.7	0.5	0.4	0.4	0.6	0.7
Choice Hotels International, Inc.	1.0	1.2	0.9	0.6	0.7	0.8	0.7
<b>Total</b>	<b>8.5</b>	<b>6.2</b>	<b>5.0</b>	<b>4.4</b>	<b>4.2</b>	<b>5.0</b>	<b>5.1</b>

'Other Bucket' Expenses/Rev	82.6%	63.2%	67.9%	69.3%	88.2%	56.7%	63.8%
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'Other Bucket' Operating Margin	2024E	2023	2022	2021	2020	2019	2018
Shangri-La Asia Ltd	0.3	0.2	0.0	-0.4	-0.4	0.3	0.2
Melia Hotels International SA	0.3	0.2	0.2	-0.2	-0.6	0.2	0.3
H World Group Ltd	0.7	0.7	0.0	0.0	-0.2	0.3	0.4
Hong Kong & Shanghai Hotels Ltd	0.1	0.1	0.0	0.0	-0.1	0.1	0.1
Choice Hotels International, Inc.	0.4	0.4	0.5	0.4	0.1	0.3	0.3
<b>Total</b>	<b>1.8</b>	<b>1.6</b>	<b>0.6</b>	<b>-0.1</b>	<b>-1.3</b>	<b>1.2</b>	<b>1.3</b>
<b>Agg. Operating Margin</b>	<b>17.4%</b>	<b>16.0%</b>	<b>8.5%</b>	<b>-1.6%</b>	<b>-27.0%</b>	<b>14.1%</b>	<b>15.8%</b>

'Other Bucket' Profit Margin	2024E	2023	2022	2021	2020	2019	2018
Shangri-La Asia Ltd	0.2	0.2	-0.2	-0.3	-0.5	0.2	0.2
Melia Hotels International SA	0.1	0.1	0.1	-0.2	-0.7	0.1	0.2
H World Group Ltd	0.5	0.6	-0.3	-0.1	-0.3	0.3	0.1
Hong Kong & Shanghai Hotels Ltd	-0.1	0.0	-0.1	0.0	-0.3	0.1	0.2
Choice Hotels International, Inc.	0.3	0.3	0.3	0.3	0.1	0.2	0.2
<b>Total</b>	<b>1.1</b>	<b>1.2</b>	<b>0.0</b>	<b>-0.3</b>	<b>-1.6</b>	<b>0.8</b>	<b>0.8</b>
<b>Agg. Profit Margin</b>	<b>10.4%</b>	<b>12.0%</b>	<b>-0.6%</b>	<b>-5.1%</b>	<b>-34.3%</b>	<b>9.2%</b>	<b>10.6%</b>

'Other Bucket' Leverage	2024E	2023	2022	2021	2020	2019	2018
Shangri-La Asia Ltd	1.3	1.1	1.0	0.9	0.9	0.9	0.7
Melia Hotels International SA	5.3	4.7	6.3	9.3	3.4	1.2	1.8
H World Group Ltd	3.0	3.0	5.0	4.0	4.0	5.2	1.6
Hong Kong & Shanghai Hotels Ltd	0.5	0.5	0.5	0.4	0.4	0.3	0.3
Choice Hotels International, Inc.	-20.0	47.1	8.2	4.1	-184.7	-37.1	-4.1
<b>Average Leverage</b>	<b>-1.98</b>	<b>11.27</b>	<b>4.20</b>	<b>3.73</b>	<b>-35.19</b>	<b>-5.90</b>	<b>0.07</b>

'Other Bucket' Market Cap	2024E	2023	2022	2021	2020	2019	2018
Shangri-La Asia Ltd	2.3	2.5	2.9	3.0	3.2	3.7	5.3
Melia Hotels International SA	1.6	1.5	1.1	1.5	1.5	2.0	2.2
H World Group Ltd	10.5	10.6	13.2	12.0	14.5	11.9	8.4
Hong Kong & Shanghai Hotels Ltd	1.2	1.2	1.7	1.4	1.5	1.8	2.3
Choice Hotels International, Inc.	7.0	5.6	5.9	8.7	5.9	5.8	4.0
<b>Total Market Cap</b>	<b>22.68</b>	<b>21.32</b>	<b>24.82</b>	<b>26.66</b>	<b>26.60</b>	<b>25.16</b>	<b>22.14</b>