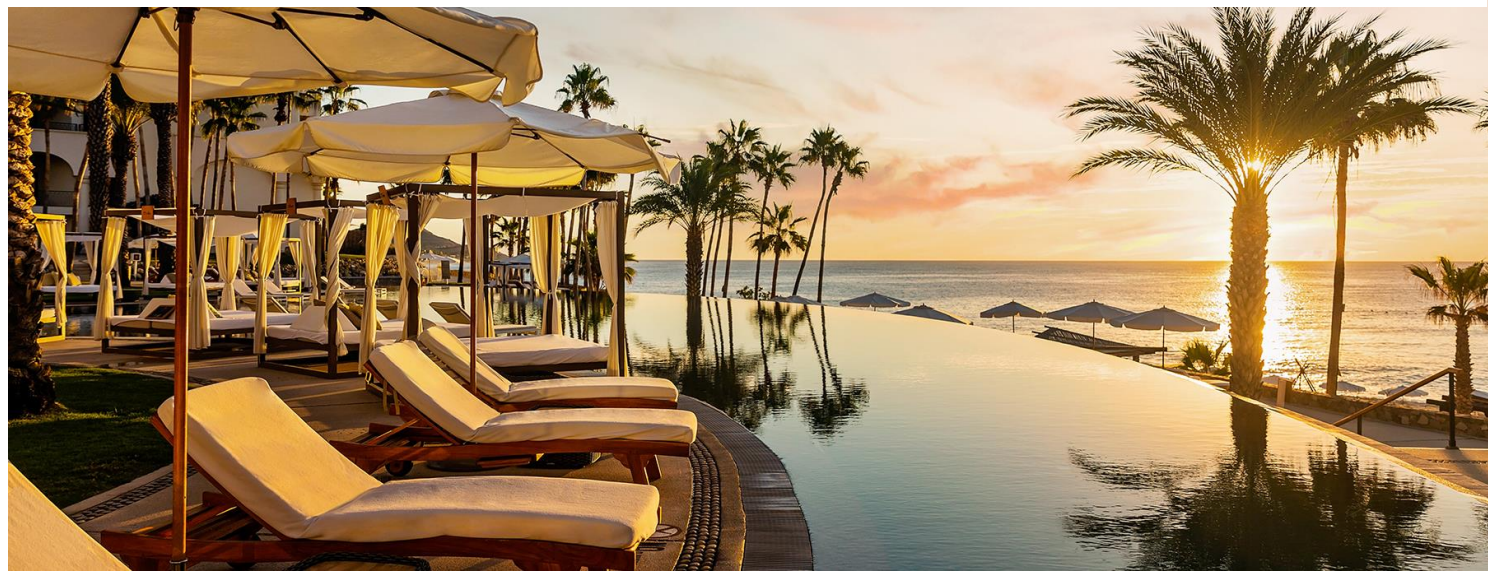


Hilton Grand Vacations to Acquire Diamond Resorts

March 10, 2021



HILTON
GRAND VACATIONS

DIAMOND
Resorts

Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements convey management's expectations as to our future, and are based on management's beliefs, expectations, assumptions and such plans, estimates, projections and other information available to management at the time we make such statements. Forward-looking statements include all statements that are not historical facts, including those related to our revenues, earnings, cash flow and operations, and may be identified by terminology such as the words "outlook," "believe," "expect," "potential," "goal," "continues," "may," "will," "should," "could," "seeks," "approximately," "projects," "predicts," "intends," "plans," "estimates," "anticipates" "future," "guidance," "target," or the negative version of these words or other comparable words.

We caution you that our forward-looking statements involve known and unknown risks, uncertainties and other factors, including those that are beyond our control, that may cause our actual results, performance or achievements to be materially different from the future results. Factors that could cause our actual results to differ materially from those contemplated by our forward-looking statements include: the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; the inability to complete the proposed merger due to the failure to obtain stockholder approval for the proposed merger or the failure to satisfy other conditions to completion of the proposed merger, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the transaction; risks related to disruption of management's attention from HGV's ongoing business operations due to the transaction; the effect of the announcement of the proposed merger on HGV's relationships, operating results and business generally; the risk that the proposed merger will not be consummated in a timely manner; exceeding the expected costs of the merger; the material impact of the COVID-19 pandemic on our business, operating results, and financial condition; the extent and duration of the impact of the COVID-19 pandemic on global economic conditions; our ability to meet our liquidity needs; risks related to our indebtedness; inherent business risks, market trends and competition within the timeshare and hospitality industries; our ability to successfully source inventory and market, sell and finance VOIs; default rates on our financing receivables; the reputation of and our ability to access Hilton brands and programs, including the risk of a breach or termination of our license agreement with Hilton; compliance with and changes to United States and global laws and regulations, including those related to anti-corruption and privacy; risks related to our acquisitions, joint ventures, and other partnerships; our dependence on third-party development activities to secure just-in-time inventory; the performance of our information technology systems and our ability to maintain data security; regulatory proceedings or litigation; adequacy of our workforce to meet our business and operation needs; our ability to attract and retain key executives and employees with skills and capacity to meet our needs; and natural disasters or adverse geo-political conditions. Any one or more of the foregoing factors could adversely impact our operations, revenue, operating margins, financial condition and/or credit rating.

For a more detailed discussion of these factors, see the information under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in HGV's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2021, as such information may be updated from time to time in our annual reports, quarterly reports, current reports and other filings we make with the Securities and Exchange Commission.

HGV's forward-looking statements speak only as of the date of this communication or as of the date they are made. HGV disclaims any intent or obligation to update any "forward looking statement" made in this communication to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time.

Additional Information and Where to Find It

This filing may be deemed solicitation material in respect of the proposed acquisition of Diamond Resorts by HGV. In connection with the proposed merger transaction, HGV will file with the SEC and furnish to HGV's stockholders a proxy statement and other relevant documents. This filing does not constitute a solicitation of any vote or approval. Stockholders are urged to read the proxy statement when it becomes available and any other documents to be filed with the SEC in connection with the proposed merger or incorporated by reference in the proxy statement because they will contain important information about the proposed merger.

Investors will be able to obtain free of charge the proxy statement and other documents filed with the SEC at the SEC's website at <https://www.sec.gov>. In addition, the proxy statement and HGV's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available free of charge through HGV's website at <https://investors.hgv.com>, as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC.

The directors, executive officers and certain other members of management and employees of HGV may be deemed "participants" in the solicitation of proxies from stockholders of HGV in favor of the proposed merger. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the stockholders of HGV in connection with the proposed merger will be set forth in the proxy statement and the other relevant documents to be filed with the SEC. You can find information about the Company's executive officers and directors in its Annual Report on Form 10-K for the fiscal year ended December 31, 2020 and in its definitive proxy statement filed with the SEC on Schedule 14A on March 26, 2020.

Non-GAAP Financial Measures

This presentation includes discussions of terms that are not recognized terms under U.S. Generally Accepted Accounting Principles ("GAAP"), and financial measures that are not calculated in accordance with GAAP, such as Adjusted EBITDA. We derived any non-GAAP financial measures from our audited consolidated financial statements, and Dakota Holdings, Inc.'s financial statements. We believe such non-GAAP measures provide useful information to our investors about us and our financial condition and results of operations since these measures are used by our management to evaluate our operating performance and by securities analysts and investors as common financial measures for comparison purposes in our industry. See our most recent Annual Report on Form 10-K for a more detailed discussion of the meanings of these terms and our reasonings for providing non-GAAP financial measures and the Appendix to this presentation for full reconciliations of these measures to the most directly comparable GAAP financial measure.



The acquisition of Diamond Resorts presents a transformational opportunity

- 1 Significant value creation from scale benefits** of combining the largest independent timeshare company with the strength of Hilton Grand Vacations' brand and culture
- 2 Diversifies HGV portfolio**, adding additional drive-to destinations and allowing HGV to leverage the Hilton network to penetrate a broader customer segment
- 3 Accelerates launch of HGV-branded trust product offering** by rebranding Diamond's properties over time to drive revenue growth in a new customer segment
- 4 Generates \$125M+ in run-rate cost synergies** expected to be achieved in the first 24 months following close
- 5 Increases recurring EBITDA streams** and drives overall cash flow, with adjusted free cash flow per share accretion in year one¹
- 6 Compelling valuation and deal structure** facilitates financial flexibility and deleveraging

Ideal timing to capitalize on anticipated leisure travel recovery



Transaction overview

Consideration and Offer Structure

- Total deal value of \$3.0 billion with consideration paid by HGV at closing expected to be \$1.4 billion¹
- Funded through the issuance of approximately 34.5 million shares of HGV common stock
- Purchase price is 7.0x Diamond Resorts International (“DRI”) Adjusted EBITDA² plus synergies³
- Pro forma equity ownership approximately 72% existing HGV shareholders, 28% funds affiliated with Apollo Global Management, Inc. (“Apollo”) and co-investors
- \$2.8 billion of financing commitments in place from 3 banks

Management, Ownership, Board

- Mark Wang, Dan Mathewes, and Gordon Gurnik will remain CEO, CFO, and COO, respectively
- Board will be expanded by two seats to nine members, with Apollo having the right to designate two seats as long as they retain equity ownership of HGV at or above 15%, and one seat while they retain equity ownership at or above 10%

Synergy Potential

- Over \$125 million in run-rate cost synergies achieved within the 24 months following close of the transaction
- Significant future revenue synergy opportunities

Leverage and Cash Flow

- FCF/share and EBITDA/share accretive in year one on an adjusted⁴ basis
- 50-60% FCF conversion of Adjusted EBITDA⁴ in steady state
- Pro forma leverage⁴ 6.5x, returning to below 3.0x within 24 months

Timeline

- Target closing summer of 2021, subject to customary closing conditions

1) Assumes issuance of 34.5 million shares of HGV stock at \$40.32 per share. Excludes one-time transaction adjustments and assumption of \$657 million of securitized debt from DRI, which is non-recourse to the combined entity

2) 2019 DRI Adjusted EBITDA; see Reconciliations provided in Appendix

3) Includes identified cost synergies of \$125 million

4) 2020; Adjusted to exclude the impact of net deferrals of revenue and direct expenses related to the Sales of VOIs under construction

A powerful combination...



- World-class hospitality with the strength of the trusted **Hilton brand**
- **62** upper upscale and luxury properties in **premier resort destinations**
- Proven track record of **positive NOG**
- **Points-based** deeded system enables **flexible inventory sourcing** from owned or fee partners
- Best in class **lead generation** capabilities and sales systems
- Industry-leading **VPG and margins**
- **Over 325,000 owners**

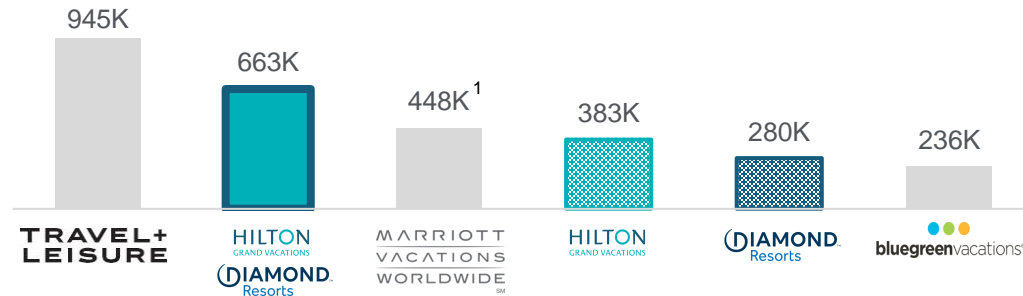


- **Largest** timeshare operator with no hotel brand affiliation
- Extensive network of **92** leisure resorts across the globe, with **strong regional drive-to market presence**, and complementary upscale range
- **Points-based** trust structure enabling incremental **pricing segmentation**
- **4 years of excess developed inventory** available for sale
- Pioneered the innovative **Events of a Lifetime®** experiential sales & marketing platform that drives strong engagement at a significant VPG premium
- **Nearly 400,000 owners**

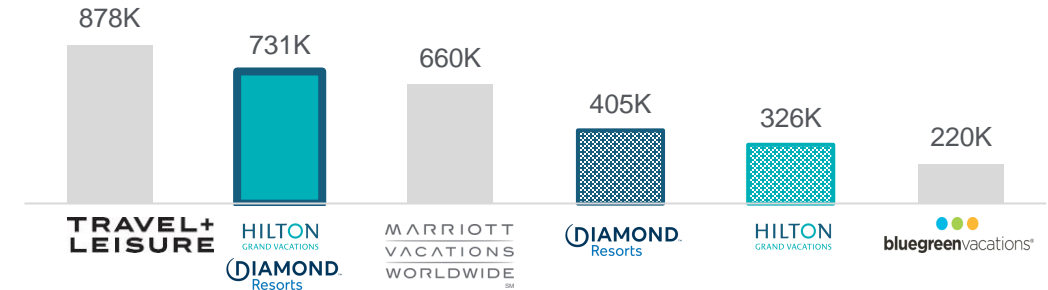
...creating the premier vacation ownership company

2019 operating metrics

Tours

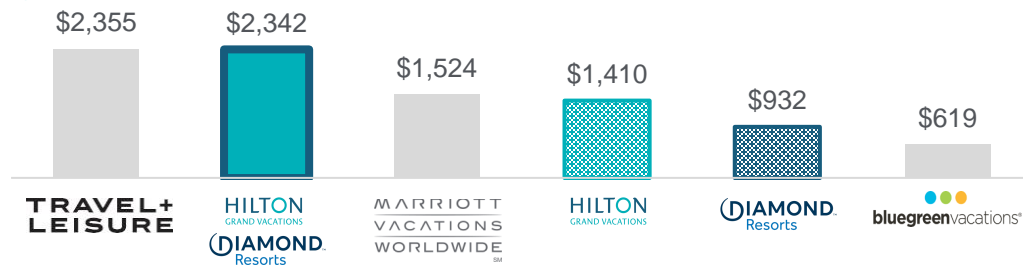


Owners

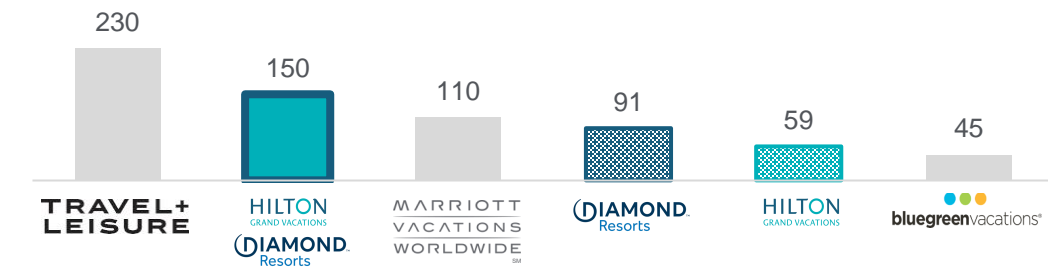


Contract Sales

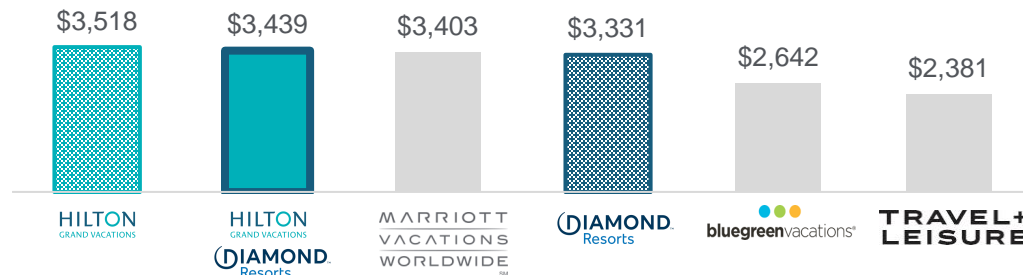
\$ in millions



Resorts

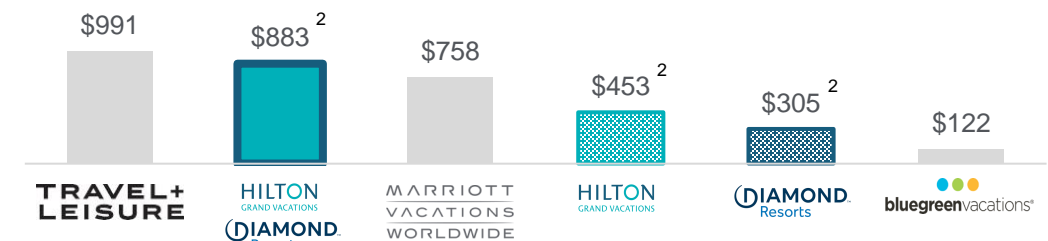


VPG



Adjusted EBITDA

\$ in millions



Synergies are a significant EBITDA opportunity

Revenue levers

1

More products

- Branded trust product
- Expanded chain scale
- Broader price coverage
- Experiential offerings

2

More places

- Expanded regional network
- Higher NOG
- Additional HGV owner sales

3

More owners

- Diamond owner base activated by Hilton Grand Vacations brand

Revenue synergies



HGV new buyer lift



Diamond new buyer lift



HGV owner lift



Diamond owner lift



Diamond rental performance



Cost synergies



General & administrative efficiencies



Operational efficiencies

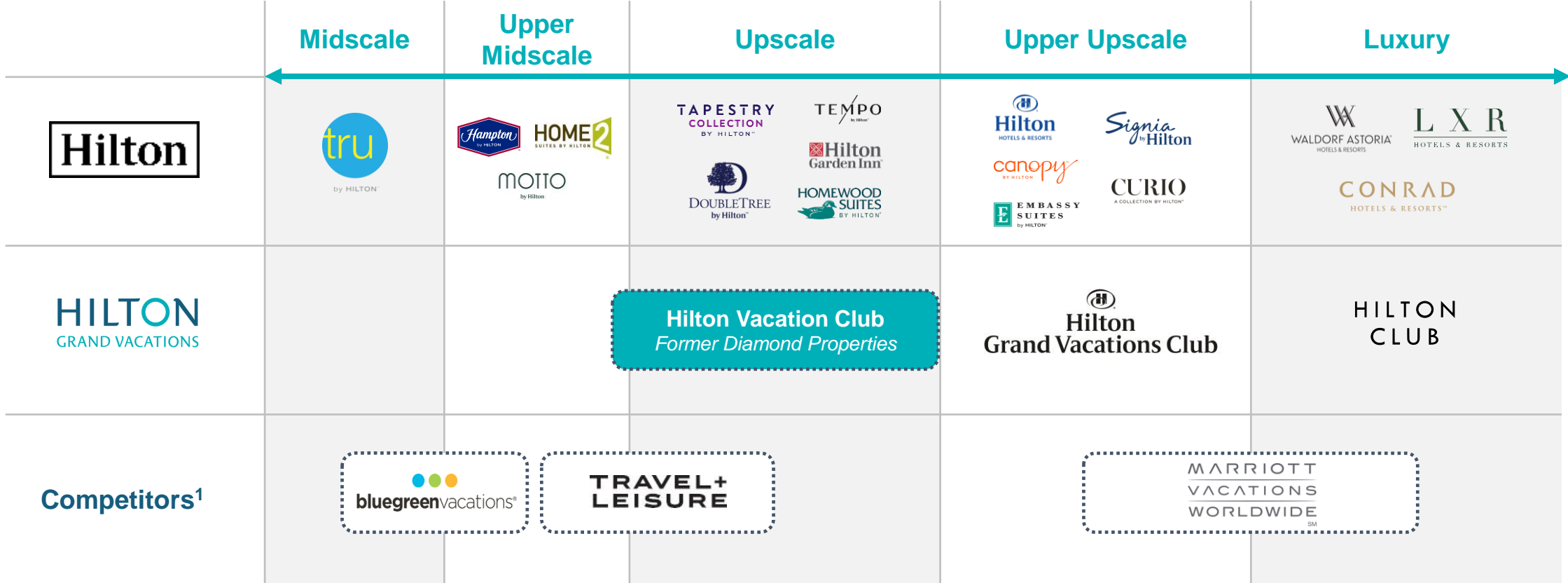


Financial efficiencies

\$125M+ identified

Cost synergy run-rate achieved in the first 24 months following close

HGV will have the broadest chain scale offering in the industry

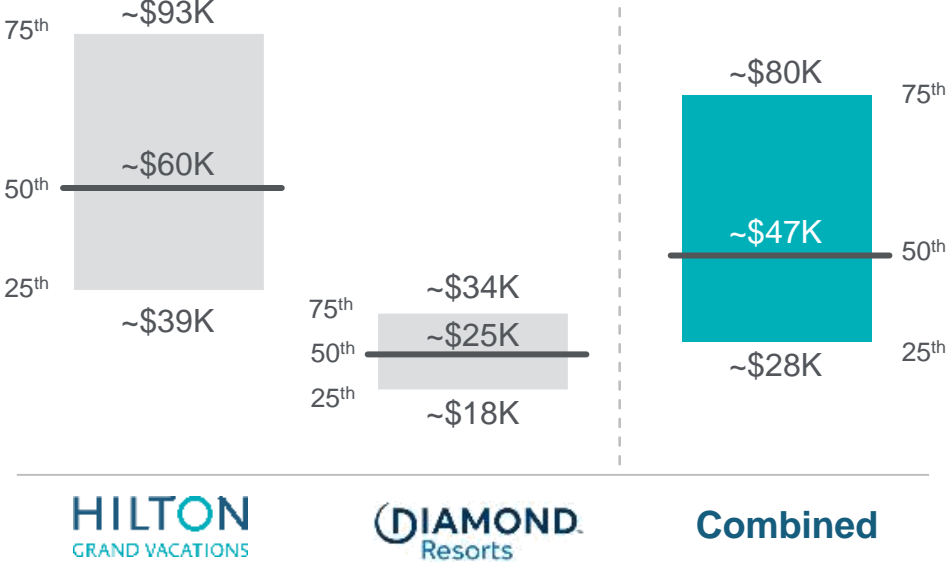


Enhances alignment with Hilton system and their 112 million Hilton Honors members

Wider range of price points will broaden addressable market

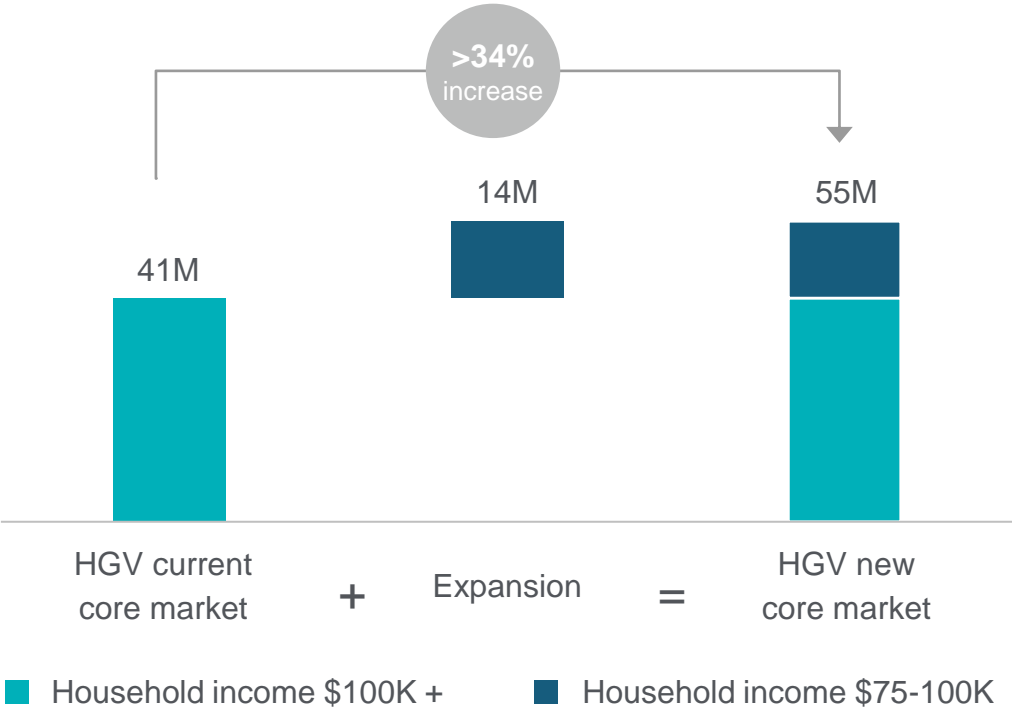
List price per week for HGV vs. Diamond inventory...

Diamond's 75th percentile price point sits just below HGV's lowest 25th percentile¹

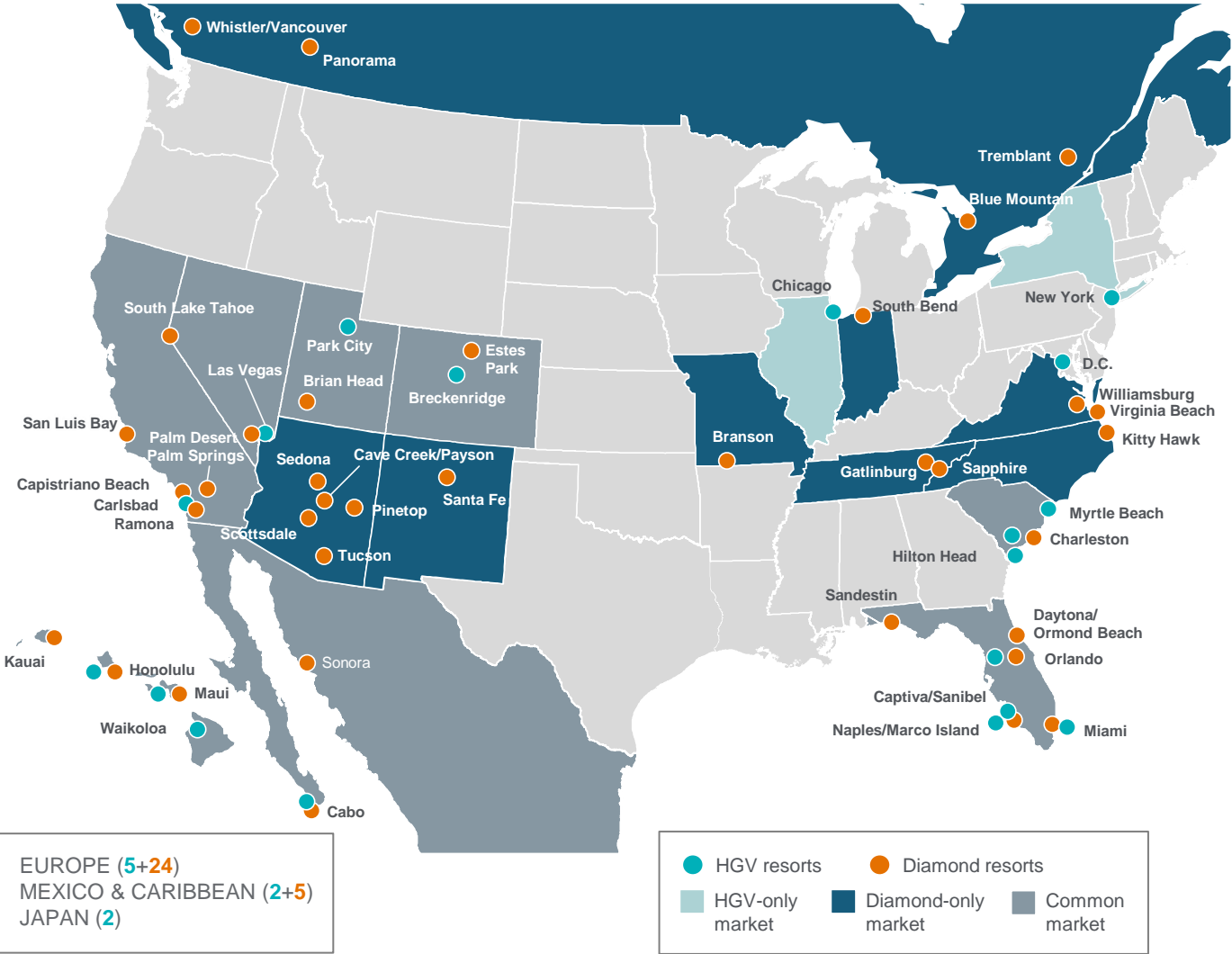


...enhances value proposition for more demographics, expanding our core market

US householders age 25-74²



More properties in more places

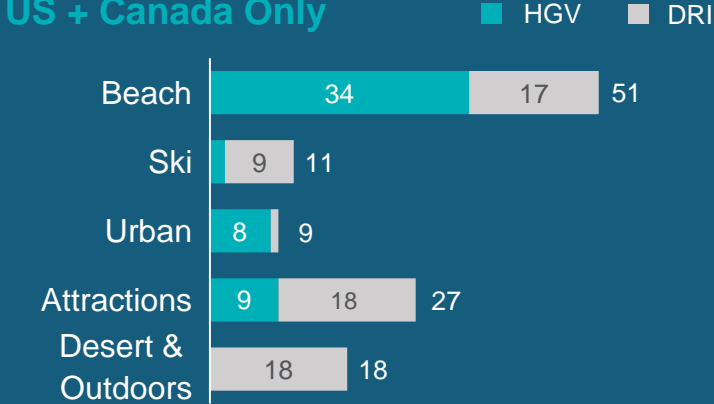


9 Note: "Outdoors" is composed of Gatlinburg and Pigeon Forge, TN and Ucluelet, Canada. "Regional" is composed of US excluding Hawaii and NYC. "Destination" is composed of Hawaii, NYC, and Canada. Mexico also includes Diamond location in Zihuatanejo (not pictured on map)

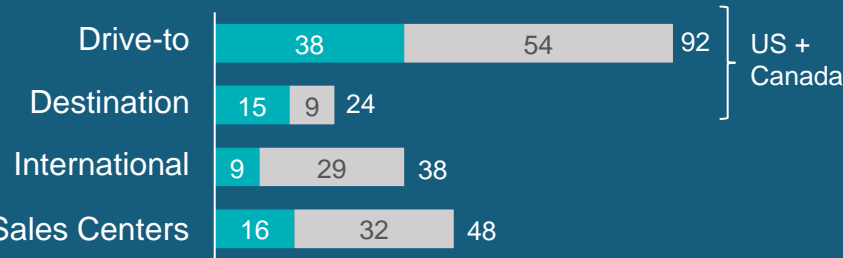
Benefits of expanded geographic portfolio

- **Higher tour flow**, with more locations to access and offer
- **Higher conversion**, with broader appeal to new customers

US + Canada Only



Global



New branded trust offers additional benefits



	Deeded points	Trust points
Advantages for combined entity	<ul style="list-style-type: none">✓ Premium pricing for certainty of availability in high demand real estate markets✓ Inventory sourcing flexibility and efficiency allows us to employ a fee-for-service model with multiple partners✓ Ability to pre-sell new developments supports strong project-level cash flow and returns	<ul style="list-style-type: none">✓ Smoother sales and upgrades, with less specific matching of buyer to property✓ Lowers barrier to ownership and broadens ability to buy into system with more flexible pricing options✓ Reduces inventory delivery volatility and reliance on new builds✓ Facilitates inventory recycling, reducing new build needs
Advantages for buyers and owners	<ul style="list-style-type: none">✓ Guaranteed availability to reserve purchased week provides peace of mind✓ Aspirational sense of true ownership✓ Physical asset that can be passed down to future generations	<ul style="list-style-type: none">✓ Geographic flexibility to access network without committing to home resort✓ Timing flexibility, as not tied to a particular time of year or duration

We'll generate meaningful annuity revenue from recurring, capital-efficient sources

NOG generates several **high margin, recurring fee streams**:



Club membership fees



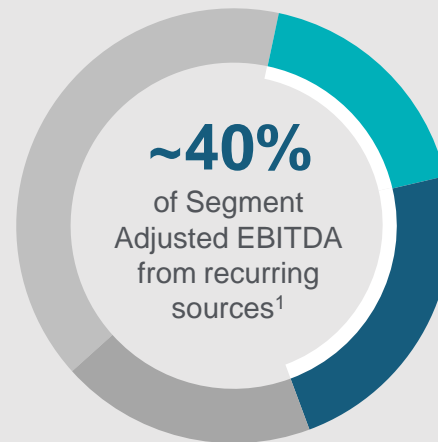
Property management fees



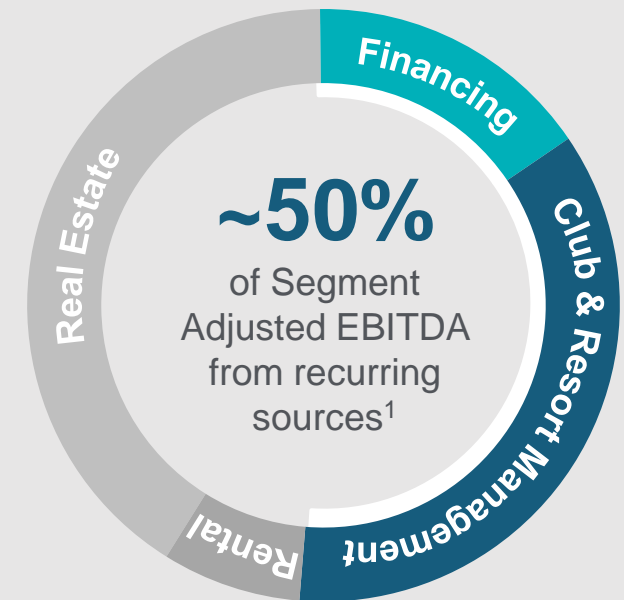
Financing fees

New buyers and owner upgrades further grow these fee streams and create a multiplier effect

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HILTON + **DIAMOND**
GRAND VACATIONS Resorts




Focus on efficiency to drive free cash flow conversion


Operating efficiency



Maintain **industry-leading margins**




Realize **\$125M+ of run-rate cost synergies**




Realize incremental \$20-25M of annualized **HGV standalone cost reductions identified** in 2020

Working capital efficiency



Tap significant **developed inventory pipeline** to reduce near-term spending needs



Reduce long-term inventory spending with increased rate of inventory recapture

First year

Double-digit adjusted FCF/share accretive¹

Steady state

50-60% adjusted FCF conversion²

12

1) Excluding one-time transaction costs

2) Conversion of Adjusted EBITDA excluding the impact of net deferrals of revenue and direct expenses related to the Sales of VOIs under construction

We will maintain our financial flexibility



Pro-forma **liquidity of \$1.0 billion** at year-end 2020



Nearly \$300 million of receivables eligible for securitization or warehouse borrowing



Capital market **efficiencies from increased scale** of combined ABS platform



Cash flow generation will drive **rapid deleverage**
Pro forma leverage¹ 6.5x, **returning to below 3.0x within 24 months**



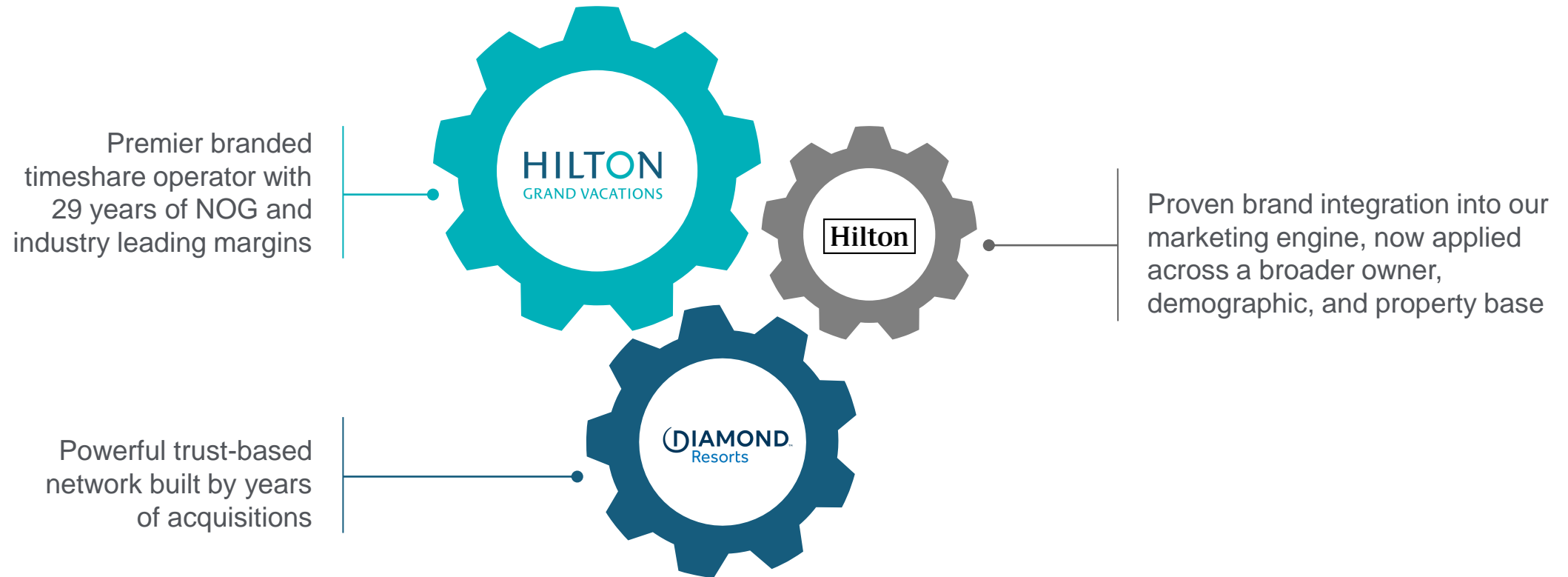
Diamond Embarc Whistler
Whistler, Canada



Diamond Ocean Beach Club
Virginia Beach, Virginia

13 ¹⁾ Using 2020 Adjusted EBITDA excluding the impact of net deferrals of revenue and direct expenses related to the Sales of VOIs under construction

We have the unique capabilities and brand to deliver this deal's value



Ideal timing to capitalize on anticipated leisure travel recovery

Appendix

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Transaction sources and uses

Sources	
Equity Issued to DRI ¹	\$1,392
Cash on Hand	304
New Debt Issued	2,323
Debt Assumed ²	598
Total Sources	\$4,617

Uses	
Purchase of DRI	\$1,392
Debt Assumed ²	598
Debt Repaid	2,503
Transaction Fees & Other	125
Total Uses	\$4,617

Note: Totals may not foot due to rounding

1) 34.5 million HGV common shares issued at \$40.32

2) Excludes non-recourse, securitized timeshare debt of \$657 million

2019 Net income to Adjusted EBITDA reconciliation

(\$ in millions)	HGV ¹	Diamond Resorts ²	Pro Forma Combined
Net income (loss)	\$216	\$(43)	\$173
Interest expense	43	166	209
Income tax expense	57	4	61
Depreciation and amortization	44	118	162
Interest expense, depreciation and amortization included in equity in earnings from unconsolidated affiliates	3		3
EBITDA	363	245	608
Amortization of portfolio premium		13	13
Other loss (gain), net	3	(1)	2
Share-based compensation expense	22	3	25
Other adjustment items ³	20	45	65
Adjusted EBITDA	\$408	\$305	\$713
Adjustments:			
Net deferrals (recognitions) ⁴	45		45
Annualized run-rate cost savings ⁵			125
Adjusted EBITDA ⁶	\$453	\$305	\$883

1) 2019 results derived from HGV's 2020 Annual Report on Form 10-K

2) Derived from Dakota Holdings, Inc ("Diamond Resorts") 2019 financial statements, further adjusted to conform to HGV's definition of Adjusted EBITDA

3) For Diamond Resorts, other adjustment items includes costs primarily associated with acquisition and integration costs, restructuring, consulting and other one-time charges

4) Represents the deferred revenues and related direct expenses from the sales of VOIs under construction

5) Represents estimated annualized cost synergies

6) Represents Adjusted EBITDA as defined, further adjusted for deferred revenues and related direct expenses from the sales of VOIs under construction

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