

2Q20 INVESTOR UPDATE

QUARTERLY RESULTS AND UPDATE

JULY 30, 2020

HILTON
GRAND VACATIONS

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EXECUTED ON KEY INITIATIVES WITHIN OUR STRATEGIC PRIORITIES

1 Safeguard

our owners, guests and team members

Implemented HGV Enhanced Care Guidelines to **protect** our owners, guests, and team members

Re-opened properties in Florida, Nevada, Utah, Colorado, South Carolina, Washington DC, Las Vegas, and Southern California

2 Streamline

spending to maintain our strong liquidity position and optimize inventory assets

Executed a $300 million term securitization at favorable terms to bolster our **liquidity**

Amended credit agreement and warehouse lending agreement to enhance our **financial flexibility**

Continued to optimize our cost structure and improve **efficiency**

3 Protect

recurring revenue streams and embedded value

Recurring Finance and Club & Resort EBITDA stable vs. prior year

Launched targeted offers to members to highlight efforts and **promote visitation**

4 Grow

demand and implement opportunities to create incremental value

Expanded our **virtual sales** and work-from-home capabilities

Launched sales of our new **Maui Bay Villas** project

Began reactivating vacation packages to drive **tour flow** over the coming quarters

Priorities to win the fight today…

…and in the future

GUESTS HAVE RESPONDED POSITIVELY TO OUR ENHANCED CARE INITIATIVE[1]



" This Ocean Oak HGV property had possibly the cleanest hotel room I've ever seen upon arrival…social distancing was handled well in all pool areas, while still allowing all guests fair access.

High-touch surfaces were constantly being cleaned everywhere, including pool gates and pool entry ladders. Pool chairs and tables were sprayed and disinfected between each guest. It was impressive.

And the staff performed all these functions while treating the guests very warmly, talking with folks, and not making anyone feel uncomfortable or unwelcome – in other words without breaking the 'vacation vibe.'

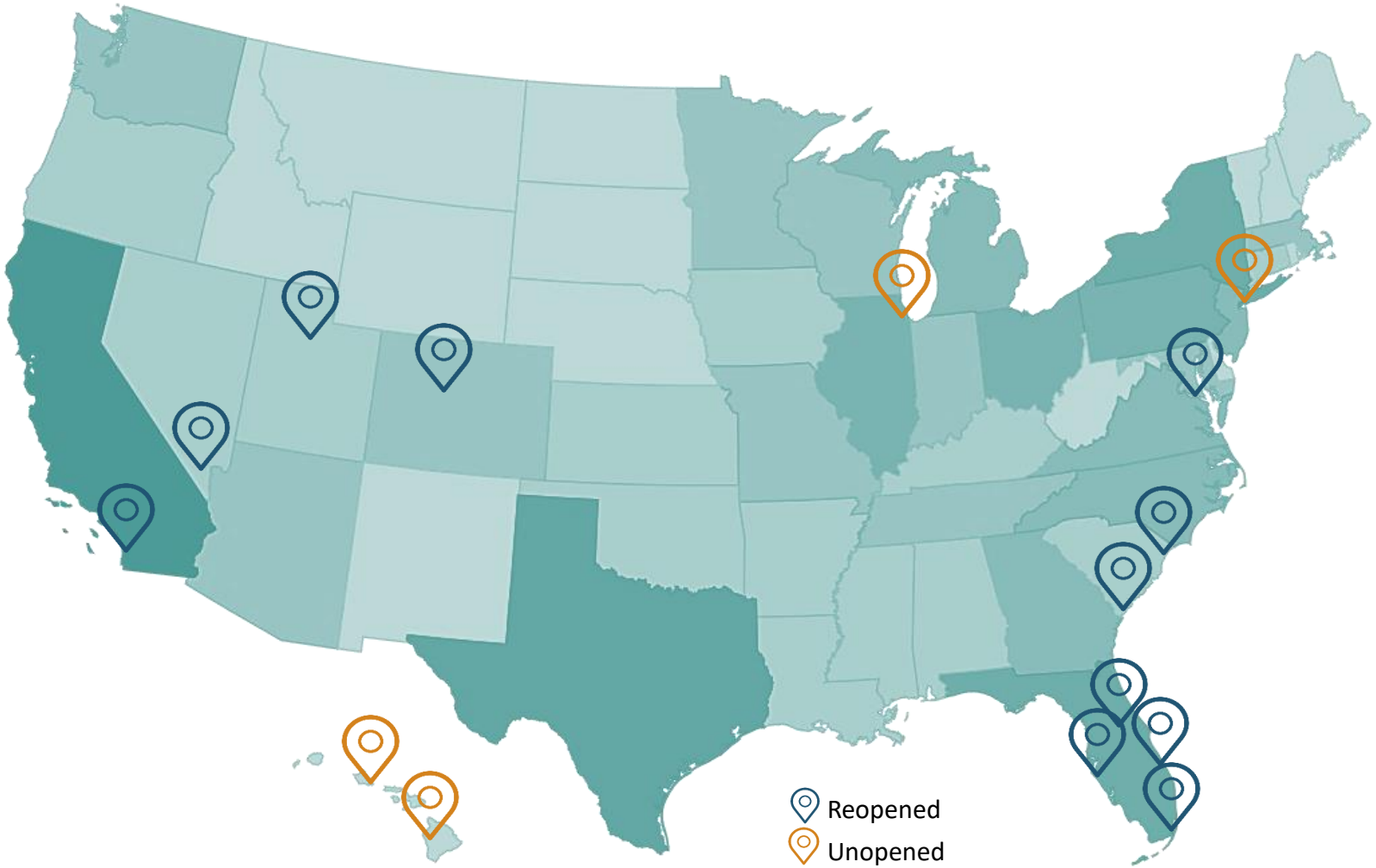
We were impressed with the thoughtfulness of the protocols, the level of diligence of the HGV staff, and the friendly non-intrusive manner in which it was all implemented. Well done. We just booked another HGV property for August. "

HGV Owner

Notes:
1. For more information, see https://www.hiltongrandvacations.com/en/news/press-releases/enhanced-care-guidelines

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WE HAVE COMMENCED THE REOPENING OF RESORTS



Reopening Highlights:

- Properties reopened in late May:
  - South Carolina
  - Orlando
  - Utah
  - Washington, D.C.
- Properties reopened during June:
  - Nevada
  - California
  - Colorado

Sales Cycle to Ramp Over Time:

- Opened on-site sales centers subsequent to resorts, ramping operations in proportion to market travel volume
- Resorts in locations representing ~30% of 2019 tour flow remain closed due to government restrictions
- Resorts in locations representing ~45% of 2019 tour flow in markets seeing lower occupancy levels

Notes:
Map licensed under CC BY-SA
1. Domestic resorts, as of July 15

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ENHANCED BALANCE SHEET FLEXIBILITY

Solid Liquidity Metrics[1]

$836M
Available liquidity[2]

22 months
Available liquidity[2]

8.54x
Interest coverage ratio

1.53x
Total net leverage

0.69x
First-lien net leverage

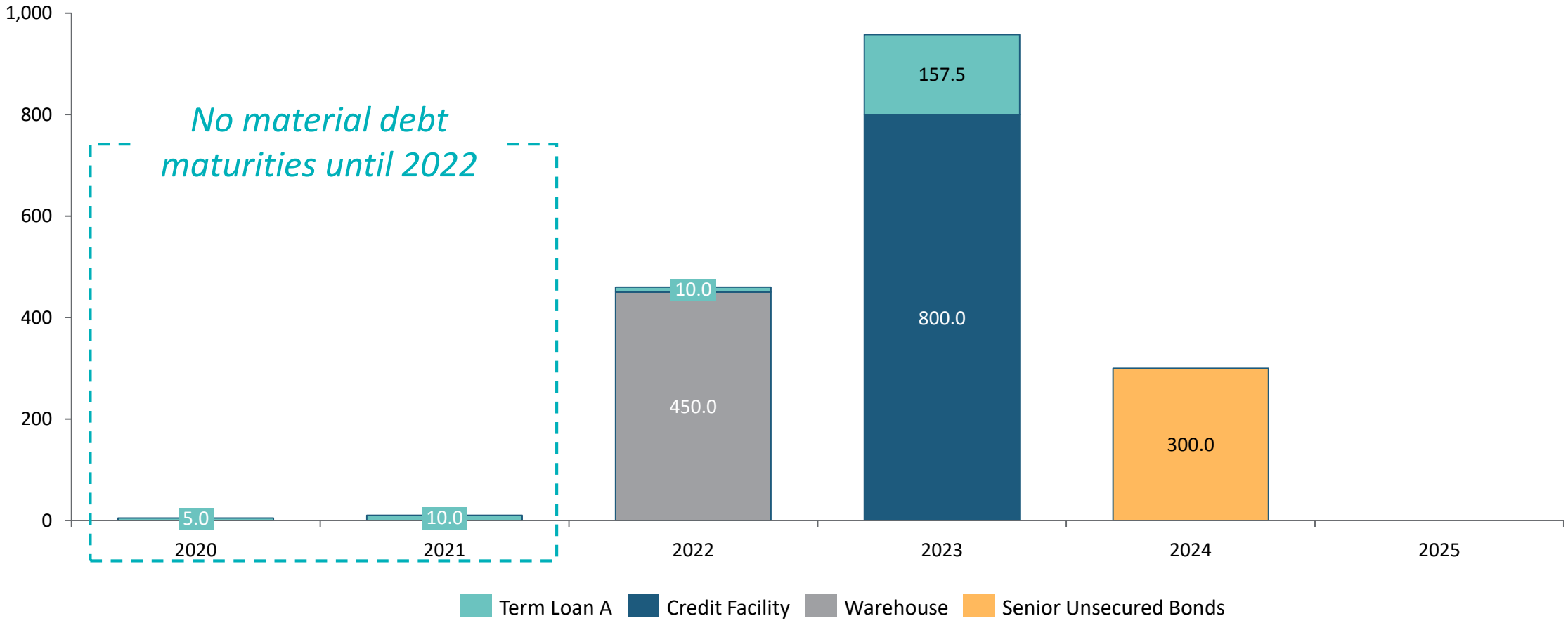
Recent Balance Sheet Actions

1. **Additional Near-Term Security:** Through the end of 2020, our First-Lien Net Leverage covenant has been expanded to 3.5x from 2.0x prior, and 3.25x in the first half of 2021 from a prior 2.0x.
2. **Enhanced Long-Term Flexibility:** After June 30, 2021, our First-Lien Net Leverage covenant has been expanded to 3.0x from 2.0x prior.
3. **Liquidity Position Strengthened With Securitization:** On June 10, we completed a $300 million term securitization at a 91% advance rate and a funding rate of 3.66%, paying down our Warehouse Credit Facility and further strengthening our liquidity position, with $733 million of unrestricted cash and $836 million of available liquidity.[2]
4. **Financing Flexibility Reaffirmed:** Our term securitization was 14x oversubscribed underscoring the strong demand in the public markets, and continued interest from private securitization markets can provide further flexibility.

Note:
1. All figures on bank covenant basis and subject to final certification and calculation
2. Under a zero real estate and rental revenue scenario. Includes $63mm of liquidity from available collateral to borrow against the currently undrawn $450mm warehouse facility

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NO NEAR-TERM DEBT MATURITIES



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TIMESHARE OFFERING IS WELL POSITIONED TO LEAD OUT OF THE CRISIS



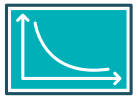
Properties conducive to social distancing generally feature in-room full kitchen, washer/dryer and more square footage, reducing reliance on common areas



Limited exposure to volatility in asset values focus on selling out projects vs. long-term asset speculation



Minimal focus on rental income available inventory primarily used to support sales with tour guests, rather than rental



Low observed price elasticity vs. traditional lodging



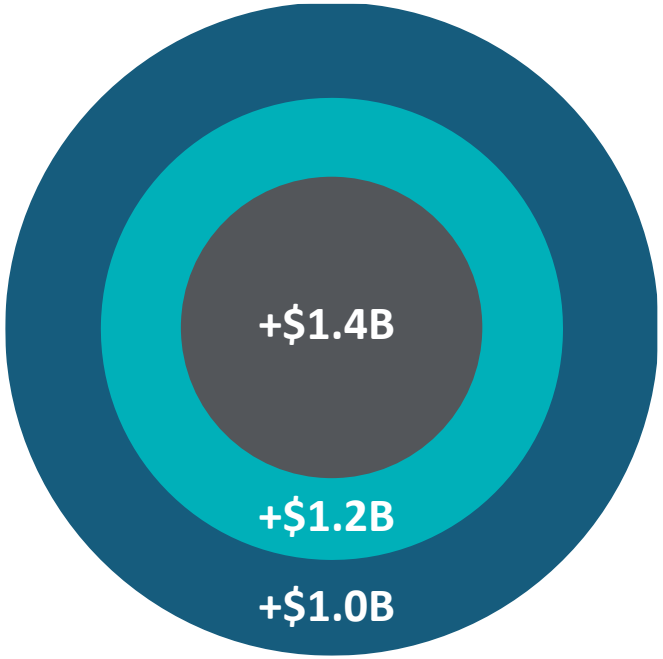
Limited maintenance capital expenditures by timeshare developer; funded in full by Owners each year



Dedicated focus on leisure travelers insulated from exposure to business travel

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SIGNIFICANT EMBEDDED VALUE REMAINS EVEN IN A TOPLINE PAUSE SCENARIO[1]



Total: $3.6B

Note: Ten-year cumulative margin, not discounted

FINANCING – 69% MARGIN[2]

- Profits from existing loans and future owner upgrades
- 66% of buyers finance their purchases
- Typically 10-year fixed-rate secured loans with average coupon rates of approximately 12.5%

CLUB AND RESORT MANAGEMENT – 76% MARGIN[2]

- Profits from current owners
- 2019 average Club and Resort Management revenue per member is $586

REAL ESTATE – 29% MARGIN[2]

- Profits from current owners' future upgrades
- For each $1 of initial purchase, on average owners will purchase another $1.17 in additional upgrades over 20 years

THE EMBEDDED VALUE OF OUR OWNER BASE HAS INCREASED BY 3.5X (10% CAGR) SINCE 2007

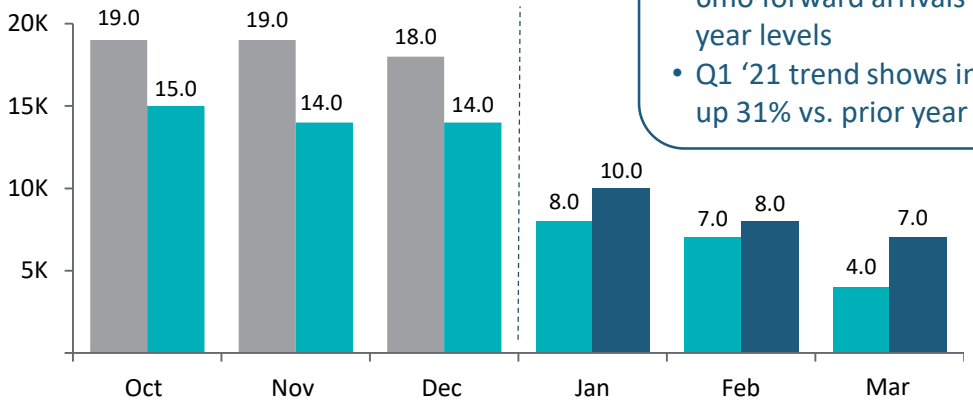
Source: HGV internal data
Notes: Embedded value considers total expected nominal margin over 10-year period, not discounted; Does not account for license fees, taxes, perpetuity of Club dues, assumes current cost of securitization

1. Assumes contract sales remain at zero for the remainder of 2020
2. Represents 2019 margin for line of business

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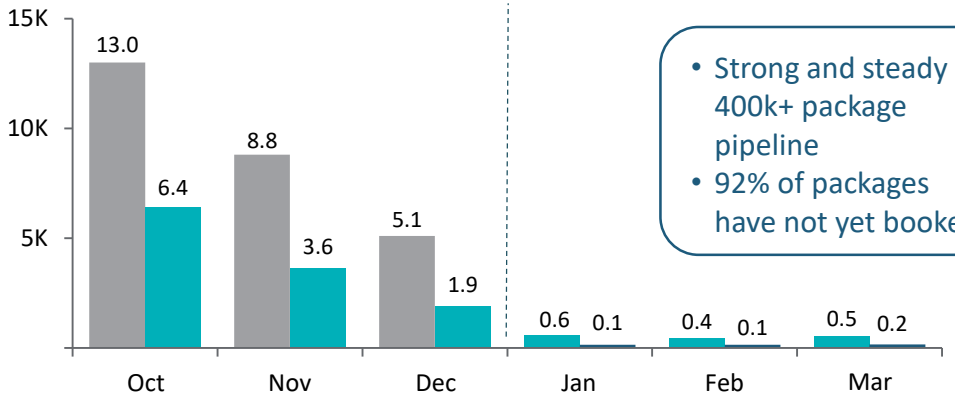
FUTURE BOOKINGS CONTINUE TO SHOW A DESIRE TO TRAVEL

Club and owner arrivals



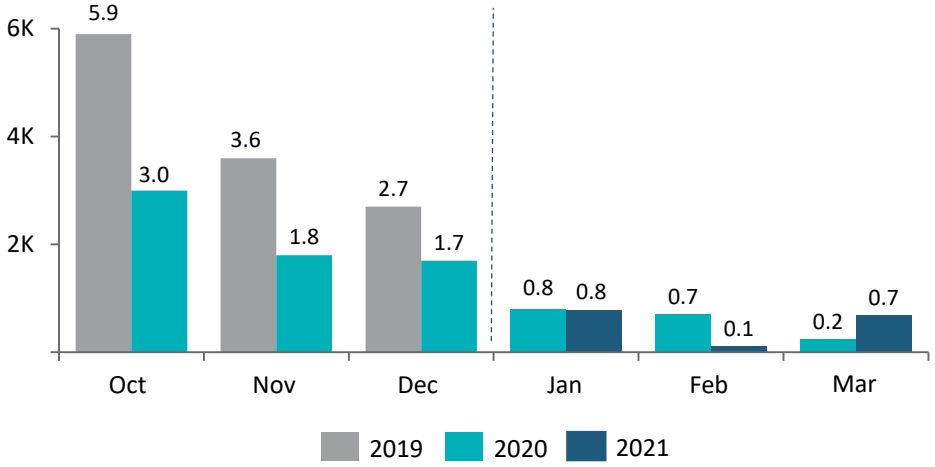
- >50% of Q4 bookings change due to NY and HI adjustments
- 6mo forward arrivals at 91% of prior year levels
- Q1 '21 trend shows improvement, up 31% vs. prior year

Marketing and sampler package arrivals

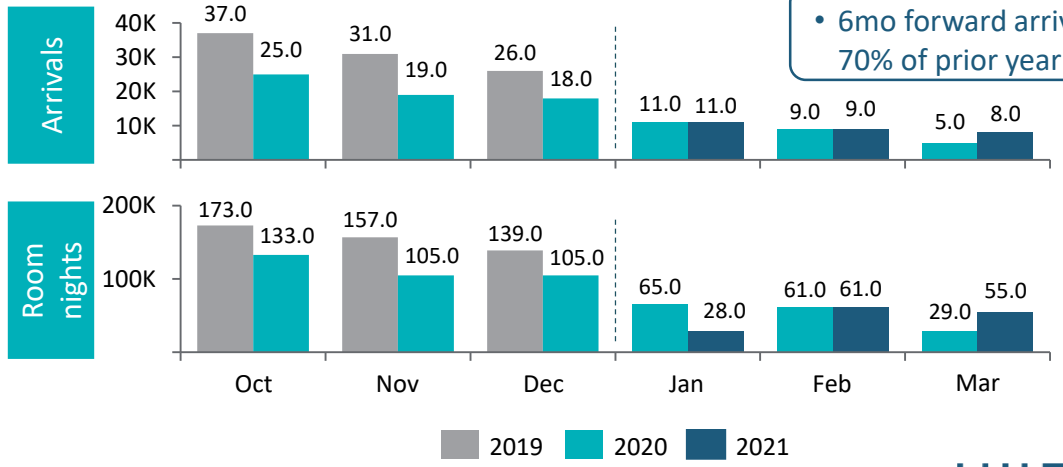


- Strong and steady 400k+ package pipeline
- 92% of packages have not yet booked

Rental arrivals



Consolidated arrivals and room nights



- 6mo forward arrivals at 70% of prior year levels

Note: Data as of July 8, 2020
Source: HGV company data

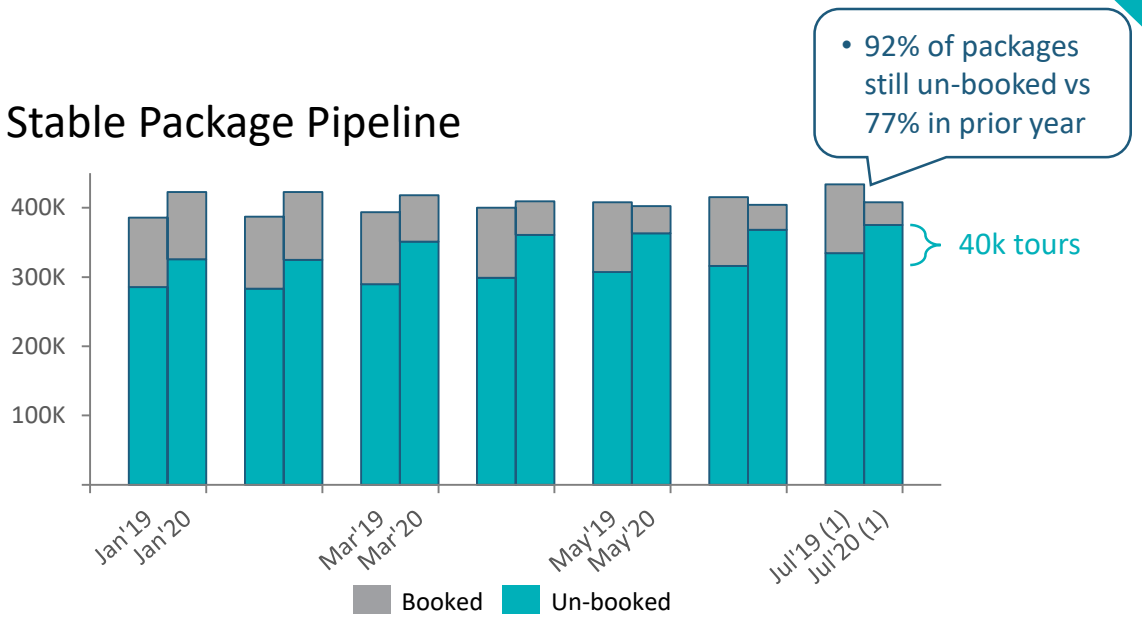
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NEW INVENTORY OFFERINGS AND MARKETING PACKAGE PIPELINE REBOUND WILL BE A DRIVER OF FUTURE TOURS

Maui Bay Villas

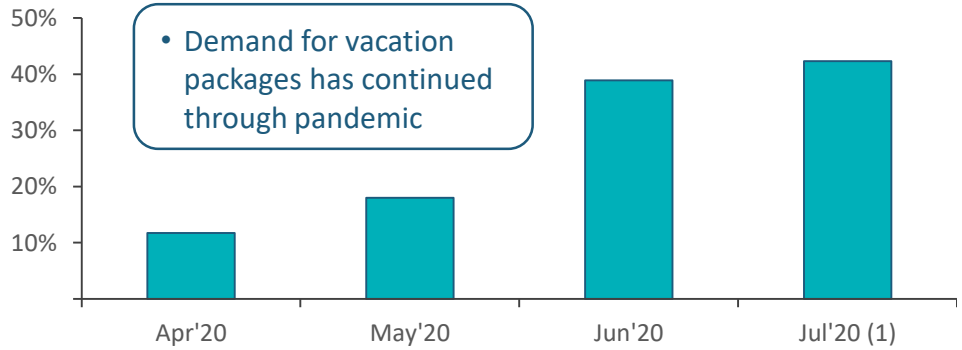


Stable Package Pipeline



Package Sales Regaining Momentum

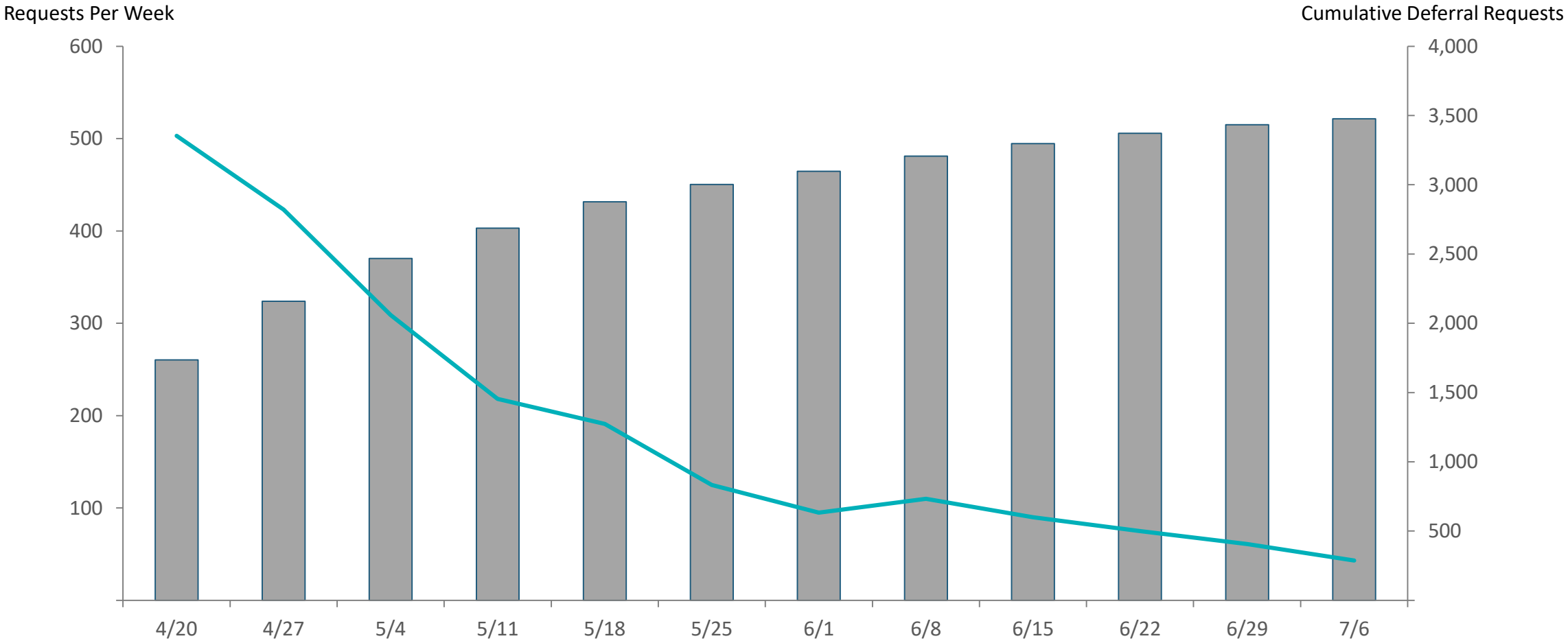
Percent of Prior Year Levels



Source: HGV company data
1. Data through July 20, 2020

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OUR DEFERRAL REQUESTS HAVE DECLINED MATERIALLY SINCE THE START OF THE PANDEMIC, AND REPRESENT ONLY 2% OF OUR PORTFOLIO BALANCE




THANK YOU