Risk Factors Comparison 2024-02-29 to 2023-03-01 Form: 10-K

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Our business is subject to a number of risks of which you should be aware before making an investment decision. These risks include, but are not limited to, the following: • Macroeconomic and other factors beyond our control; • Contraction in the global economy or low levels of economic growth; • Risks inherent to the timeshare and hospitality industry, including reliance on tourism and travel, and competition within the industry; • ~~The COVID- 19 pandemic~~ **Pandemics** , ~~other~~ epidemics ~~or pandemics,~~ and related events, including the various measures implemented or adopted to respond to ~~the pandemic~~ **such events** ; • Material harm to our business if we breach our license agreement with Hilton ~~or~~ **and Hilton exercises any of its remedies thereunder, which may include** the **loss of certain rights (such as exclusivity in the timeshare business) that we have or the termination of the license** agreement ~~is terminated~~ ; • Our ability to use the Hilton brands and trademarks and rebrand the acquired Diamond **and Bluegreen** business and properties **, and any potential consequences under the license agreement if we fail to do so** ; • The quality and reputation of the Hilton brands and affiliation with the Hilton Honors loyalty program; • The ability of our critical marketing programs and activities to generate tour flow and contract sales and increase our revenues; • Financial and operational risks related to acquisitions and business ventures, including partnerships or joint ventures; • Our dependence on development activities and risks related to our real estate investments; • The geographic concentration of properties we manage; • Our current operations and future expansion outside of the United States; • Our ability to hire, retain and motivate key personnel and our reliance on the services of our management team and employees; • Third- party reservation channels affecting our bookings for room rental revenue; • Impairment losses that could adversely affect our results of operations; • Our insurance policies not covering all potential losses; • Our ability to remediate an identified material weakness and maintain effective internal controls over financial reporting and disclosure controls and procedures; • A decline in developed or acquired VOI inventory or failure to enter into and maintain fee- for service agreements or inability to source VOI inventory or finance sales if we or third- party developers are unable to access capital; • The sales of VOIs in the secondary market; • Our limited underwriting standards and a possible decline in the default rates or other credit metrics underlying our timeshare financing receivables; • The expiration, termination or renegotiation of our management agreements; • Disagreements with VOI owners or HOAs or the failure of HOA boards to collect sufficient fees or increases in maintenance fees at our resorts; • Failure to keep pace with developments in technology; • Lack of awareness or understanding of and failure to effectively manage our social media; • Cyber- attacks or our failure to maintain the security and integrity of company, employee, customer or third- party data; • Our ability to comply with a wide variety of laws, regulations and policies, including those applicable to our international operations; • Changes in privacy laws, environmental laws, tax laws or accounting rules or regulations; • Failure to comply with laws and regulations applicable to our international operations; • Our substantial indebtedness and other contractual obligations, restrictions imposed on us by certain of our debt agreements and instruments and our variable rate indebtedness which subjects us to interest rate risk; • Failure to comply with agreements relating to our outstanding indebtedness; • Our ability, or the ability of our subsidiaries, to generate sufficient cash to meet our needs and service our indebtedness; • Potential liabilities related to our spin- off from Hilton, including U. S. federal income tax liabilities, liabilities arising out of state and federal fraudulent conveyance laws and the possible assumption of responsibilities for obligations allocated to Hilton or Park; • The sufficiency of any indemnity Hilton or Park is required to provide us and the amount of any indemnity we may be required to provide Hilton or Park related to the period prior to the spin- off; • The ability of our board of directors to change corporate policies without stockholder approval; • Anti- takeover provisions in our organizational documents and Delaware law and consent requirements in our license agreement with Hilton that may deter a potential business combination transaction; • Fluctuation in the market price and trading volume of our common stock; • Our ability to repurchase our common stock pursuant to our share repurchase program or that our share repurchase program will enhance long- term shareholder value. Share repurchases could also increase the volatility of the price of our common stock and diminish our cash reserves ~~. • The actions of activist stockholders~~ ; • Our ability to integrate the Diamond **and the Bluegreen** ~~business~~ **businesses** successfully or realize the anticipated cost savings, synergies and growth in operating results **with each such acquisition, as well as integrate strategic partnerships assumed in the Bluegreen Acquisition** ; and • Our ability to effectively manage our expanded operations resulting from **both** the Diamond Acquisition **and the Bluegreen Acquisition** , including the **respective** trust ~~system~~ **systems** associated with **such** ~~the Diamond business~~ **businesses** . The foregoing is only a summary of our risks. These and other risks are discussed more fully in the section entitled " Risk Factors " in Part I, Item 1A and elsewhere in this Annual Report on Form 10- K. We are subject to various risks that could materially and adversely affect our business, financial condition, results of operations, liquidity and stock price. You should carefully consider the risk factors discussed below, in addition to the other information in this Annual Report on Form 10- K. Further, other risks and uncertainties not presently known to management or that management currently deems less significant also may result in material and adverse effects on our business, financial condition, results of operations, liquidity and stock price. The risks below also include forward- looking statements; and actual results and events may differ substantially from those discussed or highlighted in these forward- looking statements. See " Cautionary Note Regarding Forward- Looking Statements. " Risks Related to Our Industry Macroeconomic and other factors beyond our control can adversely affect and reduce demand for our products and services. Macroeconomic and other factors beyond our control can reduce demand for our products and services, including demand for timeshare products. These factors include, but are not limited to: • changes in general economic conditions, including low consumer confidence, high unemployment levels and depressed real estate prices resulting from the severity and duration of any downturn in the U. S.

or global economy; • war, political conditions or civil unrest, violence or terrorist activities or threats and heightened travel security measures instituted in response to these events; • the financial and general business condition of the travel industry; • statements, actions or interventions by governmental officials related to travel and the resulting negative public perception of such travel; • conditions that negatively shape public perception of travel, including travel- related accidents and outbreaks of pandemic or contagious diseases, such as COVID- 19, Ebola, avian flu, severe acute respiratory syndrome (SARS), H1N1 (swine flu) and the Zika virus; • cyber- attacks; • price and availability of natural resources and supplies; • natural or manmade disasters, such as earthquakes, windstorms, tornadoes, hurricanes, typhoons, tsunamis, volcanic eruptions, floods, drought, fires, oil spills and nuclear incidents, and the effects of climate change increasing the frequency and severity of extreme weather events; and • organized labor activities, which could cause a diversion of business from resorts involved in labor negotiations and loss of business generally for the resorts we manage as a result of certain labor tactics. Any one or more of these factors can adversely affect, and from time to time have adversely affected, individual resorts, particular regions and our business, financial condition and results of operations. Contraction in the global economy or low levels of economic growth could adversely affect our revenues and profitability as well as limit or slow our future growth. Consumer demand for products and services provided by the timeshare industry is closely linked to the performance of the general economy and is sensitive to business and personal discretionary spending levels. Decreased global or regional demand for products and services provided by the timeshare industry can be especially pronounced during periods of economic contraction or low levels of economic growth, and the recovery period in our industry may lag overall economic improvement. Declines in demand for our products and services due to general economic conditions could negatively affect our business by decreasing the revenues we are able to generate from our VOI sales, financing activities and Club and resort operations. In addition, many of the expenses associated with our business, including personnel costs, interest, rent, property taxes, insurance and utilities, are relatively fixed. During a period of overall economic weakness, if we are unable to meaningfully decrease these costs as demand for our products and services decreases, our business operations and financial performance may be adversely affected. We are subject to business, financial and operating risks inherent to the timeshare and hospitality industry, any of which could reduce our revenues and limit opportunities for growth. Our business is subject to a number of business, financial and operating risks inherent to the timeshare industry, including: • changes in the supply and demand for our products and services; • our ability to securitize the receivables that we originate in connection with VOI sales; • delays in or cancellations of planned or future development or refurbishment projects; • the financial condition of third- party developers with whom we do business; • relationships with third- party developers, our Club members and HOAs; • changes in desirability of geographic regions of our resorts and affiliated resorts, geographic concentration of our operations and shortages of desirable locations for development; • changes in operating costs, including energy, food, employee compensation and benefits and insurance; • increases in costs due to inflation or otherwise, including increases in our operating costs, that may not be fully offset by price and fee increases in our business; • changes in taxes and / or governmental regulations that influence or set wages, prices, interest rates or construction and maintenance procedures and costs; • significant increases in cost of health care coverage for employees, and various government regulation with respect to health care coverage; • shortages of labor or labor disruptions; • the availability and cost of capital necessary for us, and third-party developers with whom we do business, to fund investments, capital expenditures and service debt obligations; • significant competition from other timeshare businesses and hospitality providers in the markets in which we operate; • market and / or consumer perception and reputation of timeshare companies and the industry in general; • the economic environment for and trends in the tourism and hospitality industry, which may impact the vacationing and purchasing decisions of consumers; • the influence of social media on consumers' lodging decisions; • increases in the use of third- party and competitor internet services to book hotel reservations, secure short- term lodging accommodations and market vacation rental properties; • legal, business or regulatory issues unique to the geographic locations of our resorts and affiliated resorts, which could increase the cost of or result in delays in entering into or expanding in those locations. • limited underwriting standards due to the real- time nature of industry sales practices; • private resales of VOIs and the sale of VOIs in the secondary market; and • the impact on the industry of unlawful or deceptive third- party VOI resale or vacation package sales schemes. Any of these factors could increase our costs or limit or reduce the prices we are able to charge for our products and services or otherwise affect our ability to maintain existing properties or products, develop new properties, products and services or source VOI supply from third parties. As a result, any of these factors can reduce our revenues and limit opportunities for growth. We operate in a highly competitive industry. The timeshare industry is highly competitive. The Hilton brands we use compete with the timeshare brands affiliated with major hotel chains in national and international venues, and we compete generally with the vacation rental options generally offered by the lodging and travel industry (e. g., hotels, resorts, home and apartment sharing services, and condominium rentals) and other options such as cruises. We also compete with other timeshare developers for sales of VOIs based principally on location, quality of accommodations, price, service levels and amenities, financing terms, quality of service, terms of property use, reservation systems, flexibility for VOI owners to exchange into time at other timeshare properties, or other travel rewards, including access to hotel loyalty programs, as well as brand name recognition and reputation. A number of our competitors are significantly larger than we are and have potentially greater access to capital resources and broader marketing, sales and distribution capabilities. We also compete with numerous other smaller owners and operators of timeshare resorts, as well as home and apartment sharing services that market available privately owned residential properties that can be rented on a nightly, weekly or monthly basis. In addition, we are in competition with national and independent timeshare resale companies and members reselling existing VOIs on the secondary market, which could reduce demand or prices for sales of new VOIs. We also compete with other timeshare management companies in the management of resorts on behalf of owners on the basis of quality, cost, types of services offered and relationship. We compete with other timeshare companies for off- site sales centers, through which we market our products to potential members, including in locations like high- traffic shopping centers and tourist attractions in leisure destinations. We compete for property acquisitions and partnerships with entities that have similar investment objectives as we do. This competition could limit the number of, or negatively affect the cost of, suitable investment opportunities available to us. Recent and potential future consolidation in the highly fragmented timeshare industry may increase competition. Consolidation may create competitors that enjoy significant advantages resulting from, among other things, a lower cost of, and greater access to, capital and enhanced operating efficiencies. Our ability to remain competitive and to attract and retain members depends on our success in distinguishing the quality and value of our products and services from those offered by others. If we cannot compete successfully in these areas or if our marketing and sales efforts are not successful and we are unable to convert customers to a sufficient number of sales, this could negatively affect our operating profits and margins and our ability to recover the expense of our marketing programs and grow our business, diminish our market share and reduce our earnings. **Any** ~~The COVID- 19~~ pandemic **, epidemic** and related events **may** have ~~had, and may from time to time continue to have,~~ a material adverse effect on our business, financial condition and results of operations. ~~The~~ **During the** COVID- 19 pandemic **,** ~~and the various measures taken or implemented by~~ governments and other authorities in the United States and around the world **took and implemented unprecedented measures** , **and** businesses, organizations and individuals **, including HGV, implemented a variety of measures in response that were required or were believed to be advisable, including, without limitation, temporarily closing businesses. The pandemic, as well as such measures,** had **a significant** ~~, and may from time to time continue to have, an~~ adverse impact on domestic and international travel, consumer demand for travel, commercial activities across the travel, lodging and hospitality industries, businesses generally, and consequently, on our business and operations. **Any future variant** ~~These measures, as well as a drop in demand for travel and leisure activities, adversely impacted our business. In response to the pandemic, we implemented a variety~~ of ~~measures that are or were required, or we believe are advisable, for our business with the goal of keeping our customers, owners, team members, and the communities we serve as safe as reasonably feasible from the~~ COVID- 19 **and / or new** ~~virus. The conditions caused by the~~ pandemic ~~continue~~ **or epidemic that leads** to ~~be unpredictable~~ **similar measures** , **restrictions or** ~~including as a result of new variants and governmental~~ responses ~~or restrictions and changes in behavior as a result. We will continue to monitor and respond to any restrictions or recommendations of national and local governments and public health agencies related to the COVID- 19 pandemic, and~~ could **again materially and adversely** ~~be subject to similar restrictions or impacts~~ - **impact** ~~resulting from epidemics or~~ **our** ~~global pandemics in the future~~ **business, financial condition and operating results** . Risks Related to the Operation of Our Business We do not own the Hilton brands and our business will be materially harmed if we breach our license agreement with Hilton or it is terminated. Following the spin- off ~~of HGV from Hilton in January 2017~~ , Hilton retained ownership of the Hilton- branded trademarks, tradenames and certain related intellectual property used in the operation of our business. We entered into a license agreement with Hilton granting us the right to use the Hilton- branded trademarks, trade names and related intellectual property in our business for the term of the agreement. The license agreement was amended and restated in connection with the Diamond Acquisition **and the Bluegreen Acquisition** to facilitate our integration of the Diamond **and Bluegreen** ~~business~~ **businesses** and create a license fee structure related to the ~~integration~~ **integrations** . If we breach our obligations under the license agreement, Hilton may be entitled to terminate the license agreement or terminate our rights to use the Hilton brands and other Hilton intellectual property at properties that do not meet applicable standards and policies, or to exercise other remedies. Pursuant to the license agreement, Hilton would be the sole owner of certain licensed marks related to any new brands associated with the Diamond portfolio that ~~are~~ **we** developed ~~by us~~ **or may develop** . If the license agreement is terminated, we could lose the right to use one or more of such new brands. The termination of the license agreement or exercise of other remedies would materially harm our business and results of operations and impair our ability to market and sell our products and maintain our competitive position. For example, if we are not able to rely on the strength of the Hilton brands to attract prospective members and guests in the marketplace, our revenue and profits would decline **,** and our marketing and sales expenses would increase. If we are not able to use Hilton' s marketing databases and corporate- level advertising channels to reach potential members and guests, including Hilton' s internet address as a channel through which to market available inventory, our member growth would be adversely affected and our revenue would materially decline, and it is unlikely that we would be able to replace the revenue associated with those channels. Even if the license agreement remains in effect, the termination or restriction of our rights to use any branded trademarks, trade names and related intellectual property licensed to us by Hilton at properties that fail to meet applicable standards and policies, or any deterioration of quality or reputation of the Hilton brands (even deterioration not leading to termination of our rights under the license agreement or not caused by us), could also harm our reputation and impair our ability to market and sell our products, which could materially harm our business. In addition, if license agreement terms relating to the Hilton Honors loyalty program terminate, we would not be able to offer Hilton Honors points to our members and guests. This would adversely affect our ability to sell our products, offer the flexibility associated with our Club membership and sustain our collection performance on our timeshare financing receivables portfolio. Finally, the license agreement imposes a number of restrictions or prohibitions on our business and operations, and our ability to engage in a number of transactions, including, without limitations, acquiring or being acquired by another entity, and engaging in any lodging business or otherwise competing with Hilton, in each case without Hilton' s consent. Any noncompliance with any of these ~~provision~~ **provisions** may result in the termination of the license agreement, either automatically or at Hilton' s election. In addition, while we are permitted under the license agreement to engage in certain other businesses, including owning and operating vacation ownership business and properties that are not Hilton- branded, in such instances, we are not permitted to use any of the rights and assets provided by Hilton under the license agreement in connection with such business and operation. In fact, we are required to comply with various requirements to operate such business and properties as ~~"~~ separate ~~operation~~ **operations** . ~~"~~ However, if any such non- Hilton branded vacation ownership properties and related units **and revenues** exceed certain thresholds, we may lose certain rights **, including the right related** to **our** use ~~the~~ **of** Hilton **- branded** ~~trademark~~ **trademarks** , including our " Hilton Grand Vacations " corporate name. In addition, any non- compliance with the ~~separation~~ **separate** operations provision may give rise to Hilton' s ability to terminate the license agreement. Any of the foregoing and other factors that lead to Hilton' s termination of the license agreement will have a material and irreparable adverse impact on our business. See " Item 1. Business — Key Agreements with Hilton Worldwide Holdings. " We will rely on Hilton to consent to our use of its trademarks at new properties we manage in the future. Under the terms of our license agreement with Hilton, we are required to obtain Hilton' s consent to use its trademarks in circumstances specified in the license agreement. Hilton may reject a proposed project in certain circumstances. Any requirements to obtain Hilton' s consent to our expansion plans, including the ongoing ~~conversion~~ **rebranding** of the acquired Diamond **resorts and planned rebranding of the acquired Bluegreen** resorts to Hilton branded properties, or the need to identify and secure alternative expansion opportunities because Hilton does not allow us to use its trademarks with proposed new projects, may delay implementation of our expansion plans, cause us to incur additional expense or reduce the financial viability of our projects. Further, if Hilton does not permit us to use its trademarks in connection with our expansion plans, our ability to expand our Hilton- branded timeshare business would cease and our ability to remain competitive may be materially adversely affected. See " **Risks Related to the Integration of Diamond —** Our ability to integrate the acquired Diamond business could be harmed if Hilton does not consent to the use of ~~their~~ **its** trademarks in connection with the ~~conversion~~ **rebranding** of Diamond **resorts, " " Risks Related to the Integration of Bluegreen — Our ability to integrate the acquired Bluegreen business could be harmed if Hilton does not consent to the use of its trademarks in connection with the rebranding of Bluegreen** resorts " and " Item 1. Business — Key Agreements with Hilton Worldwide Holdings. " Our business depends on the quality and reputation of the Hilton brands and affiliation with the Hilton Honors loyalty program. Currently, our Legacy HGV products and services are offered under the Hilton brand names and affiliated with the Hilton Honors loyalty program, and we intend to continue to develop and offer products and services under the Hilton brands and affiliated with the Hilton Honors loyalty program in the future, including the products acquired in the Diamond **Acquisition and the Bluegreen** Acquisition. In addition, the license agreement contains significant prohibitions on our ability to own or operate properties that are not Hilton brand names. The concentration of our products and services under these brands and program may expose us to risks of brand or program deterioration, or reputational decline, that are greater than if our portfolio were more diverse. Furthermore, as we are not the owner of the Hilton brands or the Hilton Honors loyalty program, changes to these brands and program or our access to them, including our ability to buy points to offer to our members and potential members, could negatively affect our business. Any failure by Hilton to protect the trademarks, trade names and intellectual property that we license from it could reduce the value of the Hilton brands and also harm our business. If these brands or program deteriorate or materially change in an adverse manner, or the reputation of these brands or program declines, our market share, reputation, business, financial condition or results of operations could be materially adversely affected. We rely on several critical marketing programs and activities to generate tour flow and contract sales and increase our revenues. We rely on several critical marketing activities to engage with potential VOI purchasers for generating tour flow, contract sales and financing fees, resort management and other revenues. These include targeted direct marketing, transfers of calls by Hilton of its customers to us pursuant to an agreement, and the successful implementation of our digital and technology- based marketing strategy. Any significant changes to one or more factors that adversely affect such marketing activities, such as changes in consumer behavior and preference for vacations or a decrease in the number of calls being transferred from Hilton due to increasing consumer reliance on digital tools, will adversely impact our revenue. We may experience financial and operational risks in connection with acquisitions and other opportunistic business ventures. We will consider strategic acquisitions to expand our inventory options and distribution capabilities; however, we may be unable to identify attractive acquisition candidates or complete transactions on favorable terms. Future acquisitions could result in potentially dilutive issuances of equity securities and / or the assumption of contingent liabilities. These acquisitions may also be structured in such a way that we will be assuming unknown or undisclosed liabilities or obligations. Moreover, we may be unable to efficiently integrate acquisitions, management attention and other resources may be diverted away from other potentially more profitable areas of our business and in some cases these acquisitions may turn out to be less compatible with our growth and operational strategy than originally anticipated. The occurrence of any of these events could adversely affect our business, financial condition and results of operations. As part of our business strategy, we also intend to continue collaborating with Hilton on timeshare development opportunities at new and existing hotel properties and explore growth opportunities along the Hilton brand spectrum, as well as expand our marketing partnerships and travel exchange partners. However, we may be unable to successfully enter into these arrangements on favorable terms or launch related products and services, or such products and services may not gain acceptance among our members or be profitable. The failure to develop and execute any such initiatives on a cost- effective basis could have an adverse effect on our business, financial condition and results of operations. Partnership or joint venture investments could be adversely affected by our lack of sole decision- making authority, our reliance on partners' or co- venturers' financial condition, disputes between us and our partners or co- venturers and our obligation to guaranty certain obligations beyond the amount of our investments. We have co- invested with third parties and we may in the future co- invest with other third parties through partnerships, joint ventures or other entities, acquiring non- controlling interests in, or sharing responsibility for managing the affairs, of a timeshare property, partnership, joint venture or other entity. **These include our Elara joint venture with Blackstone and the Bluegreen- Bass Pro joint venture that we assumed as part of the Bluegreen Acquisition.** Consequently, with respect to any such third- party arrangements, we would not be in a position to exercise sole decision- making authority regarding the property, partnership, joint venture or other entity, and may, under certain circumstances, be exposed to risks not present if a third party were not involved, including the possibility that partners or co- venturers might become bankrupt or fail to fund their share of required capital contribution. In addition, we may be forced to make contributions to maintain the value of the property. Such investments may also have the potential risk of impasses on decisions, such as a sale, because neither we nor the partner or co- venturer may have full control over the partnership or joint venture. We and our respective partners or co- venturers may each have the right to trigger a buy- sell right or forced sale arrangement, which could cause us to sell our interest, or acquire our partners' or co- venturers' interest, or to sell the underlying asset, either on unfavorable terms or at a time when we otherwise would not have initiated such a transaction. In addition, a sale or transfer by us to a third party of our interests in the partnership or joint venture may be subject to consent rights or rights of first refusal in favor of our partners or co- venturers, which would in each case restrict our ability to dispose of our interest in the partnership or joint venture. Any or all of these factors could adversely affect the value of our investment, our ability to exit, sell or dispose of our investment at times that are beneficial to us, or our financial commitment to maintaining our interest in the joint ventures. Our joint ventures may be subject to debt and the refinancing of such debt, and we may be required to provide certain guarantees or be responsible for the full amount of the debt, beyond the amount of our equity investment, in certain circumstances in the event of a default. Our joint venture partners may take actions that are inconsistent with the interests of the partnership or joint venture, or in violation of the financing arrangements and trigger our guaranty, which may expose us to substantial financial obligation and commitment that are beyond our ability to fund. In addition, partners or co- venturers may have economic or other business interests or goals that are inconsistent with our business interests or goals and may be in a position to take action or withhold consent contrary to our policies or objectives. In some instances, partners or co- venturers may have competing interests in our markets that could create conflict of interest issues. Disputes between us and partners or co- venturers may result in litigation or arbitration that would increase our expenses and prevent our officers from focusing their time and effort on our business. Consequently, actions by or disputes with partners or co- venturers might result in subjecting assets owned by the partnership or joint venture, and to the extent of any guarantee our assets, to additional risk. In addition, we may, in certain circumstances, be liable for the actions of our third- party partners or co- venturers. Our dependence on development activities exposes us to project cost and completion risks. We secure VOI inventory in part by developing new timeshare properties and new phases of existing timeshare properties. We have continued our construction activities as a critical source of developing new inventories that we sell and will continue to sell. Our ongoing involvement in the development of inventory presents a number of risks, including: • weakness in the capital markets limiting our ability to raise capital for completion of projects or for development of future properties or products; • construction costs and the costs of materials and supplies, to the extent they escalate faster than the pace at which we can increase the price of VOIs, adversely affecting our profits and margins; • construction delays, supply chain delays, labor shortages, zoning and other local, state or federal governmental approvals, particularly in new geographic areas with which we are unfamiliar, cost overruns, lender financial defaults, or natural or man-made disasters, such as earthquakes, tsunamis, hurricanes, floods, fires, volcanic eruptions and oil spills, increasing overall project costs, affecting timing of project completion or resulting in project cancellations; • any liability or alleged liability or resultant delays associated with latent defects in design or construction of projects we have developed or that we construct in the future adversely affecting our business, financial condition and reputation; • failure by third- party contractors to perform for any reason, exposing us to operational, reputational and financial harm; and • the existence of any title defects in properties we acquire. We also source inventory from third- party developers that are exposed to such risks, and the occurrence of any of these risks with respect to those third parties could have a material adverse effect on our access to the inventory sourced from these developers. In addition, developing new VOIs to market and sell requires us to register such VOIs in applicable states, which necessitates the incurrence of additional time and cost, and in many jurisdictions, the exact date of any such registration approvals cannot be accurately predicted. Any significant delays in timeshare project registration approvals will materially adversely impact our sales activities and thereby negatively impact our revenue. See " **—** Our business is regulated under a wide variety of laws, regulations and policies, and failure to comply with these regulations could adversely affect our business. " Our real estate investments subject us to numerous risks. We are subject to the risks that generally relate to investments in and the development of real property. A variety of factors affect income from properties and real estate values, including laws and regulations, insurance, interest rate levels and the availability of financing. Our license agreement or other agreements with Hilton may require us to incur unexpected costs required to cause our properties to comply with applicable standards and policies. **Our** ~~In recent years, our~~ financial results have been positively impacted by a lower interest rate environment. However, when interest rates increase the cost of acquiring, developing, expanding or renovating real property increases, and real property values may decrease as the number of potential buyers decrease. Similarly, as financing becomes less available, it becomes more difficult both to acquire and develop real property. Many costs of real estate investments, such as real estate taxes, insurance premiums, maintenance costs and certain operating costs, are generally more fixed than variable, and as a result are not reduced even when a property is not fully sold or occupied. If any of these risks were realized, they could have a material adverse effect on our results of operations or financial condition. We manage a concentration of properties in particular geographic areas, which exposes our business to the effects of regional events and occurrences. Our properties are concentrated in certain geographic areas including Florida, Europe, Hawaii, California, Arizona, Nevada, and Virginia and are, therefore, particularly susceptible to adverse developments in those areas. These economic developments include regional economic downturns, significant increases in the number of our competitors' products in these markets, and potentially higher labor, real estate, tax or other costs in the geographic markets in which we are concentrated. In addition, ~~the~~ **our** properties ~~we manage~~ are subject to the effects of adverse acts of natural or man- made disasters, including earthquakes, windstorms, tornadoes, hurricanes, typhoons, tsunamis, volcanic eruptions, floods, drought **, climate changes** , fires, oil spills and nuclear incidents. Extreme weather events and adverse weather conditions, including hurricanes, flooding and forest fires, that impact the areas in which our properties are concentrated may increase in frequency and severity as a result of climate change. Depending on the severity of these disasters, the damage could require closure of all or substantially all of these properties in one or more markets for a period of time while the necessary repairs and renovations, as applicable, are undertaken. In addition, we cannot guarantee that the amount of insurance maintained for these properties from time to time would entirely cover damages caused by any such event. Further, actual or threatened war, political conditions or civil unrest, violence or terrorist activities or threats and heightened travel security measures instituted in response to these events, could also interrupt or deter vacation plans to our key markets. As a result of this geographic concentration of properties, we face a greater risk of a negative effect on our revenues in the event these areas are more severely and more frequently affected by adverse economic and competitive conditions, extreme weather, man- made disasters, and political and civil unrest. Our current operations and future expansion outside of the United States make us susceptible to the risks of doing business internationally, which could lower our revenues, increase our costs, reduce our profits or disrupt our business. We currently have timeshare properties located in the United States, Europe, Mexico, the Caribbean, Canada and ~~Japan~~ **Asia** . We also market our products and services in the Asia Pacific region, primarily in Japan and South Korea. In addition, as part of our business strategy, we intend to continue the expansion of our operations in Japan, including by developing property there and selling VOIs at properties located in Japan, as well as explore further expansion opportunities in other countries located in the Asia Pacific region, Mexico, Europe and the Caribbean. Such activities may not be limited only to marketing efforts for existing international and U. S. properties and products in other countries, but may also include acquiring, developing, managing, marketing, offering and / or financing timeshare properties and VOI related products and services in such countries. Current and future international operations expose us to a number of additional challenges and risks that may not be inherent in operating solely in the U. S., including, for example, the following: • rapid changes in governmental, economic, legislative or political policy; • political or civil unrest, acts of terrorism or the threat of international boycotts or U. S. anti- boycott legislation; • negative impact on governmental relationships between those countries in which we currently operate or have future expansion plans, on one hand, and the U. S., on the other hand, which may result in undesirable trade, travel or similar regulations, thereby negatively affecting the tourism industry generally, and the timeshare and leisure industry specifically; • increases in anti- American sentiment and the identification of the Hilton brands as American brands; • recessionary trends or economic instability in international markets; • changes in foreign currency exchange rates or currency restructurings and hyperinflation or deflation in the countries in which we operate; • the effect of disruptions caused by severe weather, natural disasters, outbreaks of disease or other events that make travel to a particular region less attractive or more difficult; • the presence and acceptance of varying levels of business corruption in international markets and the effect of various anti- corruption and other laws; • the imposition of restrictions on currency conversion or the transfer of funds; • the ability to comply with or effect of complying with complex and changing laws, regulations and policies of foreign governments that may affect investments or operations, including foreign ownership restrictions, import and export controls, tariffs, embargoes, increases in taxes paid and other changes in applicable tax laws; • uncertain, unfamiliar and / or unpredictable regulatory environment that may adversely affect the acquisition, development, management, marketing, sales, financings, and related activities that affect the lodging, real estate, and travel industries, and, more specifically, to the timeshare industry, such as zoning laws, real estate development regulations, and consumer privacy; • exposure to litigation in foreign jurisdictions, including the expense and time necessary to litigate and the potential of adverse outcomes ~~; • consequences of the United Kingdom' s exit from the European Union, including new or different regulations~~ ; • uncertainties as to local laws regarding, and enforcement of, contract and intellectual property rights; • forced nationalization of resort properties by local, state or national governments; • different social or cultural norms and practices that are not customary in the U. S.; and • the difficulties involved in managing an organization doing business in different countries. These and other factors may materially adversely affect our business generally, future expansion plans, revenues from international operations, and costs and profits, as well as our financial condition. Our acquisition of Diamond has expanded our operations to a number of jurisdictions in which we had not previously operated and subjected us to a number of additional legal considerations. Expansion of our international operations into other countries and territories may result in greater inefficiencies in navigating the risks of operating internationally and could result in greater effects on our business than would be experienced by a company with greater international experience. Similarly, we market our U. S. and international properties in Japan, have begun developing products and services in Japan, and intend to continue the expansion of our operations in Japan. The Japanese economy has in recent years experienced periods of fiscal and economic volatility, and we may be unable to properly predict the effect of such volatility, including the actions that may be taken by the Japanese government, in a way that fully mitigates the impact of such volatility on our marketing activities and businesses in Japan. In Mexico, the developer of certain acquired Diamond resorts has agreed to requirements that would consider themselves Mexican nationals with respect to certain properties. The developer also agreed to not invoke the protection of the government in matters relating to the property. Generally, rules in Mexico limit ownership of land near Mexico' s borders and beaches to Mexican citizens and companies, unless granted the right by the Mexican government. If the developer of the resorts in Mexico fails to comply with the agreement with the Mexican government, it would forfeit the land back to Mexico. We rely on highly skilled personnel and, if we are unable to retain or motivate key personnel, hire qualified personnel, or maintain our corporate culture, we may not be able to grow effectively. Our performance largely depends on the talents and efforts of highly skilled individuals. Our future success depends on our continuing ability to identify, hire, develop, motivate, and retain highly skilled personnel for all areas of our organization. Competition in our industry for qualified employees is intense, and certain of our competitors have directly targeted our employees. Our compensation arrangements may not always be successful in attracting new employees and retaining and motivating our existing employees, and we may need to increase compensation in order to maintain our workforce. The loss of any members of our management team could adversely affect our strategic, member and guest relationships and impede our ability to execute our business strategies. If we cannot recruit, train, develop or retain sufficient numbers of talented employees, we could experience increased employee turnover, decreased member and guest satisfaction, low morale, inefficiency or internal control failures, which could materially reduce our profits. In addition, insufficient numbers of skilled employees at our properties could constrain our ability to maintain our current levels of business or successfully expand our business. We believe that our corporate culture fosters innovation, creativity, and teamwork. As our organization grows, and we are required to implement more complex organizational management structures, we may find it increasingly difficult to maintain the beneficial aspects of our corporate culture and attract and retain employees. This could negatively affect our future success. Third- party reservation channels may negatively affect our bookings for room rental revenues. Some stays at the properties we manage are booked through third- party internet travel intermediaries, such as expedia. com, orbitz. com and booking. com, as well as lesser- known and / or newly emerging online travel service providers. As the percentage of internet bookings increases, these intermediaries may be able to obtain higher commissions, reduced room rates or other significant contract concessions from us. Moreover, some of these internet travel intermediaries are attempting to commoditize lodging, by increasing the importance of price and general indicators of quality (such as " three- star property ") at the expense of brand identification. These intermediaries also generally employ aggressive marketing strategies, including expending significant resources for online and television advertising campaigns to drive consumers to their websites. Additionally, consumers can book stays at the properties we manage through other distribution channels, including travel agents, travel membership associations and meeting procurement firms. Over time, consumers may develop loyalties to these third- party reservation systems rather than to our booking channels. Although we expect to derive most of our business from traditional channels and our websites (and those of Hilton), our business and profitability could be adversely affected if customer loyalties change significantly, diverting bookings away from our distribution channels. Changes to estimates or projections used to assess the fair value of our assets, or operating results that are lower than our current estimates at certain locations, may cause us to incur impairment losses that could adversely affect our results of operations. Our total assets include intangible assets with finite useful lives and long- lived assets, principally property and equipment and VOI inventory. We evaluate our intangible assets with finite useful lives and long- lived assets for impairment when circumstances indicate that the carrying amount may not be recoverable. Our evaluation of impairment requires us to make certain estimates and assumptions including projections of future results. After performing our evaluation for impairment, including an analysis to determine the recoverability of long-lived assets, we will record an impairment loss when the carrying value of the underlying asset, asset group or reporting unit exceeds its fair value. We carry our VOI inventory at the lower of cost or estimated fair value, less costs to sell. If the estimates or assumptions used in our evaluation of impairment or fair value change, we may be required to record impairment losses on certain of these assets. If these impairment losses are significant, our results of operations would be adversely affected. Our insurance policies may not cover all potential losses. We maintain insurance coverage for liability, property, business interruption, cyber liability and other risks with respect to business operations. While we have comprehensive property and liability insurance policies with coverage features and insured limits that we believe are customary, market forces beyond our control may limit the scope of the insurance coverage we can obtain or our ability to obtain coverage at reasonable rates. The cost of our insurance may increase, and our coverage levels may decrease, which may affect our ability to maintain customary insurance coverage and deductibles at acceptable costs. There is a limit as well as various sub- limits on the amount of insurance proceeds we will receive in excess of applicable deductibles. If an insurable event occurs that affects more than one of our properties, the claims from each affected property may be considered together to determine whether the per occurrence limit, annual aggregate limit or sub- limits, depending on the type of claim, have been reached. If the limits or sub- limits are exceeded, each affected property may only receive a proportional share of the amount of insurance proceeds provided for under the policy. Further, certain types of losses, generally of a catastrophic nature, such as earthquakes, hurricanes and floods, war, terrorist acts, such as biological or chemical terrorism, political risks, some environmental hazards and / or natural or man- made disasters, may be outside the general coverage limits of our policy, subject to large deductibles, deemed uninsurable or too cost-prohibitive to justify insuring against. In addition, in the event of a substantial loss, the insurance coverage we carry may not be sufficient to pay the full market value or replacement cost of the affected resort or in some cases may not provide a recovery for any part of a loss. As a result, we could lose some or all the capital we have invested in a property, as well as the anticipated future marketing, sales or revenue opportunities from the property. Further, we could remain obligated under guarantees or other financial obligations related to the property despite the loss of product inventory, and our members could be required to contribute toward deductibles to help cover losses. We have identified a material weakness in our internal control over financial reporting ~~related to Diamond~~ . If we are unable to remediate this material weakness, experience additional material weaknesses, or otherwise fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately or timely report our financial results, in which case our business may be harmed, our stock price could be adversely affected, and we may otherwise experience other adverse consequences. As **previously disclosed** ~~a public company~~ , **in connection with our year** ~~we are required by Section 404 of the Sarbanes~~ - **end assessment** ~~Oxley Act to evaluate the effectiveness~~ of ~~our~~ internal control over financial reporting **,** ~~. We must also include a report issued by~~ our **management determined that, as** ~~independent registered public accounting firm based on their audit~~ of ~~our~~ **December 31, 2022, we had not maintained effective** internal control over financial reporting **due to a material weakness in internal control over financial reporting related to Diamond, which we acquired in August 2021** . ~~As~~ **A material weakness is a deficiency, or a combination of deficiencies, in our internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company' s annual or interim financial statements will not be prevented or detected on a timely basis. While such material weakness has been fully remediated, as** discussed in Part II, Item 9A of this Annual Report on Form 10- K, in connection with our **2023** year- end assessment of internal control over financial reporting, our management determined that, as of December 31, ~~2022~~ **2023** , we did not maintain effective internal control over financial reporting due to a material weakness in internal control over financial reporting **arising out of ineffectively designed general information technology controls over user access for** ~~related to Diamond, which we acquired on August 2, 2021. Specifically, our management concluded that Diamond, which was privately owned prior to our acquisition and~~ - **an** ~~, accordingly, not~~ **IT application used to initiate revenue and inventory transactions. As** a **result** ~~reporting company under the Exchange Act~~ , ~~did not adequately identify, design and implement the~~ process- level **automated** controls **and manual controls** ~~for its significant processes~~ that are **dependent on** ~~necessary for compliance with~~ the **completeness** ~~requirements for reporting companies pursuant to the Exchange Act,~~ and ~~Diamond did not~~ **accuracy of information derived from the affected IT application were also ineffective. We** have **commenced** ~~appropriate information technology controls for its information technology systems or such controls did not~~

~~operate for a sufficient period of time prior to the assessment date. We are~~ taking, and will continue to take, steps to enhance the risk assessment process and design and implementation of internal controls over financial reporting with respect to ~~Diamond~~ **the user access matter** , including **enhancing and revising the design of our existing financial reporting and information technology controls and procedures, and** incorporating additional controls and processes ~~, and enhancing and revising the design of our existing financial reporting and information technology controls and procedures~~ . However, the material weakness will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. There can be no assurances that such remediation steps will be complete in our anticipated timeframe or if they will successfully remediate the material weakness identified on a timely basis. As a result, we may not be successful in making the improvements necessary to remediate such material weakness, be able to do so in a timely manner, or be able to identify and remediate additional control deficiencies, including material weaknesses, in the future. **Furthermore, information technology and other controls and procedures can be extensive and numerous, and there can be no assurance that our management may not uncover other deficiencies in the future that could lead to additional material weaknesses.** Any one or more of these outcomes could cause us to fail to meet our financial reporting obligations or result in material misstatements in our financial statements, which could adversely affect our business generally and lead to other adverse consequences, including, without limitation, the loss of investor confidence in us, reduction of our stock price, and exposure to litigation or government investigations and / or sanctions **. In addition, remediation plans can be costly and divert critical attention of our internal personnel and resources, which could increase our general and administrative expenses and decrease our net operating results** . Our business could be adversely impacted if we have deficiencies in our disclosure controls and procedures, including as a result of the material weakness identified by management. The design and effectiveness of our disclosure controls and procedures are closely tied to and interdependent with our internal control over financial reporting. Our disclosure controls and procedures, as may be updated to include additional **enhancements** ~~controls and processes, and enhanced~~ to ~~revise~~ the design of existing financial reporting and information technology controls and procedures **, as well as adding additional controls and processes,** as previously discussed, are designed to ensure that information we are required to disclose in the reports that we file or submit under the Exchange Act and applicable rules and regulations is recorded, processed, summarized and reported within the time periods specified in such rules and forms, and that such required information is accumulated and communicated to our management in a timely manner. Nonetheless, our disclosure controls and procedures may not prevent all omissions, errors, or misstatements due to a number of factors, including, without limitation, resource constraints, benefits of the controls and procedures relative to their costs, human error and judgment, or intentional circumvention by individual acts, any of which may cause omissions, errors, or misstatements. While management will continue to review the effectiveness of our disclosure controls and procedures, including our internal controls over financial reporting, there can be no guarantee that our disclosure controls and procedures and internal controls will prevent all omissions, errors and misstatements, intentional or otherwise, any occurrence of which may result in material omissions or misstatements in our filings with the SEC, which could materially adversely affect our financial results, investor confidence, our stock price, and our business generally. Risks Related to the Sale of VOIs A decline in developed or acquired VOI inventory or our failure to enter into and maintain fee- for- service agreements may have an adverse effect on our business or results of operations. In addition to VOI supply that we develop or acquire, we source VOIs through fee- for- service agreements with third- party developers. If we fail to develop timeshare properties, acquire inventory or are unsuccessful in entering into new agreements with third- party developers, we may experience a decline in VOI supply, which could result in a decrease in our revenues. Approximately ~~44~~ **47** % of our contract sales were from capital- efficient sources for the year ended December 31, ~~2022~~ **2023** . As part of our strategy to optimize our sales mix of capital- efficient inventory, we will continue to acquire inventory and enter into additional fee- for- service agreements to source inventory. These arrangements may expose us to additional risk as we will not control development activities or timing of development completion. If third parties with whom we enter into agreements are not able to fulfill their obligations to us, the inventory we expect to acquire or market and sell on their behalf may not be available on time or at all, or may not otherwise be within agreed- upon specifications, including the specifications that we must meet in order to use Hilton' s trademarks at such properties. If our counterparties do not perform as expected and we do not have access to the expected inventory or obtain access to inventory from alternative sources on a timely basis, our ability to achieve sales goals may be adversely affected. In addition, a decline in VOI supply could result in a decrease of financing revenues that are generated by VOI purchases and fee and rental revenues that are generated by our resort and Club management services. Our ability to source VOI inventory and finance VOI sales may be impaired if we or the third- party developers with whom we do business are unable to access capital when necessary. The availability of funds for new investments, primarily developing, acquiring or repurchasing VOI inventory, depends in part on liquidity factors and capital markets over which we can exert little, if any, control. Instability in the financial markets and any resulting contraction of available liquidity and leverage could constrain the capital markets for investments in timeshare products. In addition, we intend to access the securitization markets to securitize our timeshare financing receivables. Any future deterioration in the financial markets could preclude, limit, delay or increase the cost to us of future securitizations. Instability in the financial markets could also affect the timing and volume of any securitizations we undertake, as well as the financial terms of such securitizations. Any indebtedness we incur, including indebtedness under these facilities, may adversely affect our ability to obtain any additional financing necessary to develop or acquire additional VOI inventory, to make other investments in our business, or to repurchase VOIs on the secondary market. Furthermore, volatility in the financial markets, due to tightening of underwriting standards by lenders and credit rating agencies, among other things, could result in less availability of credit and increased costs for what is available. As a result, we may not be able to obtain financing on attractive terms or at all. If our overall cost of borrowing increases, the increased costs would likely reduce future cash flow available for distribution, affecting our growth and development plans. We also require the issuance of surety bonds in connection with our real estate development and VOI sales activity. The availability, terms and conditions and pricing of our bonding capacity is dependent on, among other things, continued financial strength and stability of the insurance company affiliates providing the bonding capacity, general availability of such capacity, and our corporate credit rating. If bonding capacity is unavailable, or alternatively, if the terms and conditions and pricing of such bonding capacity are unacceptable to us, our business could be negatively affected. We have and will continue to enter into fee- for- service agreements with third- party developers to source inventory. These agreements enable us to generate fees from the marketing and sales services we provide, Club memberships and from the management of the timeshare properties without requiring us to fund acquisition and construction costs. If these developers are not able to obtain or maintain financing necessary for their operations, we may not be able to enter into these arrangements, which would limit opportunities for growth and reduce our revenues. The sale of VOIs in the secondary market by existing members could cause our sales revenues and profits to decline. Existing members have offered, and are expected to continue to offer, their VOIs for sale on the secondary market. The sale of VOIs has been made easier by recent development of virtual marketplaces assisting members with the sale of their VOIs. The prices at which these intervals are sold are typically less than the prices at which we would sell the intervals. As a result, these sales create additional pricing pressure on our sale of VOIs, which could cause our sales revenues and profits to decline. In addition, if the secondary market for VOIs becomes more organized or financing for such resales becomes more available, our ability to sell VOIs could be adversely affected and / or the resulting availability of VOIs (particularly where the VOIs are available for sale at lower prices than the prices at which we would sell them) could adversely affect our sales revenues. Further, unlawful, fraudulent or deceptive third- party VOI resale or vacation package sales schemes could damage the reputation of the industry, our reputation and brand value, or affect our ability to collect management fees, which may adversely affect our revenues and results of operations. Development of a strong secondary market may also cause a decline in the volume of VOI inventory that we are able to repurchase, which could adversely affect our development margin, as we utilize this low- cost inventory source to supplement our inventory needs and help manage our cost of vacation ownership products. We have limited underwriting standards due to the real- time nature of industry sales practices, and do not include traditional ability- to- pay factors such as income verification which may affect loan default rates. If purchasers **'** default on the loans that we provide to finance their VOI purchases, our revenues, cash flows and profits could be reduced. We originate loans for purchasers of our VOIs who qualify according to our credit criteria. Our underwriting standards generally employ FICO ® score- based standards, down payment ratios, and borrowing history, but due to the real- time nature of industry sales practices, do not include certain traditional ability- to- pay factors, such as income verification. Providing secured financing to some purchasers of VOIs subjects us to the risk of purchaser default. As of December 31, ~~2022~~ **2023** , our consumer loan portfolio had a balance of approximately $ 2. ~~5~~ **9** billion and experienced default rates of **8. 56 %,** 7. 92 % ~~,~~ **and** 8. 93 ~~% and 6. 34~~ % for the fiscal years ended December 31, **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , respectively. If a purchaser defaults under the financing that we provide, we could be forced to write off the loan and reclaim ownership of the VOI. We may be unable to resell the property in a timely manner or at a price sufficient to allow us to recover written- off loan balances, or at all. Also, if a purchaser of a VOI defaults on the related loan during the early part of the amortization period, we may not have recovered the marketing, selling and general and administrative costs associated with the sale of that VOI. If we are unable to recover any of the principal amount of the loan from a defaulting purchaser, or if the allowances for losses from such defaults are inadequate, our revenues and profits could be reduced. If default rates increase beyond current projections and result in higher **-** than **-** expected foreclosure activity, our results of operations could be adversely affected. In addition, the transactions in which we have securitized timeshare financing receivables in the capital markets contain certain portfolio performance requirements related to default, delinquency and recovery rates, which, if not met, would result in loss or disruption of cash flow until portfolio performance sufficiently improves to satisfy the requirements. If the default rates or other credit metrics underlying our timeshare financing receivables deteriorate, our timeshare financing receivable securitization program could be adversely affected. Our timeshare financing receivable securitization program could be adversely affected if any pool of timeshare financing receivables fails to meet certain performance ratios, which could occur if the default rate or other credit metrics of the underlying timeshare financing receivables deteriorate. In addition, if we offer timeshare financings to our customers with terms longer than those generally offered in the industry, we may not be able to securitize those timeshare financing receivables. Our ability to sell securities backed by our timeshare financing receivables depends on the continued ability and willingness of capital market participants to invest in such securities. Asset- backed securities issued in our timeshare financing receivable securitization program could be downgraded by credit agencies in the future. If a downgrade occurs, our ability to complete other securitization transactions on acceptable terms or at all could be jeopardized, and we could be forced to rely on other potentially more expensive and less attractive funding sources, to the extent available. Similarly, if other operators of vacation ownership products were to experience significant financial difficulties, or if the timeshare industry as a whole were to contract, we could experience difficulty in securing funding on acceptable terms. The occurrence of any of the foregoing would decrease our profitability and might require us to adjust our business operations, including by reducing or suspending our provision of financing to purchasers of VOIs. Sales of VOIs may decline if we reduce or suspend the provision of financing to purchasers, which may adversely affect our cash flows, revenues and profits. The expiration, termination or renegotiation of our management agreements could adversely affect our cash flows, revenues and profits. We enter into management agreements with the HOAs for the timeshare resorts developed / acquired by us or by third parties with whom we have entered into fee- for- service agreements. Our management agreements generally provide for a cost- plus management fee equal to 10 % to 15 % of the costs to operate the applicable resort. We also receive revenues that represent reimbursement for the costs incurred to perform our services, principally related to personnel providing on- site services. The original term of our management agreements is typically governed by state timeshare laws, and ranges from three to five years, and many of these agreements renew automatically for one- to three- year periods, unless either party provides advance notice of termination before the expiration of the term. Any of these agreements may expire at the end of its then- current term (following notice by a party of non- renewal) or be terminated, or the contract terms may be renegotiated in a manner adverse to us. If a management agreement is terminated or not renewed on favorable terms, our cash flows, revenues and profits could be adversely affected. Increased activity by third- party exit companies' owners may adversely impact our business. The acquired Diamond business has been significantly targeted by organized activities of third parties that actively pursue timeshare owners claiming to provide timeshare interest transfers and / or " exit " services. Any increases in the level of participation by timeshare owners in response to such overtures and / or delinquencies or defaults with respect to the timeshare loans owed by such owners may disrupt our business and affect cash flow from collections on the timeshare loans. In addition, exit companies may target HGV **' s** owners **(including Bluegreen' s and Diamond' s owners)** to a greater extent than they already do in light of the **larger, combined company following the** Diamond **Acquisition and Bluegreen** Acquisition. Disagreements with VOI owners, HOAs and other third parties may result in litigation and / or loss of management contracts. The nature of our responsibilities in managing timeshare properties may from time to time give rise to disagreements with VOI owners and HOAs. To develop and maintain positive relations with current and potential VOI owners and HOAs, we seek to resolve any disagreements, but may not always be able to do so. Failure to resolve such disagreements may result in litigation. Further, disagreements with HOAs could also result in the loss of management contracts, a significant loss of which could negatively affect our profits or limit our ability to operate our business, and our ongoing ability to generate sales from our existing member base may be adversely affected. In the normal course of our business, we are involved in various legal proceedings and in the future we could become the subject of claims by current or former members, VOI owners, HOAs, persons to whom we market our products, third- party developers, guests who use our properties, our employees or contractors, our investors or regulators. The outcome of these proceedings cannot be predicted. If any such litigation results in a significant adverse judgment, settlement, or court order, we could suffer significant losses, our profits could be reduced, our reputation could be harmed and our future ability to operate our business could be constrained. Failure of HOA boards to levy sufficient fees, or the failure of members to pay those fees, could lead to inadequate funds to maintain or improve the properties we manage. Owners of our VOIs and those we sell on behalf of third- party developers must pay maintenance fees levied by HOA boards, which include reserve amounts for capital replacements and refurbishments. These maintenance fees are used to maintain and refurbish the timeshare properties and to keep the properties in compliance with applicable Hilton standards and policies. If HOA boards do not levy sufficient maintenance fees, including capital reserves required by applicable law, or fail to manage their reserves appropriately, or if members do not pay their maintenance fees, the timeshare properties could fall into disrepair and fail to comply with applicable standards and policies, and / or state regulators could impose requirements, obligations and penalties. A decline in the quality or standards of the resorts we manage would negatively affect our ability to attract new members and maintain member satisfaction. In addition, if a resort fails to comply with applicable standards and policies because maintenance fees are not paid or otherwise, Hilton could terminate our rights under the license agreement to use its trademarks at the non- compliant resort, which could result in the loss of management fees, and could decrease member satisfaction and impair our ability to market and sell our products at the non- compliant locations. If maintenance fees at our resorts are required to be increased, our product could become less attractive **,** and our business could be harmed. The maintenance fees that are levied by HOA boards on VOI owners may increase as the costs to maintain and refurbish the timeshare properties and to keep the properties in compliance with Hilton brand standards increase. Increased maintenance fees could make our products less desirable and less affordable, which could have a negative effect on VOI sales and HOA and loan default rates. Further, if our maintenance fees increase substantially year over year or are not competitive with other VOI providers, we may not be able to attract new members or retain existing members. Risks Related to Technology and Cybersecurity A failure to keep pace with developments in technology could impair our operations, competitive position or reputation. Our business model and competitive conditions in the timeshare industry demand the use of sophisticated technology and systems, including those used for our marketing, sales, reservation, inventory management and property management systems, and technologies we make available to our members and more generally to support our business. In particular, an increasing number of potential customers select products based on the providers' technology and ease of interfacing with the provider. We must refine, update and / or replace these technologies and systems with more advanced systems on a regular basis. If we cannot do so as quickly as our competitors or within budgeted costs and time frames, our business could suffer. We also may not achieve the benefits that we anticipate from any new technology or system, and a failure to do so could result in higher than anticipated costs or could harm our operating results. Social media influences how consumers search for vacation information and make decisions to purchase vacation- related products and services. Lack of awareness or understanding of and the failure to effectively manage, and the costs associated with our management of social media content regarding our products and services could have a material adverse effect on VOI sales, revenues and our operating results. Social media has become an increasingly influential aspect of tourism, changing the way consumers search, evaluate, rank and purchase vacation products and services. In particular, social media plays a role in the pre- vacation phase, when consumers employ social media in the planning, information search, and the decision- making stages. Providers are no longer the primary spokesperson regarding the quality of their brands and products. Online reviews about vacation resorts play an increasing role in helping today' s consumers evaluate and make vacation decisions by providing positive and negative reviews and indirect customer- to- customer communication. Consumers may find traveler- generated content more trustworthy than information on provider websites and advertising. Vacation decisions are influenced by both negative customer reviews, and by the lack of positive reviews. The proliferation and global reach of social media continue to expand rapidly and could cause us to suffer reputational harm. The continuing evolution of social media presents new challenges and requires us to keep pace with new developments, technology and trends. Negative posts or comments about us, sales practices, the properties we manage, the Hilton brands, or the timeshare industry generally, on any social networking or user- generated review website, including travel and / or vacation property websites, could affect consumer opinions of us and our products; and we cannot guarantee that we will timely or adequately redress such instances. The failure to appreciate the importance of content on social media or failing to take action that generates positive content, minimizes negative content, and addresses areas of nonexistent content, could have a material adverse effect on VOI sales, revenues and our operating results. In addition, we may be required to devote significant resources to social media management programs, which could result in increased costs to us. Our increasing reliance on information technology and other systems subjects us to risks associated with ~~cyber- security~~ **cybersecurity** . Cyber- attacks or our failure to maintain the security and integrity of company, employee, associate, customer or third- party data could have a disruptive effect on our business and adversely affect our reputation and financial performance. We rely heavily on computer, ~~Internet~~ **internet** - based and mobile information and communications systems operated by us or our service providers to collect, process, transmit and retain large volumes of customer data, including credit card numbers and other personally identifiable information, reservation information and mailing lists, as well as personally identifiable information of our employees. There has been an increase in the number and sophistication of criminal ~~cyber- security~~ **cybersecurity** attacks against companies where customer and other sensitive information has been compromised. Our information systems and records, including those we maintain with our service providers, have been, and likely will continue to be, subject to such cyber- attacks, which include efforts to hack or breach security measures in order to obtain or misuse information, phishing attempts, viruses or other malicious codes, " ransomware " or other malware. In addition, increasingly complex systems and software are subject to failure, operator error or malfeasance, or inadvertent releases of data that may materially impact our information systems and records. For instance, security breaches could result in the dissemination of member and guest credit card information, which could lead to affected members and guests experiencing fraudulent charges. To date, we have seen no material impact on our business or operations from these attacks or events. However, the ever- evolving threats mean we and our third- party service providers and vendors must continually evaluate and adapt our respective systems and processes and overall security environment, as well as those of any companies we may acquire. There is no guarantee that these measures will be adequate to safeguard against all data security breaches, system compromises or misuses of data. The integrity and protection of customer and employee data is critical to us. We could make faulty decisions if that data is inaccurate or incomplete. Customers and employees also have a high expectation that we and our service providers will adequately protect their personal information. A significant theft, loss, loss of access to, or fraudulent use of customer, employee, or company data could adversely impact our reputation, and could result in significant remedial and other expenses, fines, and / or litigation. Breaches in the security of our information systems or those of our service providers or other disruptions in data services could lead to an interruption in the operation of our systems or require us to consider changes to our customer data or payment systems, resulting in operational inefficiencies, additional expense and a loss of profits. Our collection and use of customer information are governed by extensive and evolving privacy laws and regulations that are constantly evolving and may differ significantly depending on jurisdiction. Compliance with these laws and regulations involves significant costs, which may increase in the future and which may negatively impact our ability to provide services to our customers, and a failure by us or our service providers to comply with privacy regulations may subject us to significant remedial and other expenses, fines, or litigation, as well as restrictions on our use or transfer of data. Many jurisdictions have enacted or are enacting laws requiring companies to notify regulators or individuals of data security incidents involving certain types of personal data. These mandatory disclosures regarding security incidents often lead to widespread negative publicity, and the risk of reputational harm may be magnified and / or distorted through the rapid dissemination of information over the internet, including through news articles, blogs, chat rooms, and social media sites. Any security incident, whether actual or perceived, could harm our reputation, erode customer confidence in the effectiveness of our data security measures, negatively impact our ability to attract or retain customers, or subject us to third-party lawsuits, regulatory fines or other action or liability, which could materially and adversely affect our business and operating results. **Further, the SEC has recently enacted rules requiring public companies to disclose material cybersecurity incidents that they experience on a Current Report on Form 8- K within four business days of determining that a material cybersecurity incident has occurred and to disclose on an annual basis material information regarding their cybersecurity risk management, strategy and governance. These new reporting requirements were effective for us as of December 18, 2023. If we fail to comply with these new requirements we could incur regulatory fines in addition to other adverse consequences to our reputation, business, financial condition and results of operations.** Our business could be subject to stricter obligations and, greater fines and private causes of action under the enactment of data privacy laws, including but not limited to, the European Union General Data Protection Regulation and the California Consumer Privacy Act. Our systems and the systems operated by our service providers may be unable to satisfy changing regulatory requirements and customer and employee expectations and / or may require significant additional investments or time to do so. The steps we take to deter and mitigate risks related to ~~cyber- security~~ **cybersecurity** may not provide the intended level of protection. In particular, it may be difficult to anticipate or immediately detect such incidents and the damage caused thereby. We may be required to expend significant additional resources in the future to modify and enhance our protective measures. Although we carry cyber / privacy liability insurance that is designed to protect us against certain losses related to ~~cyber- security~~ **cybersecurity** risks, such insurance coverage may be insufficient to cover all losses or all types of claims that may arise in connection with cyber- attacks, security breaches, and other related breaches. In addition, the third party service providers **and partners** on which we rely **(including those that may be in possession of our sensitive information)** face ~~cyber- security~~ **cybersecurity** risks, some of which may be different than the risks we face, and we do not directly control any of such service providers' information security operations, including the efforts that they may take to mitigate risks or the level of cyber / privacy liability insurance that they may carry. **See Part I, Item 1C. " Cybersecurity. "** Risks Related to Legal and Regulatory Requirements Our business is regulated under a wide variety of laws, regulations and policies in the United States and abroad, and failure to comply with these regulations could adversely affect our business. Our business is subject to extensive regulation, as more fully described in " Business — Government Regulation, " and any failure to comply with applicable laws and regulations could have a material adverse effect on our business. Our real estate development activities, for example, are subject to laws and regulations typically applicable to real estate development, subdivision and construction activities, such as laws relating to zoning, entitlement, permitting, land use restrictions, environmental regulation, title transfers, title insurance, taxation and eminent domain. Failure to comply with the laws could result in legal liability or result in substantial costs related to environmental or other remediation. Laws in some jurisdictions also impose liability on property developers for construction defects discovered or repairs made by future owners of property developed by the developer. In addition, the sales of VOIs must be registered with governmental authorities in most jurisdictions in which we do business. The preparation of VOI registrations requires time and cost, and in many jurisdictions the exact date of registration approval cannot be accurately predicted. A number of laws govern our marketing and sales activities, such as timeshare and land sales acts, fair housing statutes, anti- fraud laws, sweepstakes laws, real estate licensing laws, telemarketing laws, home solicitation sales laws, tour operator laws, seller of travel laws, securities laws, consumer privacy laws and consumer protection laws. In addition, laws in many jurisdictions in which we sell VOIs grant the purchaser of a VOI the right to cancel a purchase contract during a specified rescission period. Because telemarketing practices are highly regulated, we have implemented procedures to reduce the possibility of violating such laws, however, such procedures may not be effective in ensuring regulatory compliance in every instance. In addition, because we are now an independent company from Hilton, it may be more difficult for us to utilize customer information we obtain from Hilton in the future for marketing purposes. Under the Americans with Disabilities Act of 1990 and the Accessibility Guidelines promulgated thereunder (collectively, the “ ADA ”), all public accommodations must meet various federal requirements related to access and use by disabled persons. Compliance with ADA’ s requirements could require removal of access barriers, and non- compliance could result in the U. S. government imposing fines or in private litigants winning damages. Our properties also are subject to various federal, state and local regulatory requirements, such as state and local fire and life safety requirements. Furthermore, various laws govern our resort management activities, including laws and regulations regarding community association management, public lodging, food and beverage services, liquor licensing, labor, employment, health care, health and safety, accessibility, discrimination, immigration, gaming and the environment ~~(including climate change)~~ . Our lending and related activities are also subject to a number of laws and regulations, including laws and regulations related to consumer loans, retail installment contracts, mortgage lending, fair debt collection and credit reporting practices, consumer collection practices, contacting debtors by telephone, mortgage disclosure, lender licenses and money laundering. Finally, our resort management activities subject us to a number of laws and regulations, including those that relate to public lodging, food and beverage services, liquor licenses and labor and employment, among others. We may not be successful in maintaining compliance with all laws, regulations and policies to which we are currently subject, and such compliance is expensive and time consuming. We do not know whether existing requirements will change or whether compliance with future requirements, including regulatory requirements in new geographic areas into which we expand would require significant unanticipated expenditures that would affect our cash flow and results of operations. Failure to comply with current or future applicable laws, regulations and policies could have a material adverse effect on our business. For example, if we do not comply with applicable laws, regulations and policies, governmental authorities in the jurisdictions where the violations occurred may revoke or refuse to renew licenses or registrations necessary to operate our business. Failure to comply with applicable laws, regulations and policies could also render sales contracts for our products void or voidable, subject us to fines or other sanctions, and increase our exposure to litigation. Changes in privacy law could adversely affect our ability to market our products effectively. We rely on a variety of direct marketing techniques, including telemarketing, email and social media marketing and postal mailings, and we are subject to various laws and regulations in the United States and internationally that govern marketing and advertising practices. Adoption of new state or federal laws regulating marketing and solicitation, or international data protection laws that govern these activities, or changes to existing laws, such as the Telemarketing Sales Rule, the Telephone Consumer Protection Act, and the CAN- SPAM Act of 2003, could adversely affect current or planned marketing activities and cause us to change our marketing strategy. If this occurs, we may not be able to develop adequate alternative marketing strategies, which could affect the amount and timing of our VOI sales. We also obtain access to potential members and guests from travel service providers or other companies, including Hilton; and we market to some individuals on these lists directly or through other companies’ marketing materials. If access to these lists were prohibited or otherwise restricted, including access to Hilton Honors loyalty program member information, our ability to access potential members and guests and introduce them to our products could be significantly impaired. Additionally, because our relationship with Hilton has changed, it may be more difficult for us to utilize customer information we obtain from Hilton in the future. United States or foreign environmental laws and regulations may cause us to incur substantial costs or subject us to potential liabilities. We are subject to certain compliance costs and potential liabilities under various U. S. federal, state and local and foreign environmental, health and safety laws and regulations. These laws and regulations govern actions including air emissions, the use, storage and disposal of hazardous and toxic substances, and wastewater disposal. Our failure to comply with such laws, including any required permits or licenses, could result in substantial fines, penalties, litigation or possible revocation of our authority to conduct some of our operations. We could also be liable under such laws for the costs of investigation, removal or remediation of hazardous or toxic substances at our currently or formerly owned real property or at third- party locations in connection with our waste disposal operations, regardless of whether or not we knew of, or caused, the presence or release of such substances. From time to time, we may be required to remediate such substances or remove, abate or manage asbestos, mold, radon gas, lead or other hazardous conditions at our properties. The presence or release of such toxic or hazardous substances could result in third- party claims for personal injury, property or natural resource damages, business interruption or other losses. Such claims and the need to investigate, remediate or otherwise address hazardous, toxic or unsafe conditions could adversely affect our operations, the value of any affected real property, or our ability to sell, lease or assign our rights in any such property, or could otherwise harm our business or reputation. Environmental, health and safety requirements have also become increasingly stringent, and our costs may increase as a result. Some U. S. states and various countries are considering or have undertaken actions to regulate and reduce greenhouse gas emissions. New or revised laws and regulations, or new interpretations of existing laws and regulations, such as those related to climate change, could affect the operation of the properties we manage or result in significant additional expense and operating restrictions on us. The cost of such legislation, regulation or new interpretations would depend upon the specific requirements enacted and cannot be determined at this time. In addition, failure or perception of failure to achieve our goals with respect to reducing our impact on the environment or perception of a failure to act responsibly with respect to the environment or to effectively respond to regulatory requirements concerning climate change could lead to adverse publicity, resulting in an adverse effect on our business or damage to our reputation. Changes in U. S. federal, state and local or foreign tax law, interpretations of existing tax law, or adverse determinations by tax authorities, could increase our tax burden or otherwise adversely affect our financial condition or results of operations. We are subject to taxation at the federal, state and local levels in the United States and various other countries and jurisdictions. Our future effective tax rate could be affected by changes in the composition of earnings in jurisdictions with differing tax rates, changes in statutory rates and other legislative changes, changes in the valuation of our deferred tax assets and liabilities, or changes in determinations regarding the jurisdictions in which we are subject to tax. From time to time, the U. S. federal, state and local and foreign governments make substantive changes to tax rules and their application, which could result in materially higher corporate taxes than would be incurred under existing tax law and could adversely affect our financial condition or results of operations. Changes in the non- income tax rates to which we are subject could also have an adverse effect on the maintenance fees charged to our members, which could result in materially lower sales and higher operating costs. There can be no assurance that changes in tax laws or regulations, both within the U. S. and the other jurisdictions in which we operate, will not materially and adversely affect our effective tax rate, tax payments, financial condition and results of operations. Similarly, changes in tax laws and regulations that impact our customers and counterparties, or the economy generally may also impact our financial condition and results of operations. Tax laws and regulations are complex and subject to varying interpretations and any significant failure to comply with applicable tax laws and regulations in all relevant jurisdictions could give rise to substantial penalties and liabilities. Any changes in enacted tax laws, rules or regulatory or judicial interpretations or any change in the pronouncements relating to accounting for income taxes could materially and adversely impact our effective tax rate, tax payments, financial condition and results of operations. In addition, we are subject to ongoing and periodic tax audits and disputes in U. S. federal and various state, local and foreign jurisdictions. An unfavorable outcome from any tax audit could result in higher tax costs, penalties and interest, and could materially and adversely affect our financial condition or results of operations. Failure to comply with laws and regulations applicable to our international operations may increase costs, reduce profits, limit growth or subject us to broader liability. Our business operations in countries outside the United States are subject to a number of laws and regulations, including restrictions imposed by the Foreign Corrupt Practices Act (“ FCPA ”), as well as trade sanctions administered by the Office of Foreign Assets Control (“ OFAC ”). The FCPA is intended to prohibit bribery of foreign officials and requires us to keep books and records that accurately and fairly reflect our transactions. OFAC administers and enforces economic and trade sanctions based on U. S. foreign policy and national security goals against targeted foreign states, organizations and individuals. Although we have policies in place designed to comply with applicable sanctions, rules and regulations, it is possible that the timeshare properties we own or manage in the countries and territories in which we operate may provide services to or receive funds from persons subject to sanctions. In addition, some of our operations may be subject to the laws and regulations of non- U. S. jurisdictions, including the U. K.’ s Bribery Act of 2010, which contains significant prohibitions on bribery and other corrupt business activities, and other local anti- corruption laws in the countries and territories in which we conduct operations. If we fail to comply with these laws and regulations, we could be exposed to claims for damages, financial penalties, reputational harm and incarceration of employees or restrictions on our operation or ownership of timeshare and other properties, products or services, including the termination of ownership and management rights. In addition, in certain circumstances, the actions of parties affiliated with us (including Hilton, third- party developers, and our and their respective employees and agents) may expose us to liability under the FCPA, U. S. sanctions or other laws. These restrictions could increase costs of operations, reduce profits or cause us to forgo development opportunities that would otherwise support growth. Under the Iran Threat Reduction and Syria Human Rights Act of 2012 (“ ITRSHRA ”), we are required to report whether we or any of our “ affiliates ” knowingly engaged in certain specified activities during a period covered by one of our Annual Reports on Form 10- K or Quarterly Reports on Form 10- Q. We may engage in specified dealings or transactions involving Iran or other individuals and entities targeted by certain OFAC sanctions that would require disclosure pursuant to Section 219 of ITRSHRA. In addition, because the SEC defines the term “ affiliate ” broadly, it includes any entity controlled by us as well as any person or entity that controls us or is under common control with us. Disclosure of such activities, even if such activities are permissible under applicable law, and any sanctions imposed on us or our affiliates as a result of these activities could harm our reputation and the Hilton brands we use and have a negative effect on our results of operations. The European Union (“ EU ”) General Data Protection Regulation (the “ GDPR ”) imposes significant obligations to businesses that sell products or services to EU customers or otherwise control or process personal data of EU residents. Complying with the GDPR could increase our compliance cost, or adversely impact the marketing of our products and services to customers in the EU and our overall business. In addition, the GDPR imposes fines and penalties for noncompliance, including fines of up to 4 % of annual worldwide revenue. If we fail to comply with the requirements of the GDPR, we could face significant administrative and monetary sanctions, which could materially adversely impact our results of operations and financial condition. ~~Changes to accounting rules or regulations may adversely affect our reported financial condition and results of operations. New accounting rules or regulations and varying interpretations of existing accounting rules or regulations have occurred and may occur in the future. A change in accounting rules or regulations may require retrospective application and affect our reporting of transactions completed before the change is effective, and future changes to accounting rules or regulations may adversely affect our reported financial condition and results of operations. See Notes 1: Organization and Basis of Presentation and 2: Summary of Significant Accounting Policies in our consolidated~~

~~financial statements included in Item 8 of this Annual Report on Form 10- K for a summary of accounting standards issued but not yet adopted.~~ Risks Related to Our Indebtedness Our substantial indebtedness and other contractual obligations could adversely affect our financial condition, our ability to raise additional capital to fund our operations, our ability to operate our business, our ability to react to changes in the economy or our industry and our ability to pay our debts, and could divert our cash flow from operations for debt payments. As of December 31, ~~2022~~ **2023**, our total indebtedness was approximately $ ~~3~~ **4**. ~~8~~ **5** billion, of which approximately $ 1. ~~1~~ **5** billion was non- recourse debt. We significantly increased our level of indebtedness in connection with financing the Diamond Acquisition **and the Bluegreen Acquisition**. We **issued** ~~closed an unregistered offering of~~ $ 850 million in aggregate principal amount of 5. 000 % senior notes due 2029 and ~~an unregistered offering of~~ $ 500 million in aggregate principal amount of 4. 875 % senior notes due 2031 ~~. In addition~~, **and** we borrowed term loans in an initial aggregate principal amount of $ 1. 3 billion under a new senior secured term loan credit facility **due 2028.** to repay certain indebtedness of HGV and Diamond **, as part of the Diamond Acquisition. Similarly,** in connection with the **Bluegreen** ~~closing of the Diamond~~ Acquisition **, we issued $ 900 million in aggregate principal amount of 6. 625 % senior notes due 2032 and borrowed term loans in an initial aggregate principal amount of $ 900 million due 2031. The new term loans are subject to an interest rate of SOFR plus 2. 75 %**. Finally, we assumed several of Diamond **' s and Bluegreen** ' s revolving facilities that are secured by timeshare loan receivables. Our substantial debt and other contractual obligations could have important consequences, including: • requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund our operations, capital expenditures, dividends to stockholders and to pursue future business opportunities; • increasing our vulnerability to adverse economic, industry or competitive developments; • exposing us to increased interest expense, as our degree of leverage may cause the interest rates of any future indebtedness (whether fixed or floating rate interest) to be higher than they would be otherwise; • exposing us to the risk of increased interest rates because certain of our indebtedness is at variable rates of interest; • making it more difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations of any of our debt instruments, including restrictive covenants, could result in an event of default that accelerates our obligation to repay indebtedness; • restricting us from making strategic acquisitions or causing us to make non- strategic divestitures; • limiting our ability to obtain additional financing for working capital, capital expenditures, product development, satisfaction of debt service requirements, acquisitions and general corporate or other purposes; and • limiting our flexibility in planning for, or reacting to, changes in our business or market conditions and placing us at a competitive disadvantage compared to our competitors who may be better positioned to take advantage of opportunities that our leverage prevents us from exploiting. In addition, our credit ratings will impact the cost and availability of future borrowings and, accordingly, our cost of capital. Our ratings will reflect each rating organization' s opinion of our financial strength, operating performance and ability to meet our debt obligations on a combined basis with Diamond **and Bluegreen**. Downgrades in our ratings could adversely affect our businesses, cash flows, financial condition, operating results and share and debt prices, as well as our obligations with respect to our capital- efficient inventory acquisitions. For additional discussion on our indebtedness, see " Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Financing Activities, " and Note 15: Debt & Non- recourse Debt in our audited consolidated financial statements included in Item 8 of this Annual Report on Form 10- K. Certain of our debt agreements and instruments impose significant operating and financial restrictions on us, our restricted subsidiaries and the guarantors of our indebtedness, which may prevent us from capitalizing on business opportunities. The debt agreements and instruments that govern our outstanding indebtedness impose significant operating and financial restrictions on us, certain of our subsidiaries and guarantors of our indebtedness. These restrictions limit our ability and / or the ability of our restricted subsidiaries to, among other things: • incur or guarantee additional debt or issue disqualified stock or preferred stock; • pay dividends (including to us) and make other distributions on, or redeem or repurchase, capital stock; • make certain investments; • incur certain liens; • enter into transactions with affiliates; • merge or consolidate; • enter into agreements that restrict the ability of restricted subsidiaries to make dividends or other payments to us; • designate restricted subsidiaries as unrestricted subsidiaries; and • transfer or sell assets. In addition, our credit agreement related to our senior secured credit facilities contains affirmative covenants that will require us to be in compliance with certain leverage and financial ratios. As a result of these restrictions, we are limited as to how we conduct our business **,** and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities. The terms of any other future indebtedness we may incur could include more restrictive covenants. We may not be able to maintain compliance with these covenants in the future and, if we fail to do so, we may not be able to obtain waivers from the lenders and / or amend the covenants. Our failure to comply with the restrictive covenants described above, as well as other terms of our other indebtedness and / or the terms of any future indebtedness from time to time, could result in an event of default, which, if not cured or waived, could result in our being required to repay these borrowings before their due date. If we are forced to refinance these borrowings on less favorable terms or are unable to refinance these borrowings, our financial condition and results of operations could be adversely affected. Our variable rate indebtedness subjects us to interest rate risk, which could cause our indebtedness service obligations to increase. Interest rates may increase in the future. As a result, interest rates on our revolving credit facility or other variable rate debt offerings could be higher than current levels. As of December 31, ~~2022~~ **2023**, we had approximately $ ~~1, 428~~ **2. 2** ~~million~~ **billion** of notional variable rate debt, representing ~~37~~ **49** % of our total indebtedness. If interest rates increase, our debt service obligations on the variable rate indebtedness would increase, even though the amount borrowed remained the same, and our net income and cash flows, including cash available for servicing our indebtedness, would correspondingly decrease. We primarily use interest rate swaps as part of our interest rate risk management strategy for our variable- rate debt. For more information on derivatives refer to Note 15: Debt & Non- recourse Debt of the financial statements. ~~The U. K. Financial Conduct Authority intends to stop persuading or compelling banks to submit London Interbank Offering Rate (" LIBOR ") rates after 2022. The administrator of LIBOR ceased the publication of all non- U. S. dollar LIBOR and the~~

~~one- week and two- month U. S. dollar LIBOR settings immediately following the LIBOR publication on December 31, 2022, with the publication of the remaining U. S. dollar LIBOR settings being discontinued on June 30, 2023. It is expected that a transition away from the widespread use of LIBOR to alternative rates will occur over the course of the next several years. We may need to amend our revolving credit facility, which utilizes LIBOR as a factor in determining the interest rate, to replace LIBOR with the new standard that is established. There is currently no definitive information regarding the future utilization of LIBOR or of any particular replacement rate. As such, the potential effect of any such event on our cost of capital and net investment income cannot yet be determined. The Company has incorporated LIBOR fallback language in its credit documents in anticipation of LIBORs cessation and does not expect any material disruption of funding on its existing facilities.~~ Servicing our indebtedness requires a significant amount of cash. Our ability to generate sufficient cash depends on many factors, some of which are not within our control. Our ability to make payments on our indebtedness will depend on our ability to generate cash in the future. Our ability to generate cash depends on our financial and operating performance, which is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. In particular, compliance with state and local laws applicable to our business, including those relating to deeds, title transfers and certain other regulations applicable to sales of VOIs, may at times delay or hinder our ability to access cash flows generated by our VOI sales. If we are unable to generate and access sufficient cash flow to service our debt and meet our other commitments, we may need to restructure or refinance all or a portion of our debt, sell material assets or operations or raise additional debt or equity capital. We may not be able to ~~effect~~ **affect** any of these actions on a timely basis, on commercially reasonable terms or at all, and these actions may not be sufficient to meet our capital requirements. In addition, the terms of our existing or future debt arrangements may restrict us from effecting any of these alternatives. Our failure to comply with the agreements relating to our outstanding indebtedness could result in an event of default that could materially and adversely affect our results of operations and our financial condition. If there were an event of default under any of the agreements relating to our outstanding indebtedness, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. We cannot assure you that our assets or cash flows would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default. Further, if we are unable to repay, refinance or restructure our indebtedness under our secured debt, the holders of such debt could proceed against the collateral securing that indebtedness. In addition, any event of default or declaration of acceleration under one debt instrument could also result in an event of default under one or more of our other debt instruments. Any such default could materially and adversely affect our results of operations and our financial condition. Repayment of our debt is dependent on cash flow generated by our subsidiaries, which may be subject to limitations beyond our control. Our subsidiaries own a substantial portion of our assets and conduct a substantial portion of our operations. Accordingly, repayment of our indebtedness is dependent, to a significant extent, on the generation of cash flow by our subsidiaries and their ability to make such cash available to us, by dividend, debt repayment or otherwise. Our subsidiaries generally do not have any obligation to pay amounts due on our indebtedness or to make funds available to us for that purpose. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness. Each subsidiary is a distinct legal entity **,** and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. While limitations on our subsidiaries restrict their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions. In addition, certain of our subsidiaries are party to debt agreements that contain restrictions on their ability to pay dividends or make other intercompany payments to us and may in the future enter into agreements that include additional contractual restrictions on their ability to make any such payments to us. In the event that we are unable to receive distributions from subsidiaries, we may be unable to make required principal and interest payments on our indebtedness. Despite our current level of indebtedness, we may be able to incur substantially more debt and enter into other transactions, which could further exacerbate the risks to our financial condition described above. We may be able to incur significant additional indebtedness, including secured debt, in the future. Although the agreements that govern substantially all of our indebtedness contain restrictions on the incurrence of additional indebtedness and entering into certain types of other transactions, these restrictions are subject to a number of qualifications and exceptions. Additional indebtedness incurred in compliance with these restrictions could be substantial. These restrictions also do not prevent us from incurring obligations, such as trade payables, that do not constitute indebtedness as defined under our debt instruments. To the extent new debt is added to our current debt levels, the substantial leverage risks described in the preceding six risk factors would increase. **We may not be able to integrate the acquired Diamond business successfully. We continue to integrate the Diamond business from the August 2021 closing of the Diamond Acquisition. Despite our efforts, it is possible that the integration process could take longer than anticipated and / or could be more difficult than anticipated due to a number of reasons, including the lack of complementary products and resort offerings, delays or other challenges in converting the Diamond resorts into resorts that are suitable for HGV as part of our overall strategy and our rebranding plan, loss of valuable employees, disruption of each company' s ongoing businesses, processes and systems, inconsistencies in standards, controls, procedures, practices, policies and compensation arrangements between the two businesses, and differences in corporate cultures and philosophies, and other challenges that are inherent in such a complex integration of businesses. There also may be issues attributable to Diamond' s operations that were inherent to the business or are based on events or actions that occurred prior to the closing of the Diamond Acquisition that may make the integration even more challenging. In addition, uncertainty about the effect of the Diamond Acquisition on relationships with our suppliers, vendors, existing owners, and potential owners may hinder the integration. Although we are taking steps designed to reduce or mitigate any adverse effects, these uncertainties may cause suppliers, vendors, existing and potential owners, and others that deal with us to seek to change, not renew or discontinue existing business relationships with us. Integrating the Diamond business and properties into our operations may place a significant burden on management and internal resources and** divert management' s attention away from day- to- day business concerns. Further, our ability to attract, retain and motivate key personnel and employees may be impacted if employees or prospective employees have uncertainty about their future roles with us during the integration of the Diamond Acquisition and beyond. Despite our retention and recruiting efforts, key employees may be unwilling to continue their employment with us, and we may be unable to timely find suitable replacements. Ultimately, the integration process is subject to a number of uncertainties, and no assurance can be given that our integration efforts will be successful. Any one or more of the foregoing factors may adversely affect or hinder any successful integration of the Diamond acquisition and may materially adversely impact the execution of our strategy post- acquisition, business, operations, and, ultimately, our results of operations. Our ability to successfully integrate the Diamond business depends on our compliance with the license agreement and ability to meet certain targets under the rebrand plan. We and Hilton have agreed to a plan to rebrand the majority of the Diamond properties, rooms and sales facilities into HGV- branded properties, rooms and sales facilities over a five- year period that includes annual and cumulative target room conversions. The License Agreement Amendment provides for the offer and sale by HGV of its " HGV Max " branded product that provides access across legacy HGV and both converted and unconverted Diamond properties, subject to certain conditions. If we do not achieve the applicable annual rebranding target milestones, we will be subject to an escalated royalty fee, and if we fail to achieve cumulative targets by September 2031, Hilton may prohibit our future offering and sales of HGV Max. In addition, the license agreement requires Hilton' s approval in connection with our anticipated rebranding of the Diamond properties into our branded HGV Max properties and / or another new brand of properties. Hilton also has the right to review our sales, reservation and marketing activities related to HGV Max and review and approve our rebranded sales centers. We have agreed with Hilton to operate the Diamond properties and business as a separate operation, pending the rebranding and rebranding plan, after which we expect to continue to operate certain Diamond properties that are not rebranded as a separate operation. If we fail to comply with the separate operation requirements in connection with such part of our business, we may be subject to potential violation of the license agreement. In addition, if we cannot come to an agreement with Hilton on how to brand and operate Diamond properties that are not approved for rebranding by Hilton, our ability to successfully integrate Diamond may be materially adversely affected. We may conclude that it is necessary to enter into future amendments and / or modifications to the license agreement that may be necessary in connection with the integration and rebranding plans. If we and Hilton are unable to reach agreements on any such amendments and / or modifications, our integration and rebranding plans may be delayed and / or may not comport to the current terms and conditions of the license agreement, which will adversely affect our business and operations. For additional information see " Item 1. Business — Key Agreements with Hilton Worldwide Holdings. " Anticipated cost savings, synergies, growth in operating results and related benefits of the Diamond Acquisition may not be realized. In addition, we may incur substantial costs and expenses related to the Diamond Acquisition and the integration beyond what we have anticipated, which may include unknown liabilities at the time of the closing. Any of these factors could have a material adverse effect on our business, financial condition and results of operations. We completed the Diamond Acquisition with the expectation that it will result in various benefits and synergies, including, among other things, operating efficiencies, and opportunities to potentially increase our revenue, sales, EBITDA, owners, and cost savings. Achieving such anticipated benefits and synergies of the Diamond Acquisition within the expected timeframe, or at all, is subject to a number of uncertainties, including whether the businesses of HGV and Diamond can be integrated in an efficient and effective manner. It is possible that any one or more of such benefits and synergies may not be realized, thereby significantly reducing the anticipated benefits associated with the Diamond Acquisition, and may result in higher than anticipated costs, and lower than anticipated revenue, and / or decreases in the amount of expected net income, all of which would adversely affect our future business, financial condition, and operating results. Further, we incurred a number of fees, costs and expenses prior to completing the Diamond Acquisition and expect to continue to incur additional fees, costs and expenses associated with combining and integrating the operations of the two companies and achieving the desired benefits. These fees, costs and expenses, which are both recurring and non- recurring, have been, and will continue to be, substantial. Although we believe that achieving cost synergies, benefits, and other efficiencies of the Diamond Acquisition should offset such costs, fees and expenses over time, such net benefit may not be achieved in the near term, or at all. Moreover, there may be significant potential liabilities associated with the Legacy- Diamond business that may have been unknown to us at or prior to the closing of the Diamond Acquisition, we may uncover after the closing during the integration period, or may be more significant than we believed at such time. For example, an appeal for judgment was rendered in favor of the plaintiffs in November 2023 (with the California Supreme Court rejecting further appeals in February 2024) related to a personal injury lawsuit, O' Malley et al. v. Diamond Resorts Management, Inc., filed against Diamond in 2015 for which we have accrued liabilities of approximately $ 102 million as of December 31, 2023. While we believe existing insurance policies will cover a significant, if not substantially all, of any such liability, and we accrued liabilities related to this lawsuit (together with related insurance coverage), our insurance policies may still not cover a significant portion of the total amount. In addition, there is no assurance that our insurance policies will, in fact, cover most of this liability or that we won' t be exposed to similar or other liabilities from the Legacy- Diamond business prior to our acquisition. Any similarly significant but individually immaterial liabilities in the aggregate, and / or any material liability that was unknown or not estimable by us at the time of the acquisition, may have a material adverse effect on our financial condition and operating results. See Part II — Item 8. Financial Statements and Supplementary Data — Note 23: Commitments and Contingencies to our consolidated financial statements included in this Annual Report on Form 10- K. Our results will suffer if we do not effectively manage our expanded operations resulting from the Diamond Acquisition. The size of our business increased significantly as a result

of the Diamond Acquisition. Our future success depends, in part, upon our ability to manage this expanded business, including in non- US jurisdictions where we did not have operations prior to the Diamond Acquisition, including challenges related to the management and monitoring of expanded operations and associated increased costs and complexity. We may also need to obtain approvals of developers or HOAs in various instances to include additional resorts in the multi- resort trusts marketed, sold and managed by the acquired Diamond business (the " Diamond Collections ") or increase maintenance fees or impose additional requirements in order to meet our brand and operating standards. There can be no assurances that we will be successful or that we will realize the expected operating efficiencies, cost savings and other benefits currently anticipated from the transaction. In addition, there will be increased compliance and regulatory risk as a result of the expanded size of our business. We may be subject to complaints, litigation or reputational harm due to dissatisfaction with, or concerns related to, the Diamond Acquisition from our and former Diamond owners. Our and former Diamond VOI owners prior to the completion of the Diamond Acquisition may be concerned about the actual or perceived impact of the Diamond Acquisition and the integration on their VOIs, including the potential reduction in quality of resorts and product offerings due to the increased size of the business and addition of new owners, the potential adverse effect on the availability of access to these resorts and other disruptions during the integration period, or the potential increase or change in HOA or other fees. The VOI owners of the acquired Diamond business may have similar concerns related to a decline in the quality of product offerings or increase in fees as a result of the Diamond Acquisition and increase in size of the business. Complaints or litigation brought by existing owners following the completion of the Diamond Acquisition could harm our reputation, discourage potential new owners and adversely impact our results of operations. Interests in the acquired Diamond resorts are offered through a trust system, which is subject to a number of regulatory and other requirements. The Diamond Collections located in the United States are alternatives to traditional deeded timeshare ownership, as they create a network of available resort accommodations at multiple locations. For those US- based Diamond Collections, title to the units available through the Diamond Collections is held in a trust or similar arrangement that is administered by an independent trustee (the " Collection Trustee "). A purchaser of a timeshare interest in a Collection does not receive a deeded interest in any specific resort or resort accommodation but acquires a membership in the timeshare plan which is denominated by an annual or biennial allotment of points. Owners of Diamond' s timeshare interests are allowed to use their allocated points to reserve accommodations at the various component site (s) / participating resort (s) within the Diamond Collections, thereby giving the members greater flexibility to plan their vacations. Owners may also elect to reserve accommodations at resorts that are not part of their Collection through Diamond' s exchange programs. The Diamond Collections are registered pursuant to, exempted from, or otherwise in compliance with, the applicable statutory requirements for the sale of timeshare plans in a growing number of jurisdictions. Such registrations and formal exemption determinations for the Diamond Collections confirm the substantial compliance with the filing and disclosure requirements of the respective timeshare statutes by the developer of the applicable Diamond Collection. It does not constitute the endorsement of the creation, sale, promotion or operation of the Diamond Collections by any regulatory body nor relieve the developer of a Diamond Collection or any affiliates of such developer of any duty or responsibility under other statutes or any other applicable laws. Registration under a respective timeshare act (or other applicable law) is not a guarantee or assurance of compliance with applicable law nor an assurance or guarantee of how any judicial body may interpret the Diamond Collections' compliance therewith. A determination that specific provisions or operations of the Collections do not comply with relevant timeshare acts or applicable law may have a material adverse effect on the developer, the Collection Trustee and the related non- profit members association for each of the Diamond Collections. If we are unable to successfully integrate and manage the trust system our results of operations or reputation may suffer. We may be unable to realize anticipated cost savings, and we expect to incur substantial expenses related to the Bluegreen Acquisition, which could have a material adverse effect on our business, financial condition and results of operations. While we anticipate certain cost savings from the consummation of the Bluegreen Acquisition, our ability to achieve such estimated cost savings in the timeframe described, or at all, is subject to various assumptions by our management, which may or may not be realized, as well as the incurrence of other costs in our operations that offset all or a portion of such cost savings. As a consequence, we may not be able to realize cost savings within the timeframe expected or at all. In addition, we may incur additional and / or unexpected costs in order to realize these cost savings. These may include increased licensing fees, as we convert the existing Bluegreen properties and sales centers to branded properties and sales centers using the Hilton marks. Failure to achieve the expected cost savings could significantly reduce the expected benefits associated with the Bluegreen Acquisition and adversely affect us. In addition, we have incurred, and will continue to incur, substantial expenses in connection with the Bluegreen Acquisition. We expect to continue to incur non- recurring costs associated with combining the operations of the two companies and achieving the desired cost savings. These fees and costs have been, and will continue to be, substantial. The substantial majority of non- recurring expenses have consisted of transaction costs related to the Bluegreen Acquisition and include, among others, fees paid to financial, legal and accounting advisors, employee benefit costs and filing fees. These costs described above, as well as other unanticipated costs and expenses, could have a material adverse effect on our financial condition and operating results following the consummation of the Bluegreen Acquisition. We may not be able to integrate successfully and many of the anticipated benefits of combining us and Bluegreen may not be realized. We completed the Bluegreen Acquisition with the expectation that it will result in various benefits, including, among other things, operating efficiencies, potential revenue synergies, cost savings, and certain key strategic and marketing partnerships and alliances. We may not realize the anticipated benefits on a timely basis, or at all. Achieving the anticipated benefits of the Bluegreen Acquisition is subject to a number of risks and uncertainties, including whether

our and Bluegreen' s businesses can be integrated in an efficient and effective manner, and whether such integration and achievement of cost savings could come at the expense of other aspects of our operations, including degradation of products and services. Similarly, increased license fees and related costs associated with the integration of the two brands and any necessary modifications to the license agreement may result in increased costs and could hinder such integration. It is possible that the integration process could take longer than anticipated and could result in the loss of valuable employees, the disruption of our ongoing business, processes and systems or inconsistencies in standards, controls, procedures, practices, policies and compensation arrangements, any of which could adversely affect our ability to achieve the anticipated benefits of the Bluegreen Acquisition. We also may not successfully fully realize the expected benefits related to various key strategic and marketing partnerships and alliances of Bluegreen or may otherwise be constrained by existing strategic and marketing partnerships. In particular, Bluegreen historically generated a significant portion of its new sales prospects and leads through marketing arrangements with various third parties, including Bass Pro Shops and Choice. We have inherited and extended the exclusive marketing agreement with Bass Pro for a period of ten years to provide us with the right to market and sell vacation packages at kiosks in each of Bass Pro' s retail locations and through other means. VOI sales to prospects and leads generated by Bluegreen marketing arrangement with Bass Pro accounted for approximately 16 %, 17 % and 19 % of Bluegreen' s VOI sales volume during the years ended December 31, 2023, 2022 and 2021, respectively. Bluegreen also had an exclusive strategic relationship with Choice, which we assumed, that involves several areas of its business, including a sales and marketing alliance that enabled Bluegreen to leverage Choice' brands, customer relationships and marketing channels to sell vacation packages. We anticipate continuing Bluegreen' s strategic relationship with Choice; however, we have also agreed with Hilton that we would obtain certain amendments to the current agreements with Choice as part of our integration plan. If we are not able to satisfy the license agreement requirement to rebrand the Bluegreen properties and its sales centers, it may materially affect our integration plans and Hilton may exercise certain rights that could be detrimental to us and our business. See " We do not own the Hilton brands and our business will be materially harmed if we breach our license agreement with Hilton or it is terminated " and " Our ability to integrate the Bluegreen business depends on our ability to obtain certain concessions from a third party to allow us to rebrand the Bluegreen properties and sales centers. " If we are unable to realize the benefits from Bluegreen' s marketing arrangements, including because Bluegreen' s significant marketing arrangements do not generate a sufficient number of prospects and leads, are terminated or not renewed, or are limited or changed in a manner adversely affecting our combined operations, we may not be able to market and sell our products and services to new owners at anticipated sales levels or at levels required in order to offset the costs associated with such marketing efforts. Our results of operations could also be adversely affected by any issues attributable to Bluegreen' s operations that arise or are based on events or actions that occurred before the closing of the Bluegreen Acquisition. We may have difficulty addressing possible differences in corporate cultures and management philosophies. The integration process is subject to a number of uncertainties, and no assurance can be given that the anticipated benefits will be realized or, if realized, the timing of their realization. Failure to achieve these and other anticipated benefits (including operating efficiencies) could result in increased costs or decreases in the amount of expected net income and could adversely affect our future business, financial condition, operating results and prospects. In connection with the closing of the Bluegreen Acquisition, we agreed with Hilton that we would obtain certain amendments to the Choice agreements by December 31, 2024 to allow us to rebrand most of the Bluegreen properties and all of its sales centers in accordance with a rebranding schedule that we have agreed to with Hilton, and we agreed to pay Hilton certain minimum license fees related to the Bluegreen properties and sales of VOIs for years 2024 and 2025. After 2025, assuming we have obtained the amendments referenced above, the license fees related to the Bluegreen properties and sales would revert back to a gradual ramp up that we had agreed to with Hilton. See Item 1. " Business — Key Agreements with Hilton Worldwide Holdings — Amended and Restated License Agreement. " If we are not able to obtain such amendments within the specified timeframe, we would be obligated to pay certain minimum license fees for years 2026 to 2029. In addition, Hilton could exercise certain rights under the license agreement that are detrimental to us, including, without limitation, revoking our exclusive rights to use the licensed marks and to engage in vacation ownership under any Hilton marks. Any of these consequences and / or other consequences related to the Hilton license agreement described below under " Our ability to integrate the Bluegreen business depends on our compliance with the Hilton license agreement, including the separate operations provisions and certain prohibitions on doing business with competitors " could adversely affect our operating results and our business generally. Our ability to integrate the Bluegreen business depends on our compliance with the Hilton license agreement, including the separate operations provisions and certain prohibitions on doing business with competitors. We license substantially all of the trademarks, brand names and intellectual property used in our business from Hilton under the Hilton license agreement. We intend to offer vacation ownership products consisting of rebranded Bluegreen properties under our existing or new HGV brand. Under the terms of the Hilton license agreement, we must obtain Hilton' s approval to use the Hilton brand names and trademarks in connection with the rebranding of the Bluegreen properties to branded properties using the Hilton marks, as well as for the branding of timeshare properties that we acquire or develop in the future. We have agreed with Hilton to operate the Bluegreen business as a separate operation, subject to a rebranding schedule that we have agreed to with Hilton, which schedule may be modified from time to time. In addition, we have agreed with Hilton that we would obtain certain amendment to the Choice agreements to allow us to implement the rebranding plan. In addition, we may require additional amendments to the license agreement with Hilton to further modify various provisions of the Hilton license agreement to provide for any related approvals or relief from certain restrictions in connection with the integration of Bluegreen so as to allow us to achieve greater operating efficiency and synergy than

currently provided for, and any failure to do so could adversely impact such operating efficiency and synergy. In addition, any failure to obtain Hilton' s approval with respect to the rebranding of the Bluegreen properties and its sales centers will significantly harm our ability to integrate the Bluegreen business and its properties. If we cannot come to an agreement with Hilton on how to brand and operate Bluegreen properties that do not currently or will not in the future meet the Hilton brand standards, then we will be required to continue to operate them as separate operations. The Hilton license agreement provides for the automatic termination of our rights to certain Hilton brand names and trademarks should the aggregate number of units of accommodation in " Licensed Vacation Ownership Business " fall below two- thirds of the total number of units of accommodation in our entire " Vacation Ownership Business " at any time after the two- year period from the date of the closing of the Bluegreen Acquisition. If, within this time period, we cannot successfully integrate Bluegreen into our business and obtain Hilton' s approval to use the Hilton brand names and trademarks for a sufficient number of Bluegreen accommodations, our license to use such Hilton brand names and trademarks may be automatically terminated, which could materially adversely impact our business. In addition, our revenues from Hilton branded business must equal or exceed 67 % of our total revenues; otherwise, Hilton can terminate the noncompetition term contained in the license agreement. Further, the Second Amendment to the Hilton license agreement established a minimum percentage of our total revenue in any calendar year that is required to be derived from the Hilton licensed business to maintain our continued exclusivity under the Hilton license agreement. If we fail to meet such minimum percentage of revenue requirement, then Hilton would have the option to terminate our exclusivity under the Hilton license agreement, which would permit Hilton to license to other parties the trademarks, other intellectual property and certain other rights that are currently exclusively licensed to us under the Hilton license agreement. In addition, the Hilton license agreement contains a number of prohibitions on us entering into certain agreements and arrangements, including certain enterprise- wide marketing arrangements and / or arrangements with competitors of Hilton. If we assume or enter into such agreements or arrangements without the approval of Hilton, we may breach the Hilton license agreement. The Hilton license agreement is critical to our business and the modification or amendment the Hilton license agreement or any exercise by Hilton of its termination or other rights under the Hilton license agreement, including the loss of exclusivity under the Hilton license agreement, could materially adversely impact our business. We incurred substantial transaction costs in connection with the Bluegreen Acquisition. We incurred, and expect that we will continue to incur, a number of significant, non- recurring expenses in connection with the Bluegreen Acquisition and the integration, including, without limitation, fees for third party legal, investment banking, consulting and advisory services, notes offering costs and expenses, amounts related to the repayment, termination, amendment and / or extension of Bluegreen' s indebtedness at the time of the closing, and obtaining necessary consents and approvals and combining the operations of the two companies. These fees and costs have been, and will continue to be for some time, substantial. Additional unanticipated costs may be incurred in our integration of Bluegreen. Although it is expected that the elimination of certain duplicative costs, as well as the realization of other efficiencies related to the integration of the two businesses, will offset the incremental transaction related costs over time, this net benefit may not be achieved in the near term, may be delayed, or not achieved at all for a number of reasons. We and Bluegreen may be subject to complaints, litigation or reputational harm due to dissatisfaction with, or concerns related to, the acquisition from our current owners. Our current owners may be concerned about the actual or perceived impact of the merger on their VOIs, including related to a reduced quality of resorts and product offerings due to the increased size of the business and addition of new owners, or increase or change in homeowners' association or other fees. Bluegreen' s legacy owners may have similar concerns related to a decline in the quality of product offerings or increase in fees as a result of the merger and increase in size of the business. Complaints or litigation brought by existing owners could harm our reputation, discourage potential new owners and adversely impact our results of operations. Our future results will suffer if we do not effectively manage our expanded operations and integrate Bluegreen. Following the completion of the Bluegreen Acquisition, the size of our business has increased significantly beyond the size of either our or Bluegreen' s operations prior to the acquisition. Our future success depends, in part, upon our ability to manage this expanded business, which will pose significant challenges for management, including challenges related to the managing and monitoring of new operations, increased costs and complexity, and increased compliance and regulatory requirements. We may also need to obtain approvals of developers or HOAs in various instances to include additional resorts in the multi- resort trust marketed, sold and managed by Bluegreen or increase maintenance fees or impose additional requirements in order to meet our brand and operating standards. There can be no assurances that we will be successful in implementing and / or managing any of these or other steps. We may not be able to retain our and / or Bluegreen personnel successfully. The success of the Bluegreen Acquisition and related integration will depend in part on our ability to retain the talents and dedication of key employees currently employed by us (including those employees whom we retained from the Diamond acquisition) and Bluegreen. It is possible that these employees may decide not to remain with us or Bluegreen, as applicable. If key employees terminate their employment, if an insufficient number of employees are retained, or if key employees' performance standards materially decrease, our business may be adversely affected and management' s attention may be diverted from successfully integrating Bluegreen to hiring suitable replacements, all of which may cause our business to suffer. In addition, we may not be able to locate suitable replacements for any key employees who leave, or offer employment to potential replacements on reasonable terms. Bluegreen may have liabilities that exceed our estimates, and any such liabilities could adversely affect our financial results and condition. Upon consummation of the Bluegreen Acquisition, we assumed all of Bluegreen' s liabilities, whether known or not. Bluegreen may have various potential liabilities relating to the conduct of its business prior to the Bluegreen Acquisition, including, but not limited to, existing and potential legal claims pertaining to various areas of the Bluegreen business, tax audits,

regulatory violations (including environmental violations and claims), and other liabilities that are greater than we had anticipated, were not known to us, and / or were not disclosed to us. It is possible that these liabilities, whether currently known or unknown to us, may result in substantial losses, thereby adversely affecting our operating results and financial condition. Interests in Bluegreen' s resorts are offered through a trust system, which is subject to a number of regulatory and other requirements. Bluegreen' s resorts are alternatives to traditional deeded timeshare ownership, inasmuch as they create a network of available resort accommodations at multiple locations (" the Bluegreen Club "). Title to the units available through the Bluegreen Club is held in a trust or similar arrangement that is administered by an independent trustee (the " Independent Trustee "). A purchaser of a timeshare interest in the Bluegreen Club generally does not receive a deeded interest in any specific resort or resort accommodation, but acquires a membership in the timeshare plan which is denominated by an annual or biennial allotment of points. Owners of Bluegreen' s timeshare interests are allowed to use their allocated points to reserve accommodations at the various component site (s) / participating resort (s) within the Bluegreen Club, thereby giving the members greater flexibility to plan their vacations. Administering such trust structure can be complicated and requires compliance with various timeshare laws (including those laws applicable to component sites). For example, the Bluegreen Club is required to be registered pursuant to, exempted from, or otherwise in compliance with, the applicable statutory requirements for the sale of timeshare plans in a growing number of jurisdictions. While such registrations and formal or informal exemption determinations for the Bluegreen Club may confirm the substantial compliance with the filing and disclosure requirements of the respective timeshare statutes, it does not constitute the endorsement of the creation, sale, promotion or operation of the Bluegreen Club by any regulatory body nor relieve Bluegreen (or any developer) of any duty or responsibility under other statutes or any other applicable laws. Registration under a respective timeshare act (or other applicable law) is not a guarantee or assurance of compliance with applicable law nor an assurance or guarantee of how any judicial body may interpret Bluegreen' s compliance therewith. In addition, various disclosures are required in connection with marketing and sale of timeshare interests or plans, which are required to be continually updated and current. A determination that specific provisions or operations of the Bluegreen Club do not comply with relevant timeshare acts or applicable law may have a material adverse effect on the developer, the Independent Trustee and the related non- profit members association for each of the Bluegreen component sites or resorts. Furthermore, any material omissions, inaccuracies or misstatements in disclosure documents may result in adverse consequences, including fines, penalties, rescission or similar rights for the purchasers, or other liabilities. Risks Related to the ~~2017~~ Spin- Off ~~From Hilton~~ We may be responsible for U. S. federal income tax liabilities that relate to the spin- off. The completion of the spin- off was conditioned upon the absence of any withdrawal, invalidation or modification of the ruling (" IRS Ruling ") Hilton received from the IRS regarding certain U. S. federal income tax aspects of the spin- off in an adverse manner prior to the effective time of the spin- off. Although the IRS Ruling generally is binding on the IRS, the continued validity of the IRS Ruling is based upon and subject to the accuracy of factual statements and representations made to the IRS by Hilton. In addition, the spin- off was conditioned on the receipt of an opinion of counsel to the effect that the distributions of our and Park common stock would qualify as tax- free distributions under Section 355 of the Code. An opinion of counsel is not binding on the IRS. Accordingly, the IRS may reach conclusions with respect to the spin- off that are different from the conclusions reached in the opinion. If all or a portion of the spin- off does not qualify as a tax- free transaction for any reason, Hilton may recognize a substantial gain attributable to the timeshare business for U. S. federal income tax purposes. In such case, under U. S. Treasury regulations, each member of the Hilton consolidated group at the time of the spin- off (including us and our subsidiaries) would be jointly and severally liable for the resulting entire amount of any U. S. federal income tax liability. Additionally, if the distribution of our common stock and / or the distribution of Park common stock do not qualify as tax- free under Section 355 of the Code, Hilton stockholders will be treated as having received a taxable dividend to the extent of Hilton' s current and accumulated earnings and profits, would have a tax- free basis recovery up to the amount of their tax basis in their shares, and would have taxable gain from the sale or exchange of the shares to the extent of any excess. The spin- off and related transactions may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws and legal distribution requirements. The spin- off could be challenged under various state and federal fraudulent conveyance laws. An unpaid creditor or an entity vested with the power of such creditor (such as a trustee or debtor- in- possession in a bankruptcy) could claim that Hilton did not receive fair consideration or reasonably equivalent value in the spin- off, and that the spin- off left Hilton insolvent or with unreasonably small capital or that Hilton intended or believed it would incur debts beyond its ability to pay such debts as they mature. If a court were to agree with such a plaintiff, then such court could void the spin- off as a fraudulent transfer and could impose a number of different remedies, including without limitation, returning our assets or your shares in our company to Hilton or providing Hilton with a claim for money damages against us in an amount equal to the difference between the consideration received by Hilton and the fair market value of our company at the time of the spin- off. The measure of insolvency for purposes of the fraudulent conveyance laws may vary depending on which jurisdiction' s law is applied. Generally, however, an entity would be considered insolvent if the fair salable value of its assets is less than the amount of its liabilities (including the probable amount of contingent liabilities), and such entity would be considered to have unreasonably small capital if it lacked adequate capital to conduct its business in the ordinary course and pay its liabilities as they become due. No assurance can be given as to what standard a court would apply to determine insolvency or that a court would determine that Hilton were solvent at the time of or after giving effect to the spin- off, including the distribution of our common stock. We could be required to assume responsibility for obligations allocated to Hilton or Park under the Distribution Agreement. We entered into the Distribution Agreement with Hilton and Park prior to the distribution of our shares of common stock to Hilton stockholders. Under the Distribution Agreement and related ancillary agreements, each of us, Hilton and Park are generally responsible for the debts, liabilities and other obligations related to the business or businesses that they own and operate following the spin- off.

Although we do not expect to be liable for any obligations that were not allocated to us under the Distribution Agreement, a court could disregard the allocation agreed to among the parties, and require that we assume responsibility for obligations allocated to Hilton or Park (for example, tax and / or environmental liabilities), particularly if Hilton or Park were to refuse or were unable to pay or perform the allocated obligations. In addition, losses in respect of certain Shared Contingent Liabilities, which generally are not specifically attributable to any of the timeshare business, the Park business or the retained business of Hilton, were determined on or prior to the date on which the Distribution Agreement was entered. The percentage of Shared Contingent Liabilities for which we are responsible has been fixed in a manner that is intended to approximate our estimated enterprise value on the distribution date relative to the estimated enterprise values of Park and Hilton. Subject to certain limitations and exceptions, Hilton is generally vested with the exclusive management and control of all matters pertaining to any such Shared Contingent Liabilities, including the prosecution of any claim and the conduct of any defense. In connection with the spin- offs, we may be required to indemnify Hilton and Park, and the indemnities of Hilton and Park of us may not be sufficient to insure us against the full amount of the liabilities assumed by Hilton and Park, and Hilton and Park may be unable to satisfy their indemnification obligations to us in the future. Pursuant to the Distribution Agreement entered into in connection with the spin- offs and certain other agreements among Hilton and Park and us, we agreed to indemnify each of Hilton and Park from certain liabilities. Indemnities that we may be required to provide Hilton and / or Park may be significant and could negatively affect our business. In addition, each of Hilton and Park agreed to indemnify us with respect to such parties ~~’~~ assumed or retained liabilities pursuant to the Distribution Agreement and breaches of the Distribution Agreement or other agreements related to the spin- offs. There can be no assurance that the indemnities from each of Hilton and Park will be sufficient to protect us against the full amount of these and other liabilities. Third parties also could seek to hold us responsible for any of the liabilities that Hilton and Park have agreed to assume. Even if we ultimately succeed in recovering from Hilton or Park any amounts for which we are held liable, we may be temporarily required to bear those losses ourselves. Each of these risks could negatively affect our business, financial condition, results of operations and cash flows. Pursuant to the Distribution Agreement and certain other agreements, including the Tax Matters Agreement, entered into in connection with the spin- offs among Hilton and Park and us, we agreed to indemnify each of Hilton and Park from certain liabilities (including tax liabilities). In addition to the Shared Contingent Liabilities pursuant to the Distribution Agreement, the Tax Matters Agreement governs the respective obligations of Hilton, Park and us after the spin- off with respect to tax liabilities and benefits, tax attributes, tax contests, liability resulting from tax audits and other tax sharing regarding U. S. federal, state, local and foreign income taxes, other tax matters and related tax returns. Under the Tax Matters Agreement, we have agreed to indemnify Hilton and Park against certain tax liabilities. The Tax Matters Agreement also provides special rules for allocating tax liabilities in the event that the spin- off is not tax- free. In general, under the Tax Matters Agreement, each party is responsible for any taxes imposed on Hilton that arise from the failure of the spin- off and certain related transactions to qualify as a tax- free transaction for U. S. federal income tax purposes under Sections 355 and 368 (a) (1) (D) of the Code, as applicable, and certain other relevant provisions of the Code, to the extent that the failure to qualify is attributable to actions taken by such party (or with respect to such party’ s stock). In addition, the parties share responsibility, in accordance with sharing percentages of 65 % for Hilton, 26 % for Park, and 9 % for us, for any such taxes imposed on Hilton that are not attributable to actions taken by a party. Finally, pursuant to the Tax Matters Agreement, to the extent that any taxes that may be imposed on the Hilton consolidated group for the taxable periods prior to the spin- offs relates to the timeshare business, we would in most cases be liable for the full amount attributable to the timeshare business. Indemnities that we may be required to provide Hilton and / or Park, or any liabilities for which we may be responsible proportionately or wholly, pursuant to these agreements may be significant and could negatively affect our business. Risks Related to Ownership of Our Common Stock Our board of directors may change significant corporate policies without stockholder approval. Our financing, borrowing and dividend policies and our policies with respect to all other activities, including growth, debt, capitalization and operations, will be determined by our board of directors. These policies may be amended or revised at any time and from time to time at the discretion of our board of directors without a vote of our stockholders. In addition, our board of directors may change our policies with respect to conflicts of interest provided that such changes are consistent with applicable legal requirements. A change in these policies could have an adverse effect on our financial condition, our results of operations, our cash flow, the per share trading price of our common stock and our ability to satisfy our debt service obligations and to pay dividends to our stockholders. The interests of certain of our stockholders may conflict with ours or yours in the future. We have entered into a ~~stockholders~~ - **stockholder' s** agreement with Apollo that, among other things, provides Apollo the right, under certain circumstances, to designate a certain number of directors to our board of directors. Pursuant to the ~~stockholders~~ - **stockholder' s** agreement, two members of our board of directors are Apollo designees, and for so long as Apollo and its affiliates continue to own specified percentages of our common stock, Apollo will be able to maintain representation on our board of directors. Accordingly, during that period of time, Apollo may have influence with respect to our management, business plans and policies, including the appointment and removal of our officers. For example, for so long as Apollo continues to own a significant percentage of our stock, Apollo may be able to influence whether or not a change of control of our company or a change in the composition of our board of directors occurs. The concentration of ownership by Apollo could deprive our stockholders of an opportunity to receive a premium for their shares of common stock as part of a sale of the Company and could affect the market price of our common stock. Apollo and its affiliates engage in a broad spectrum of activities, including investments in real estate generally and in the hospitality industry in particular ~~]~~. In the ordinary course of Apollo’ s business activities, Apollo and its affiliates may engage in activities where their interests **'** conflict with our interests or those of our stockholders. For example, Apollo and its affiliates may pursue ventures that compete directly or indirectly with us, or affiliates of Apollo may directly and indirectly own interests in timeshare property developers or others with whom we may engage in the future, may compete with us for investment opportunities, and may enter into other transactions with us that could result in their having interests that could conflict with ours. Our amended and restated certificate of incorporation provides no director who is not employed by us (including any nonemployee director who serves as one of our officers in both his or her director and officer capacities) or his or her affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. Apollo also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may be unavailable to us. In addition, Apollo may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investments, even though such transactions might involve risks to you. Anti- takeover provisions in our organizational documents and Delaware law might discourage or delay acquisition attempts for us that you might consider favorable. Our amended and restated certificate of incorporation and bylaws contain provisions that may make the merger or acquisition of our company more difficult without the approval of our board of directors. Among other things: • these provisions allow us to authorize the issuance of undesignated preferred stock in connection with a stockholder rights plan or otherwise, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include super voting, special approval, dividend, or other rights or preferences superior to the rights of the holders of common stock; • these provisions prohibit stockholder action by written consent unless such action is recommended by all directors then in office; • these provisions provide that our board of directors is expressly authorized to make, alter or repeal our bylaws and that our stockholders may only amend our bylaws with the approval of 80 % or more of all the outstanding shares of our capital stock entitled to vote; and • these provisions establish advance notice requirements for nominations for elections to our board or for proposing matters that can be acted upon by stockholders at stockholder meetings. In addition, as a Delaware corporation, we are also subject to provisions of Delaware law, which may impair a takeover attempt that our stockholders may find beneficial. These anti- takeover and other applicable Delaware law provisions and measures could discourage, delay or prevent a transaction involving a change in control of our company, including actions that our stockholders may deem advantageous, or negatively affect the trading price of our common stock. These provisions and measures could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause us to take other corporate actions you desire. Consent requirements in our license agreement with Hilton and other requirements in certain of our other material agreements may have the effect of deterring a potential takeover transaction that otherwise could be in the best interests of our stockholders. Our license agreement with Hilton requires us to obtain Hilton' s consent prior to taking certain significant corporate actions, including engaging in a takeover transaction. There can be no assurance that any consent from Hilton to a change of control of our company could be obtained on a basis satisfactory to us or any potential acquirer. In addition, certain of our other material agreements, such as our debt agreements, contain consent, notice, prepayment or other provisions that we are obligated to comply with prior to engaging in certain transactions. Failure to obtain required consents and comply with other provisions in these agreements could discourage, materially delay or prevent a transaction that otherwise may be in the best interests of our stockholders. The market price and trading volume of our common stock may fluctuate widely. For many reasons, the market price of our common stock has been volatile in the past and may be influenced in the future by a number of factors, including the risks identified in this Annual Report on Form 10- K. These factors may result in short- term or long- term negative pressure on the value of our common stock. The market price of our common stock may fluctuate significantly, depending upon many factors, some of which may be beyond our control, including, but not limited to: • shifts in our investor base; • our quarterly and annual earnings, or those of comparable companies; • actual or anticipated fluctuations in our operating results; • our ability to obtain financing as needed; • changes in laws and regulations affecting our business; • changes in accounting standards, policies, guidance, interpretations or principles; • announcements by us or our competitors of significant investments, acquisitions or dispositions; • the failure of securities analysts to cover our common stock; • changes in earnings estimates by securities analysts or our ability to meet those estimates; • the operating performance and stock price of comparable companies; • overall market fluctuations; • a decline in the real estate markets; and • general economic conditions and other external factors. Future issuances of common stock by us may cause the market price of our common stock to decline. None of the shares outstanding upon consummation of the spin- off were " restricted securities " within the meaning of Rule 144 under the Securities Act, and substantially all of the outstanding shares of our common stock are freely tradable and available for resale in the public market, subject to certain restrictions in the case of control shares held by persons deemed to be our affiliates. Accordingly, the market price of our common stock could drop significantly if holders of a substantial number of shares of our common stock sell them in the public market, or if the market perceives that such sales could occur. We adopted an Omnibus Incentive Plan under which an aggregate of 10, 000, 000 shares of HGV common stock are issuable. As of December 31, ~~2022~~ **2023** , an aggregate of ~~3~~ **4** , ~~102~~ **339** , ~~210~~ **887** shares have been issued, and an additional 4, ~~416~~ **122** , ~~258~~ **738** shares were underlying outstanding awards pursuant to the Omnibus Incentive Plan. We also adopted a Non- Employee Director Stock Plan under which 325, 000 shares of our common stock are issuable, and an Employee Stock Purchase Plan under which 2, 500, 000 shares of our common stock are available for issuance. Under the Non- Employee Director Stock Plan, ~~134~~ **157** , ~~262~~ **530** shares had been issued, and there were an additional ~~23, 268~~ **26, 052** shares underlying outstanding awards granted as of December 31, ~~2022~~ **2023** . Under the Employee Stock Purchase Plan, a total of ~~388~~ **566** , ~~800~~ **972** shares were issued as of December 31, ~~2022~~ **2023** . Any further issuances could result in the dilution of our current stockholders causing the market price of shares of our common stock to decline. We cannot guarantee that we will repurchase our common stock pursuant to our share repurchase program or that our share repurchase program will enhance long- term shareholder value. Share repurchases could also increase the volatility of the price of our common stock and diminish our cash reserves. **Our** ~~On May 4, 2022, our~~ Board of Directors **has** authorized a share repurchase program (the " Repurchase Program ") ~~,~~ pursuant to which we may repurchase ~~up to $ 500 million of~~ our common stock ~~over a two- year period~~ through any combination of open market repurchases, accelerated share repurchases or privately negotiated transactions. The timing and amount of repurchases of shares of our common stock, if any, will depend upon several factors, such as the market price of our common stock, general market and economic conditions, our working capital requirements and corporate strategy, the terms of our financing arrangements and applicable legal requirements. We are not obligated to repurchase any specific number or amount of shares of common stock pursuant to the Repurchase Program, and we may modify, suspend or terminate the Repurchase Program at any time without prior notice. Repurchases of our common stock pursuant to the Repurchase Program could impact our stock price and increase its volatility. The existence of the Repurchase Program could cause our stock price to be higher than it would be in the absence of such a program. Additionally, the Repurchase Program could diminish our cash reserves, which may impact our ability to finance future growth and to pursue possible future strategic opportunities. There can be no assurance that any share repurchases will enhance long- term stockholder value, and the market price of our common stock may decline below the levels at which we repurchased shares of stock. We have no current plans to pay cash dividends on our common stock, and our indebtedness could limit our ability to pay dividends in the future. Although we may return capital to stockholders through dividends or otherwise in the future, we have no current plans to pay any cash dividends. The declaration, amount and payment of any future dividends on shares of common stock will be at the sole discretion of our board of directors. Our board of directors may take into account general and economic conditions, our financial condition and results of operations, our available cash, current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions on the payment of dividends by us to our stockholders or by our subsidiaries to us, and such other factors as our board of directors may deem relevant. In addition, our ability to pay dividends is limited by our credit agreement related to our senior secured credit facilities. Our ability to pay dividends may also be limited by covenants of other indebtedness that we or our subsidiaries incur in the future. ~~Our business could be negatively impacted as a result of actions by activist stockholders or others. Stockholder activism has been increasing in publicly traded companies in recent years and we are subject to the risks associated with such activism, particularly due to the recent decline in our stock price. Our business could be negatively affected as a result of stockholder activism, which could cause us to incur significant legal fees and other costs, hinder execution of our business strategy and impact the trading value of our securities. Additionally, stockholder activism could give rise to perceived uncertainties as to our future direction, adversely affect our relationships with key executives and business partners and make it more difficult to attract and retain qualified employees. Any of these impacts could materially and adversely affect our business and operating results. Risks Related to the Integration of Diamond We may not be able to integrate the acquired Diamond business successfully. On August 2, 2021, we completed the Diamond Acquisition. Despite our efforts, it is possible that the integration process could take longer than anticipated and / or could be more difficult than anticipated due to a number of reasons, including the lack of complementary products and resort offerings, delays or other challenges in converting the Diamond resorts into resorts that are suitable for HGV as part of our overall strategy and our rebranding plan, loss of valuable employees, disruption of each company' s ongoing businesses, processes and systems, inconsistencies in standards, controls, procedures, practices, policies and compensation arrangements between the two businesses, and differences in corporate cultures and philosophies, and other challenges that are inherent in such a complex integration of businesses. There also may be issues attributable to Diamond' s operations that were inherent to the business or are based on events or actions that occurred prior to the closing of the Diamond Acquisition that may make the integration even more challenging. In addition, uncertainty about the effect of the Diamond Acquisition on relationships with our suppliers, vendors, existing owners, and potential owners may hinder the integration. Although we are taking steps designed to reduce or mitigate any adverse effects, these uncertainties may cause suppliers, vendors, existing and potential owners, and others that deal with us to seek to change, not renew or discontinue existing business relationships with us. Integrating the Diamond business and properties into our operations may place a significant burden on management and internal resources and divert management' s attention away from day- to- day business concerns. Further, our ability to attract, retain and motivate key personnel and employees may be impacted if employees or prospective employees have uncertainty about their future roles with us during the integration of the Diamond Acquisition and beyond. Despite our retention and recruiting efforts, key employees may be unwilling to continue their employment with us and we may be unable to timely find suitable replacements. As previously described, in April 2022, we entered into an amendment to the license agreement with Hilton to provide for a plan to rebrand the majority of the Diamond properties, rooms and sales facilities into HGV- branded properties, rooms and sales facilities over a five- year period. If we do not achieve the applicable annual rebranding target milestones, we will be subject to an escalated royalty fee, and if we fail to achieve a cumulative target by September 2031, Hilton may prohibit our future offering and sales of HGV Max. Ultimately, the integration process is subject to a number of uncertainties, and no assurance can be given that our integration efforts will be successful. Any one or more of the foregoing factors may adversely affect or hinder any successful integration of the Diamond acquisition and may materially adversely impact the execution of our strategy post- acquisition, business, operations, and, ultimately, our results of operations. Our ability to successfully integrate the Diamond business depends on our compliance with the license agreement and ability to meet certain targets under the rebrand plan. We and Hilton have agreed to a plan to rebrand the majority of the Diamond properties, rooms and sales facilities into HGV- branded properties, rooms and sales facilities over a five- year period. The License Agreement Amendment sets forth certain annual and cumulative target room conversions. The License Agreement Amendment provides for the offer and sale by HGV of its " HGV Max " branded product that provides access across legacy HGV and both converted and unconverted Diamond properties, subject to certain conditions. If we do not achieve the applicable annual rebranding target milestones, we will be subject to an escalated royalty fee, and if we fail to achieve cumulative targets by September 2031, Hilton may prohibit our future offering and sales of HGV Max. In addition, the license agreement requires Hilton' s approval in connection with our anticipated conversion of the Diamond properties into our branded HGV Max properties and / or another new brand of properties. Hilton also has the right to review our sales, reservation and marketing activities related to HGV Max and review and approve our rebranded sales centers. We have agreed with Hilton to operate the Diamond properties and business as a separate operation, pending the rebranding and conversion plan, after which we expect to continue to operate certain Diamond properties that are not rebranded as a separate operation. If we fail to comply with the separate operation requirements in connection with such part of our business, we may be subject to potential violation of~~

~~the license agreement. In addition, if we cannot come to an agreement with Hilton on how to brand and operate Diamond properties that are not approved for rebranding by Hilton, our ability to successfully integrate Diamond may be materially adversely affected. We may conclude that it is necessary to enter into future amendments and / or modifications to the license agreement that may be necessary in connection with the integration and conversion plans. If we and Hilton are unable to reach agreements on any such amendments and / or modifications, our integration and conversion plans may be delayed and / or may not comport to the current terms and conditions of the license agreement, which will adversely affect our business and operations. For additional information see " Item 1. Business — Key Agreements with Hilton Worldwide Holdings. " The license agreement contains a number of prohibitions on us entering into certain agreements and arrangements with competitors of Hilton. As a result of the Diamond Acquisition, we assumed Diamond' s contracts with third parties, a number of which are with competitors of Hilton, which may only be utilized with respect to the non- branded portion of the business. The license agreement provides for a cure period for agreements or arrangements related to the Diamond business that would result in a violation or breach of provisions in the license agreement. However, to the extent we are not able to terminate such agreements within the cure period or we are unable to obtain a waiver from Hilton, we may be in default of the license agreement. Anticipated cost savings, synergies, growth in operating results and related benefits of the Diamond Acquisition may not be realized. In addition, we may incur substantial costs and expenses related to the Diamond Acquisition and the integration beyond what we have anticipated, which may include unknown liabilities at the time of the closing. Any of these factors could have a material adverse effect on our business, financial condition and results of operations. We completed the Diamond Acquisition with the expectation that it will result in various benefits and synergies, including, among other things, operating efficiencies, and opportunities to potentially increase our revenue, sales, EBITDA, owners, and cost savings. Achieving such anticipated benefits and synergies of the Diamond Acquisition within the expected timeframe, or at all, is subject to a number of uncertainties, including whether the businesses of HGV and Diamond can be integrated in an efficient and effective manner. It is possible that any one or more of such benefits and synergies may not be realized, thereby significantly reducing the anticipated benefits associated with the Diamond Acquisition, and may result in higher than anticipated costs, and lower than anticipated revenue, and / or decreases in the amount of expected net income, all of which would adversely affect our future business, financial condition, and operating results. Further, we incurred a number of fees, costs and expenses prior to completing the Diamond Acquisition and expect to continue to incur additional fees, costs and expenses associated with combining and integrating the operations of the two companies and achieving the desired benefits. These fees, costs and expenses, which are both recurring and non- recurring, have been, and will continue to be, substantial. Although we believe that achieving cost synergies, benefits, and other efficiencies of the Diamond Acquisition should offset such costs, fees and expenses over time, such net benefit may not be achieved in the near term, or at all. Moreover, there may be significant potential liabilities associated with the Legacy- Diamond business that we may uncover after the closing during the integration period, which may result in us incurring significant costs and expenses in the future. Actions taken by employees associated with the Legacy-Diamond business could intentionally or unintentionally violate or fail to comply with laws and regulations that we are subject to, and such non- compliance may be attributable to us. Such potential liabilities may have been unknown to us at prior to the closing of the Diamond Acquisition and / or more significant than we believed at such time. Any such material unexpected costs and expenses may have a material adverse effect on our financial condition and operating results. Our results will suffer if we do not effectively manage our expanded operations resulting from the Diamond Acquisition. The size of our business increased significantly as a result of the Diamond Acquisition. Our future success depends, in part, upon our ability to manage this expanded business, including in non- US jurisdictions where we did not have operations prior to the Diamond Acquisition, including challenges related to the management and monitoring of expanded operations and associated increased costs and complexity. We may also need to obtain approvals of developers or HOAs in various instances to include additional resorts in the multi- resort trusts marketed, sold and managed by the acquired Diamond business (the " Diamond Collections ") or increase maintenance fees or impose additional requirements in order to meet our brand and operating standards. There can be no assurances that we will be successful or that we will realize the expected operating efficiencies, cost savings and other benefits currently anticipated from the transaction. In addition, there will be increased compliance and regulatory risk as a result of the expanded size of our business. We may be subject to complaints, litigation or reputational harm due to dissatisfaction with, or concerns related to, the Diamond Acquisition from our and former Diamond owners. Our and former Diamond VOI owners prior to the completion of the Diamond Acquisition may be concerned about the actual or perceived impact of the Diamond Acquisition and the integration on their VOIs, including the potential reduction in quality of resorts and product offerings due to the increased size of the business and addition of new owners, the potential adverse effect on the availability of access to these resorts and other disruptions during the integration period, or the potential increase or change in HOA or other fees. The VOI owners of the acquired Diamond business may have similar concerns related to a decline in the quality of product offerings or increase in fees as a result of the Diamond Acquisition and increase in size of the business. Complaints or litigation brought by existing owners following the completion of the Diamond Acquisition could harm our reputation, discourage potential new owners and adversely impact our results of operations. Interests in the acquired Diamond resorts are offered through a trust system, which is subject to a number of regulatory and other requirements. The Diamond Collections located in the United States are alternatives to traditional deeded timeshare ownership, as they create a network of available resort accommodations at multiple locations. For those US- based Diamond Collections, title to the units available through the Diamond Collections is held in a trust or similar arrangement that is administered by an independent trustee (the " Collection Trustee "). A purchaser of a timeshare interest in a Collection does not receive a deeded interest in any specific resort or resort accommodation, but acquires a membership in the timeshare plan which is denominated by an annual or biennial allotment of points. Owners of Diamond' s timeshare interests are allowed to use their allocated points to reserve accommodations at the various component site (s) / participating resort (s) within the Diamond Collections, thereby giving the members greater flexibility to plan their~~

~~vacations. Owners may also elect to reserve accommodations at resorts that are not part of their Collection through Diamond' s exchange programs. The Diamond Collections are registered pursuant to, exempted from, or otherwise in compliance with, the applicable statutory requirements for the sale of timeshare plans in a growing number of jurisdictions. Such registrations and formal exemption determinations for the Diamond Collections confirm the substantial compliance with the filing and disclosure requirements of the respective timeshare statutes by the developer of the applicable Diamond Collection. It does not constitute the endorsement of the creation, sale, promotion or operation of the Diamond Collections by any regulatory body nor relieve the developer of a Diamond Collection or any affiliates of such developer of any duty or responsibility under other statutes or any other applicable laws. Registration under a respective timeshare act (or other applicable law) is not a guarantee or assurance of compliance with applicable law nor an assurance or guarantee of how any judicial body may interpret the Diamond Collections' compliance therewith. A determination that specific provisions or operations of the Collections do not comply with relevant timeshare acts or applicable law may have a material adverse effect on the developer, the Collection Trustee and the related non-profit members association for each of the Diamond Collections. If we are unable to successfully integrate and manage the trust system our results of operations or reputation may suffer. 43~~