BLUEGREEN VACATIONS
THIRD QUARTER 2020 RESULTS

November 9, 2020

Forward-looking Statements

Certain statements in this press release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are based on current expectations of management and can be identified by the use of words such as “believe”, “may”, “could”, “should”, “plans”, “anticipates”, “intends”, “estimates”, “expects”, and other words and phrases of similar impact. Forward-looking statements involve risks, uncertainties and other factors, many of which are beyond our control, that may cause actual results or performance to differ from those set forth or implied in the forward-looking statements. These risks and uncertainties include, without limitation, risks relating to public health issues, including in particular the COVID-19 pandemic and the effects of the pandemic, including resort closures, travel and business restrictions, volatility in the international and national economy and credit markets, worker absenteeism, quarantines and other health related restrictions; the length and severity of the COVID-19 pandemic and our ability to successfully resume full business operations thereafter; governmental and agency orders, mandates and guidance in response to the COVID-19 pandemic and the duration thereof, which is uncertain and will impact our ability to fully utilize resorts and re-open sales centers and other marketing activities; the pace of recovery following the COVID-19 pandemic; the risk that resorts and sales operations, including those at Bass Pro and Cabela’s store locations, may not reopen to the extent or when expected, or may be subject to additional closures in the future; competitive conditions; our liquidity and the availability of capital; our ability to successfully implement our strategic plans and initiatives to navigate the COVID-19 pandemic; risks that default rates may increase and exceed the Company’s expectations, including due to the impact on consumers of the COVID-19 pandemic and if our efforts to address the actions of timeshare exit firms and the increase in default rates associated therewith are not successful; risks related to our indebtedness, including the potential for accelerated maturities and debt covenant violations; the risk of heightened litigation as a result of actions taken in response to the COVID-19 pandemic; the impact of the COVID-19 pandemic on our operations and our payment of regular or special dividends in the future, including that despite the special cash dividend declared during July 2020, we have suspended the payment of regular quarterly cash dividends due to the impact of the COVID-19 pandemic, and dividends may not be paid at historical rates or at all; the impact of the COVID-19 pandemic on consumers, including their income, their level of discretionary spending both during and after the pandemic, and their views towards travel and the vacation ownership industries; the risk that our resort management fees and finance operations may not continue to generate recurring sources of cash during or following the pandemic to the extent anticipated or at all; risks that our current or future marketing alliances may not be available to us in the future; that reducing sales of fee-based inventory in favor of developed inventory may not may not result in EBITDA growth or otherwise positively impact the Company and such strategy may change; our ability to successfully implement our strategic plans and initiatives, generate earnings and long-term growth; risks that the Company’s costs, including costs of VOIs sold, will not be within the expected ranges; risks related to our indebtedness; risks that natural disasters, including hurricanes, may result in declines in leisure travel or traffic at locations where we have marketing operations, adversely impact the availability of credit, or otherwise adversely impact the Company’s financial condition and operating results; any damage to physical assets or interruption of access to physical assets or operations resulting from public health issues, such as the COVID-19 outbreak, or from hurricanes, earthquakes, fires, floods, windstorms or other natural disasters, which may increase in frequency or severity due to climate change or other factors; and the additional risks and uncertainties described in Bluegreen's filings with the Securities and Exchange Commission, including, without limitation, those described in the “Risk Factors” section of Bluegreen’s Annual Report on Form 10-K for the year ended December 31, 2019, which was filed on March 12, 2020, and the Company’s Quarterly Report on Form 10-Q for the three months ended September 30, 2020, which is expected to be filed on or about November 9, 2020. Bluegreen cautions that the foregoing factors are not exclusive. You should not place undue reliance on any forward-looking statement, which speaks only as of the date made. Bluegreen does not undertake, and specifically disclaims any obligation, to update or supplement any forward-looking statements.

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Bluegreen Vacations Overview

1994
Entered Vacation Ownership Industry

70%[2]
"Capital-Light" Revenue

68 Resorts[1]
45 Club Resorts / 23 Club Associate Resorts

36%[2]
Sales of VOIs to New Customers

~218,000[1]
Vacation Club Owners

$370.0 Million[2]
Revenue

~83,000[2]
Guest Tours

$29.3 Million[2][3]
Adjusted EDITDA attributable to shareholders

(1) Data as of September 30, 2020
(2) For the nine months ended September 30, 2020. Note that all sales and marketing operations were closed during April and May 2020 in response to the COVID-19 pandemic. See the Company's disclosures in its Quarterly Report on Form 10-Q for the three months ended September 30, 2020. "Capital-light" includes the sales of VOIs under fee-based sales and marketing arrangements, just-in-time inventory acquisition arrangements and secondary market arrangements, as well as other fee-based services revenue and cost reimbursements revenue.
(3) See appendix for a reconciliation of Adjusted EBITDA attributable to shareholders to Net Income attributable to shareholders of $1.3 million for the nine months ended September 30, 2020.

Third Quarter Highlights

1. Net income attributable to shareholders was $9.9 million in the current year quarter, compared to $20.3 million in the prior year quarter.

2. Earnings Per Share ("EPS") of $0.14 in the current year quarter, compared to $0.27 in the prior year quarter.

3. Adjusted EBITDA attributable to shareholders [1] decreased to $22.4 million in the current year quarter, compared to $37.0 million in the prior year quarter.

4. System-wide Sales of vacation ownership interests ("VOIs") decreased to $104.3 million in the current year quarter from $170.4 million in the prior year quarter

5. Resort Operations and Club Management revenue for the quarter decreased 11% to $42.2 million compared to the prior year quarter; segment adjusted EBITDA decreased 0.5% to $15.4 million[1] .

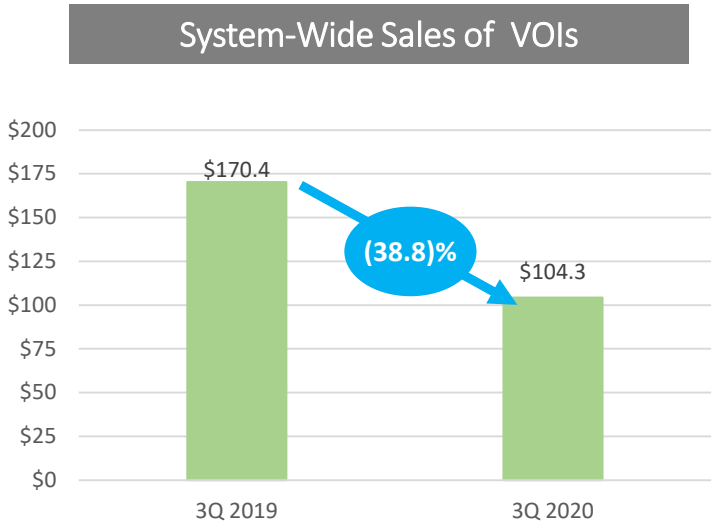
6. The current year quarter's results were adversely affected by the economic impact of the COVID-19 pandemic. In response to the pandemic, we temporarily closed all of our VOI sales centers in the last week of March 2020. By September 30, 2020, we recommenced our marketing operations at 92 Bass Pro Shops and Cabela's stores, reactivated our Choice Hotels call transfer program, reopened all of our resorts, and reopened all but one of our VOI sales centers. Resort occupancy for the third quarter of 2020 was approximately 70%.

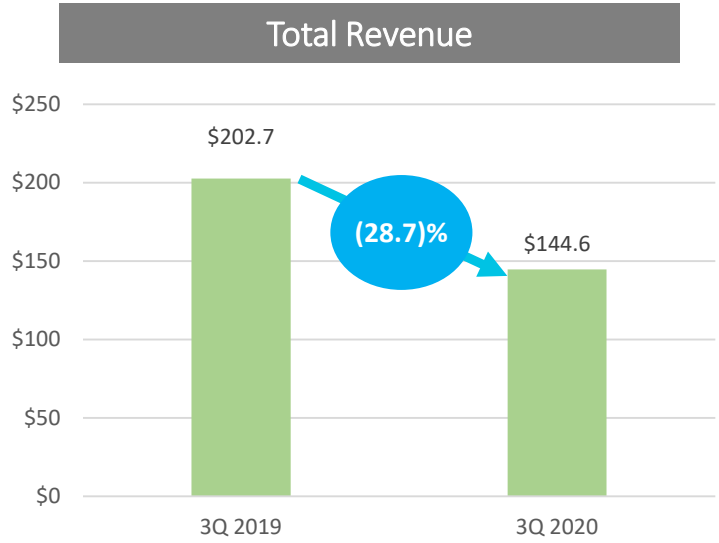
7. Completed a private offering and sale of approximately $131.0 million of VOI receivable-backed Notes in October 2020.

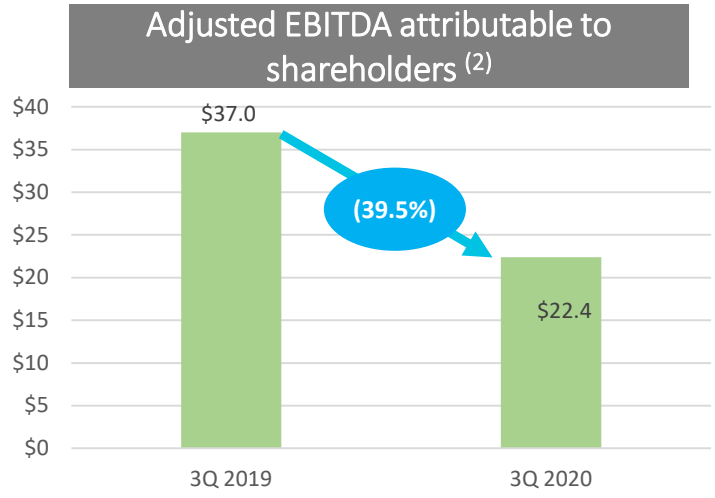
(1) See appendix for reconciliation.

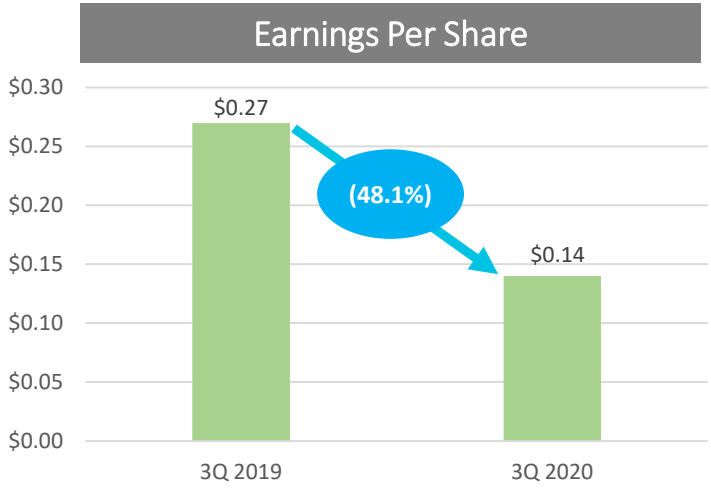
Third Quarter[1] Performance

($ in millions, except per share data)





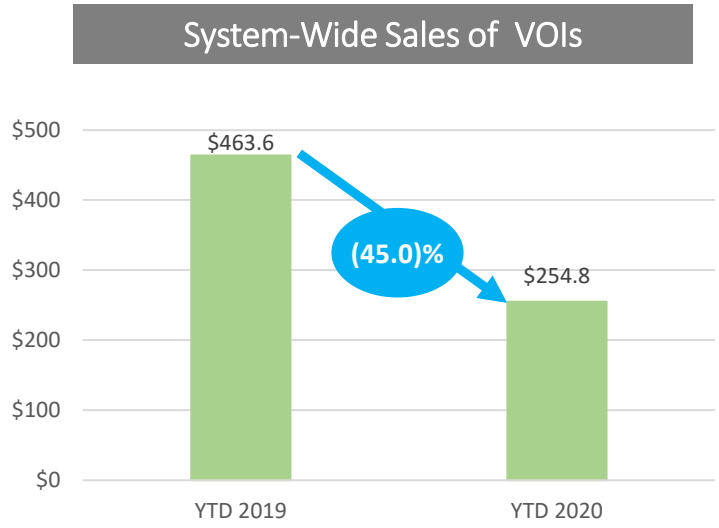


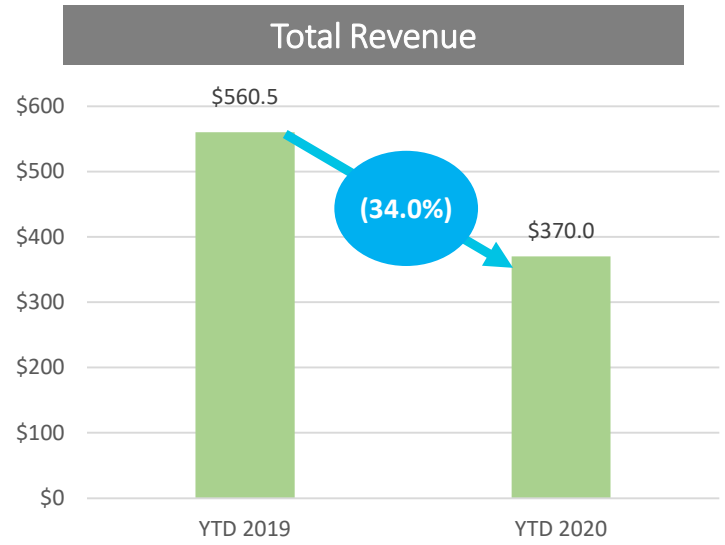


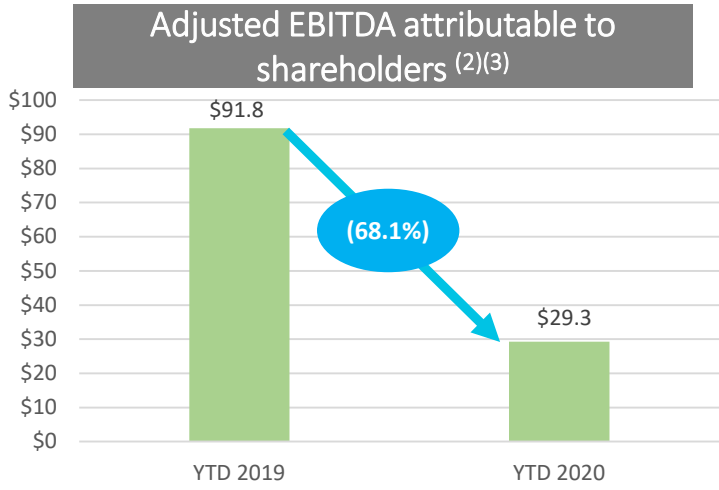
(1) Three months ended 9/30/19 and 9/30/2020, respectively
(2) See appendix for reconciliation to net income attributable to shareholders of $20.3 million and $9.9 million for 3Q 2019 and 3Q 2020, respectively

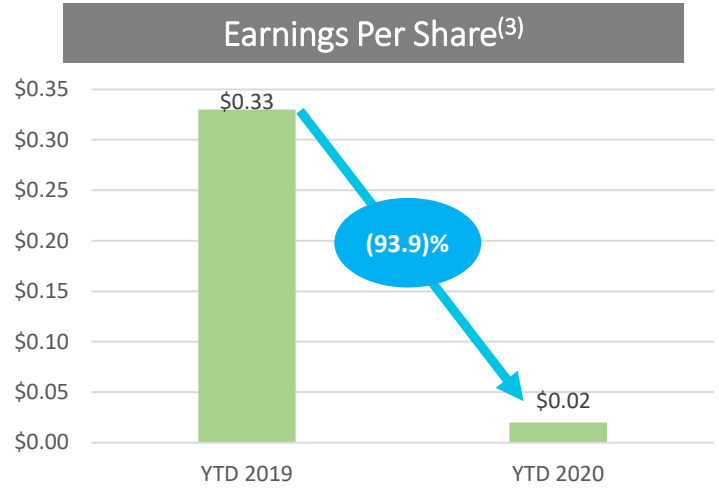
Year to Date[1] Performance

($ in millions, except per share data)







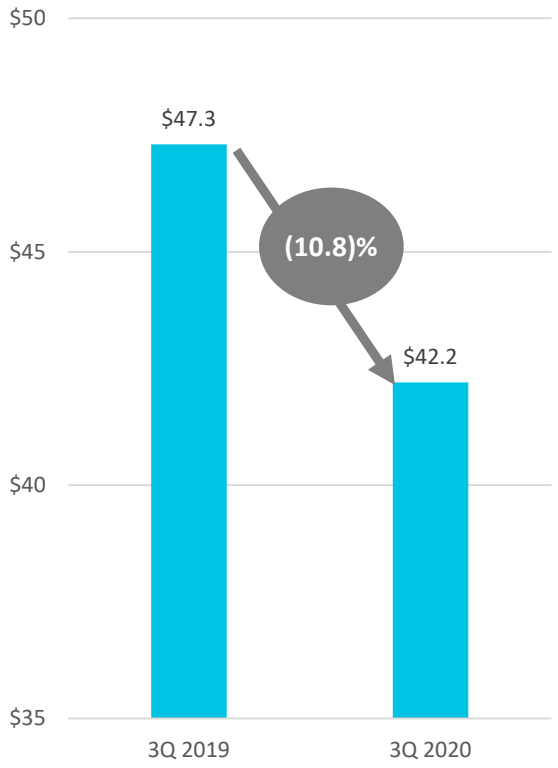


(1) Nine months ended 9/30/19 and 9/30/2020, respectively
(2) See appendix for reconciliation to net income attributable to shareholders of $24.3 million and $1.3 million for the nine months ended 9/30/2019 and 9/30/2020, respectively
(3) 2020 includes $20.9 million pretax, or $0.29 loss per share, due to the COVID-19 pandemic. 2019 includes $39.1 million pretax, or $0.53 loss per share related to the Company's settlement with Bass Pro Shops.

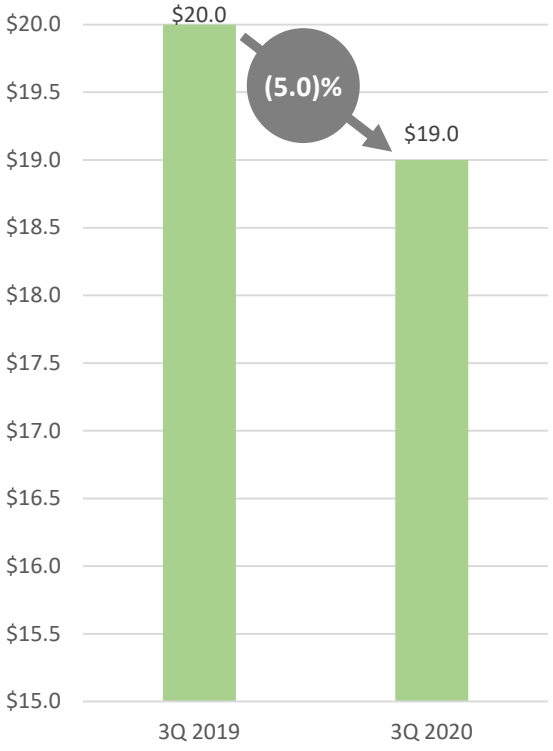
Third Quarter[1] Recurring Revenue Mix

($ in millions)

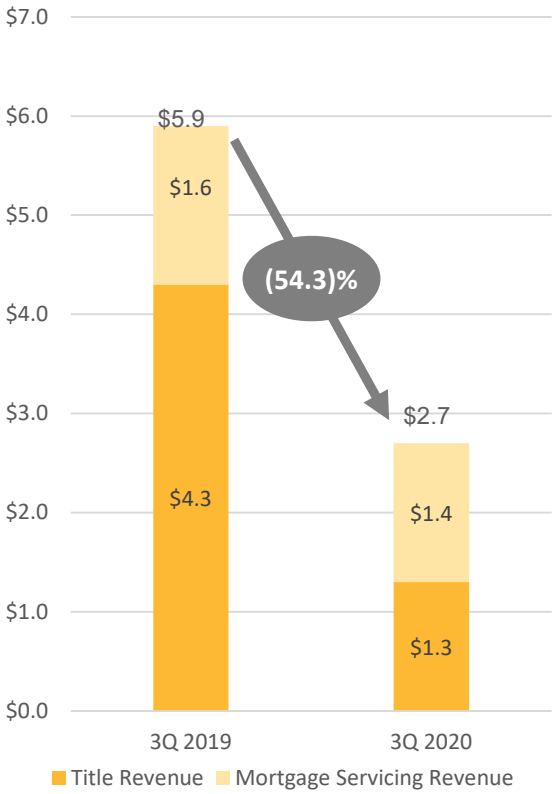
Resort Operations and Club Management Revenue



Financing Revenue: Interest Income[2]



Other Recurring Revenue

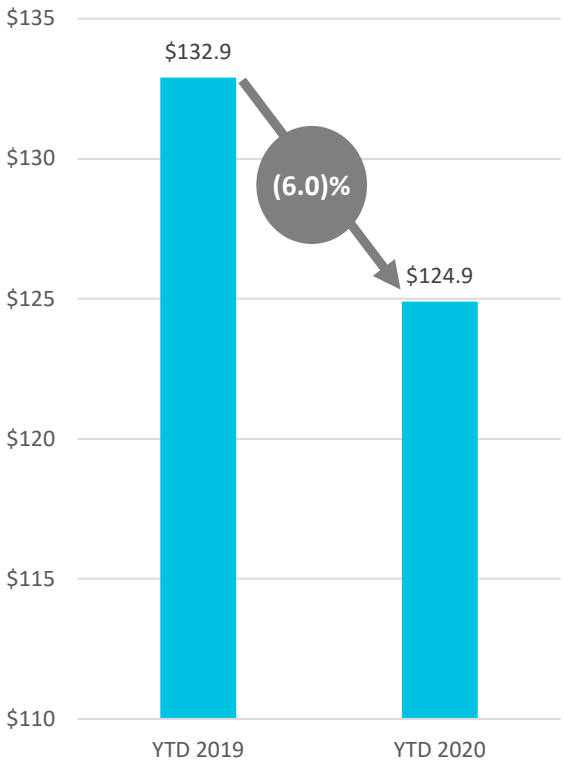


(1) Three months ended 9/30/19 and 9/30/20, respectively
(2) Represents interest income from the financing of VOI sales.

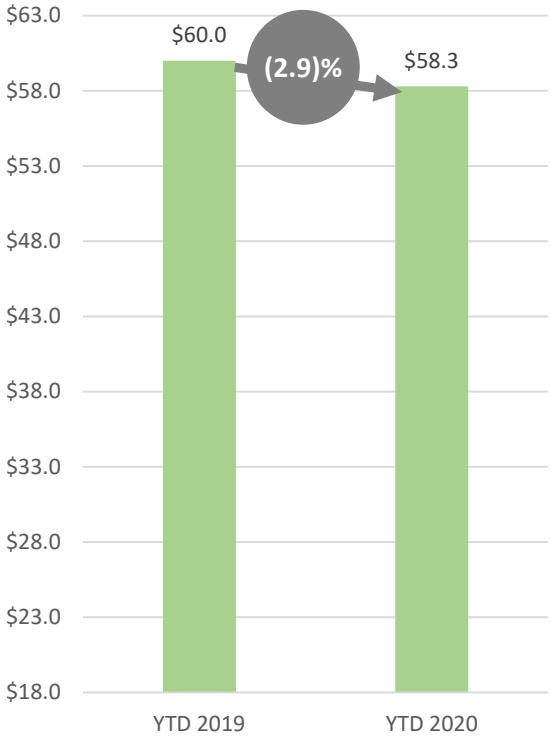
Year to Date[1] Recurring Revenue Mix

($ in millions)

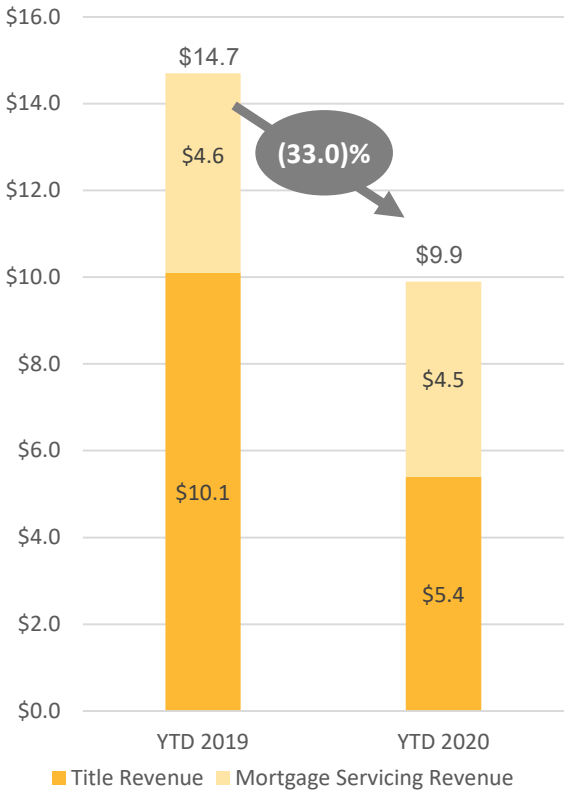
Resort Operations and Club Management Revenue



Financing Revenue: Interest Income[2]



Other Recurring Revenue

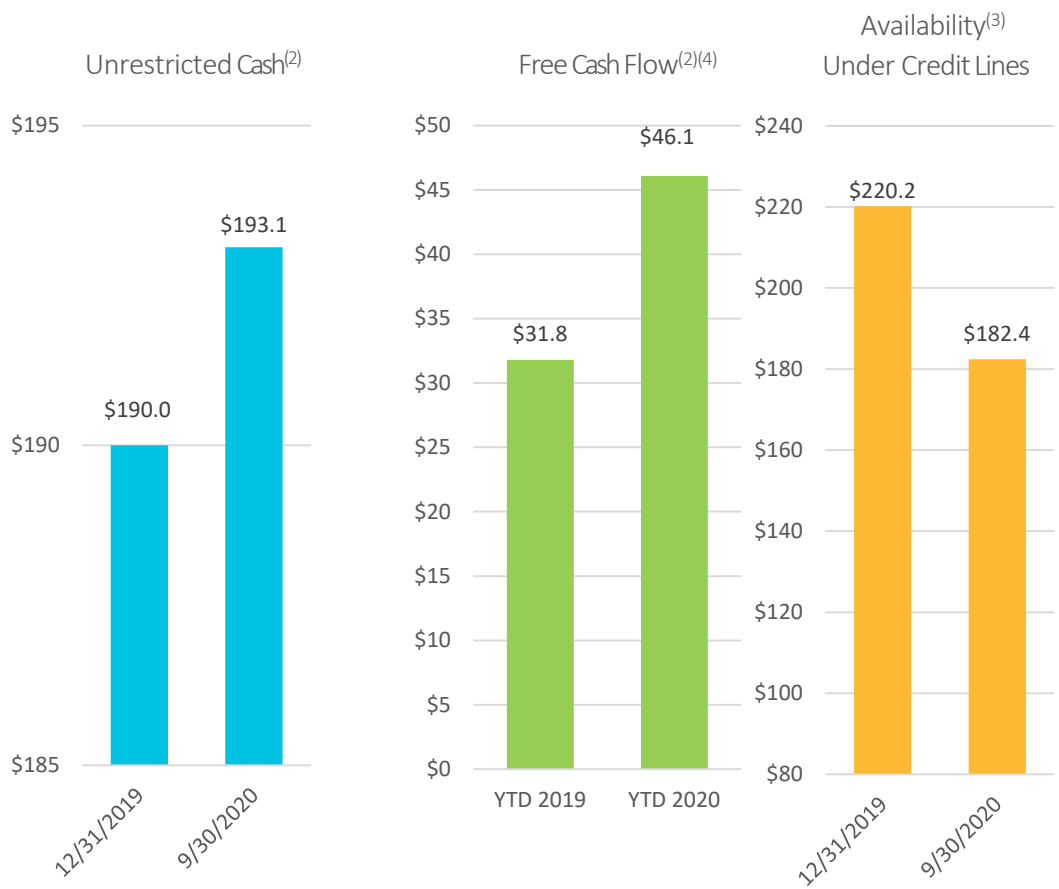


(1) Nine months ended 9/30/19 and 9/30/20, respectively
(2) Represents interest income from the financing of VOI sales.

Strong Liquidity Position

($ in millions)

Liquidity Position



(1) Nine months ended 9/30/19 & 9/30/2020, respectively
(2) Includes payments of $20.0 million and $4.0 million in 2019 and 2020, respectively, related to the Company's settlement with Bass Pro Shops
(3) Subject to eligible collateral and the terms and conditions of each facility.
(4) See the supplemental tables for a reconciliation of cash flow from operating activities to free cash flow, which is defined as cash from operating activities less capital expenditures.

Liquidity Profile

- ✓ As of September 30, 2020 Bluegreen had total availability(3) of $182.4 million under its $405.0 million of credit and receivable purchase facilities
- ✓ Non-receivable-backed debt to equity ratio of 0.64:1 at 9/30/20 vs 0.47:1 at 12/31/19
- ✓ In September 2020, Bluegreen amended its revolving timeshare receivables hypothecation facility with NBA, extending the revolving credit period until September 2023 and the maturity of the facility to March 2028. The maximum borrowings remain at $70.0 million. In addition, Bluegreen has been removed as guarantor.
- ✓ In October 2020, the Company completed a private offering and sale of approximately $131.0 million of VOI receivable-backed Notes. As a result, availability under the Company's receivable-backed purchase and credit facilities, and corporate credit line increased $82.1 million as of October 8, 2020, subject to eligible collateral and the terms of the facilities, as applicable.

APPENDIX

For more information, see Earnings Release dated November 9, 2020 and the Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on or about November 9, 2020. Further, the Company refers to certain non-GAAP financial measures, including system-wide sales of VOIs, Adjusted EBITDA attributable to shareholders, and free cash flow, which are defined in the Company's Earnings Release and Quarterly Report on Form 10-Q for the three months ended September 30, 2020. Please see the supplemental tables attached herein for additional information and reconciliation of such non-GAAP financial measures.

Consolidated Statements of Operations and Comprehensive Income

(In thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenue:				
Gross sales of VOIs	$ 71,149	$ 82,729	$ 157,530	$ 225,834
Estimated uncollectible VOI notes receivable	(11,884)	(16,411)	(44,083)	(39,483)
Sales of VOIs	59,265	66,318	113,447	186,351
Fee-based sales commission revenue	22,119	60,478	64,619	161,033
Other fee-based services revenue	27,831	33,744	83,558	94,015
Cost reimbursements	15,684	17,883	46,654	48,933
Interest income	19,672	22,081	61,646	65,964
Other income, net	—	2,146	41	4,228
Total revenue	144,571	202,650	369,965	560,524
Costs and expenses:				
Cost of VOIs sold	3,597	3,121	8,734	17,541
Cost of other fee-based services	20,861	22,872	61,107	63,913
Cost reimbursements	15,684	17,883	46,654	48,933
Selling, general and administrative expenses	79,350	118,033	222,427	357,666
Interest expense	7,319	10,388	24,677	29,955
Other expense, net	365	—	—	—
Total costs and expenses	127,176	172,297	363,599	518,008
Income before non-controlling interest and provision for income taxes	17,395	30,353	6,366	42,516
Provision for income taxes	4,850	7,778	1,073	9,124
Net income	12,545	22,575	5,293	33,392
Less: Net income attributable to non-controlling interest	2,644	2,248	4,021	9,095
Net income attributable to Bluegreen Vacations Corporation shareholders	$ 9,901	$ 20,327	$ 1,272	$ 24,297
Comprehensive income attributable to Bluegreen Vacations Corporation shareholders	$ 9,901	$ 20,327	$ 1,272	$ 24,297

Consolidated Statements of Operations and Comprehensive Income

(In thousands, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Earnings per share attributable to Bluegreen Vacations Corporation shareholders - Basic and diluted	**$ 0.14**	$ 0.27	**$ 0.02**	$ 0.33
Weighted average number of common shares outstanding:				
Basic and diluted	**72,485**	74,446	**73,010**	74,446
Cash dividends declared per share	**$ 1.19**	$ 0.17	**$ 1.31**	$ 0.51

Consolidated Statements of Cash Flows

(In thousands)

	For the Nine Months Ended September 30,	
	2020	2019
Operating activities:		
Net income	$ 5,293	$ 33,392
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	14,307	14,069
Loss (gain) on disposal of property and equipment	326	(1,926)
Provision for loan losses	44,083	39,483
Benefit for deferred income taxes	(2,047)	(6,563)
Changes in operating assets and liabilities:		
Notes receivable	(5,628)	(46,205)
Prepaid expenses and other assets	12,473	(10,586)
Inventory	(3,408)	(12,672)
Accounts payable, accrued liabilities and other, and deferred income	(13,424)	41,333
Net cash provided by operating activities	51,975	50,325
Investing activities:		
Purchases of property and equipment	(5,895)	(18,502)
Proceeds from sale of property and equipment	167	3,249
Proceeds from repayment of related party loan	80,000	—
Net cash provided by (used in) investing activities	74,272	(15,253)
Financing activities:		
Proceeds from borrowings collateralized by notes receivable	53,780	79,168
Payments on borrowings collateralized by notes receivable	(96,863)	(102,631)
Proceeds from borrowings collateralized by line-of-credit facilities and notes payable	80,000	20,386
Payments under line-of-credit facilities and notes payable	(65,597)	(35,731)
Payments of debt issuance costs	(1,134)	(255)
Repurchase and retirement of common stock	(11,741)	—
Dividends paid	(95,923)	(37,967)
Net cash used in financing activities	(137,478)	(77,030)
Net decrease in cash, cash equivalents and restricted cash	(11,231)	(41,958)
Cash, cash equivalents and restricted cash at beginning of period	239,646	273,134
Cash, cash equivalents and restricted cash at end of period	$ 228,415	$ 231,176

Consolidated Balance Sheets

(In thousands except share data)

	September 30, 2020	December 31, 2019
ASSETS		
Cash and cash equivalents	**$ 193,103**	$ 190,009
Restricted cash ($15,135 and $22,534 in VIEs at September 30, 2020 and December 31, 2019, respectively)	**35,312**	49,637
Notes receivable	**559,918**	589,198
Less: Allowance for loan losses	**(149,805)**	(140,630)
Notes receivable, net ($271,539 and $292,590 in VIEs at September 30, 2020 and December 31, 2019, respectively)	**410,113**	448,568
Inventory	**350,345**	346,937
Prepaid expenses	**13,577**	10,501
Other assets	**37,413**	52,731
Operating lease assets	**19,443**	20,858
Intangible assets, net	**61,452**	61,515
Loan to related party	**—**	80,000
Property and equipment, net	**93,046**	99,262
Total assets	**$ 1,213,804**	$ 1,360,018
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Accounts payable	**$ 17,511**	$ 16,653
Accrued liabilities and other	**92,934**	103,948
Operating lease liabilities	**20,880**	22,124
Deferred income	**14,635**	18,074
Deferred income taxes	**90,457**	92,504
Receivable-backed notes payable - recourse	**77,417**	88,569
Receivable-backed notes payable - non-recourse (in VIEs)	**303,301**	334,246
Lines-of-credit and notes payable	**160,671**	146,160
Junior subordinated debentures	**72,710**	72,081
Total liabilities	**850,516**	894,359
Commitments and Contingencies - See Note 9		
Shareholders' Equity		
Common stock, $0.01 par value, 100,000,000 shares authorized; 72,484,293 shares issued and outstanding at September 30, 2020 and 74,362,693 shares issued and outstanding at December 31, 2019	**725**	744
Additional paid-in capital	**257,812**	269,534
Retained earnings	**51,196**	145,847
Total Bluegreen Vacations Corporation shareholders' equity	**309,733**	416,125
Non-controlling interest	**53,555**	49,534
Total shareholders' equity	**363,288**	465,659
Total liabilities and shareholders' equity	**$ 1,213,804**	$ 1,360,018

Free Cash Flow Reconciliation

(in thousands)	For the Nine Months Ended September 30, 2020	2019
Net cash provided by operating activities	**$ 51,975**	$ 50,325
Purchases of property and equipment	**(5,895)**	(18,502)
Free Cash Flow	**$ 46,080**	$ 31,823

Adjusted EBITDA Reconciliation

(in thousands)	For the Three Months Ended September 30, 2020	For the Three Months Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
Net income attributable to shareholders	**$ 9,901**	$ 20,327	**$ 1,272**	$ 24,297
Net income attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations	**2,644**	2,248	**4,021**	9,095
Net Income	**12,545**	22,575	**5,293**	33,392
Add: Depreciation and amortization	**3,891**	3,585	**11,680**	10,453
Less: Interest income (other than interest earned on VOI notes receivable)	**(623)**	(1,799)	**(3,388)**	(5,437)
Add: Interest expense - corporate and other	**3,409**	5,326	**11,932**	14,564
Add: Franchise taxes	**101**	112	**118**	171
Add: Provision for income taxes	**4,850**	7,778	**1,073**	9,124
EBITDA	**24,173**	37,577	**26,708**	62,267
Loss (gain) on assets held for sale	**283**	(166)	**326**	(2,146)
Add: Severance, net of employee retention credits	**381**	1,924	**4,904**	1,924
Add: COVID-19 incremental costs	**282**	—	**1,756**	—
Add: Bass Pro Settlement	**—**	—	**—**	39,121
Adjusted EBITDA	**25,119**	39,335	**33,694**	101,166
Adjusted EBITDA attributable to the non-controlling interest in Bluegreen/Big Cedar Vacations	**(2,757)**	(2,364)	**(4,438)**	(9,339)
Adjusted EBITDA attributable to shareholders	**$ 22,362**	$ 36,971	**$ 29,256**	$ 91,827

Other Financial Data

(in thousands)	For the Three Months Ended September 30, 2020	For the Three Months Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
Financing Interest Income	**$ 19,049**	$ 20,043	**$ 58,258**	$ 59,985
Financing Interest Expense	**(3,910)**	(5,062)	**(12,745)**	(15,391)
Non-Financing Interest Income	**623**	2,038	**3,388**	5,979
Non-Financing Interest Expense	**(3,409)**	(5,326)	**(11,932)**	(14,564)
Mortgage Servicing Income	**1,403**	1,588	**4,508**	4,621
Mortgage Servicing Expense	**(997)**	(1,561)	**(3,363)**	(4,114)