

TUI GROUP INVESTOR PRESENTATION
September 2021

FORWARD-LOOKING STATEMENTS

This presentation contains a number of statements related to the future development of TUI. These statements are based both on assumptions and estimates. Although we are convinced that these future-related statements are realistic, we cannot guarantee them, for our assumptions involve risks and uncertainties which may give rise to situations in which the actual results differ substantially from the expected ones. The potential reasons for such differences include market fluctuations, the development of world market fluctuations, the development of world market commodity prices, the development of exchange rates or fundamental changes in the economic environment. TUI does not intend or assume any obligation to update any forward-looking statement to reflect events or circumstances after the date of these materials.

BUSINESS OVERVIEW

TUI Group at a glance – normalised levels pre C-19

TUI GROUP

21m Customers[1]

€18.9bn Turnover

€893m EBITA / excl. MAX **€1,186m** EBITA[2]

15.5% ROIC / excl. MAX **~21%** ROIC[2]

~71,500 Employees

HOLIDAY EXPERIENCES (~70% EBITA[2])

€452m EBITA — Leading leisure hotel and club brands around the world; investments, operations, ownership

€366m EBITA — Leading German & UK cruise brands

€56m EBITA — Tours, activities and service provider in destination

MARKETS & AIRLINES (~30% EBITA[2])

€425m[2] EBITA — Market leaders in packaged distribution, fulfilment, strong market and customer knowledge

* FY19 Results pre IFRS 16 adoption I 1 defined as our Markets & Airlines customers – excludes 7m customers from our joint ventures in Canada and Russia as well as direct and 3rd party distribution customers from our Hotels & Resorts and Cruise brands which would total 28m customers I 2 Excluding €293m cost impact of Boeing 737 MAX grounding in Markets & Airlines segment

TUI's unique and integrated business model continues to be the foundation of our success

INTEGRATED BUSINESS MODEL

MARKETS & AIRLINES

- 21m customers
- ~140 aircraft[2]
- Own & 3rd party Distribution
- % 30% of profit pool[4]

HOLIDAY EXPERIENCES

- 433 Hotels[1]
- 16 Cruise ships[3]
- 1m "things to do"
- % 70% of profit pool[4]

STRONG CUSTOMER BASE

DIFFERENTIATED CONTENT







- Integrated business model with differentiated product offering along the whole value chain
- Strong brand reputation across all source markets
- Customer ownership: digitalised product upselling
- Double diversification across Markets & Airlines and Holiday Experiences
- Strong yields and occupancies driven by access to broad customer base

Integrated business model with diversified customer base & distribution power

Note: All data as at Sep 2019 unless otherwise stated | 1 Includes Group hotels and 3rd party concept hotels as at Sept 2020 | 2 As at 30 June 2021 | 3 As at August 2021 | 4 Excluding cost impact of 737 MAX in Markets & Airlines segment

ACTIVE DURING C-19 PANDEMIC

One and a half years into C-19 pandemic: Update post 9M FY21



- Significant self-help actions taken – **Cash fixed costs decreased by >70%** during standstill
- **Securing €4.8bn[1] liquidity** via three support packages – ~€1.5bn to ~€2.0bn to cover w/capital
- **Successful restart of operations** – ~1.5m summer bookings added since H1 update[2] with strong evidence of pent-up demand
- **Rebound of working capital** – ~€320m FCF before financing generated in Q3
- **Successful refinancing –** Completion of €589m convertible bonds, RCF extension to July 24
- **Asset-right strategy –** further progress made with the sale of real-estate portfolio to Riu family for €541m, in addition to the sale of Hapag-Lloyd Cruises to TUI Cruises for proceeds of €646m
- **Efficiency programme on track to deliver ~€400m** savings p.a. by FY23 – ~50% on track to be delivered by the end of current financial year
- **Acceleration of digital strategy** – Creating a long-term competitive advantage (package holiday customer app usage up by 21% pts[3] to 68% in Q3)

Improved liquidity headroom of ~€3.1bn[4] – strongly positioned for leisure travel recovery

1 With the commitment of banks, German Federal government & shareholders | 2 Booking position since 2 May 21 to 8 Aug 21 | 3 FY21 Q3 versus FY19 Q3 | 4 Pro forma liquidity, i.e. cash and committed lines incl. 3rd financing package and convertible bonds and RIU disposal proceeds as of 9 Aug 2021

TUI has continued to deliver a broad range of holiday products safely and responsibly to more than 3.5m guests since June 2020

HOTELS & RESORTS

- 283 opened[1] (~79% of Group portfolio) hotels across Group portfolio such as Riu and Robinson
- Available destinations: e.g. Greece, Canaries, Balearics
- 48% overall occupancy rate in FY21 Q3

TUI MUSEMENT

- 593k excursions since Summer 20
- Increasing domestic products during pandemic
- 4.6m transfers in destinations like Canaries and Balearics

CRUISES

- ~204 Cruises[2], e.g. Blue cruises in Baltic Sea & Canaries
- ~152,000 guests[2]
- NPS of 76 and 91 for TUI Cruises and Hapag-Lloyd Cruises remain at record levels

MARKETS & AIRLINES

- 3.5m guests mainly from Germany, Belgium & UK
- ~35k flights
- Most popular destinations: Greece & Spain
- Online bookings up by +4% points to 52% in Q3

TUI is the first operator to provide holiday experiences on lifting of restrictions

Numbers since restart in summer 20 until end of June 2021 | 1 As at 30 June 2021 | 2 TUI Cruises from 1 July 2020 to 31 July 2021

SUMMER 21 OPERATIONS

Successful vaccine programme, combined with health protocols enables safe and effective international travel in future periods

VACCINATIONS



Vaccine programmes well progressed, with EU on track to fully vaccinate ~70% of adults by end of Sept

LOW HOSPITALISATIONS



Vaccination progress has significantly reduced hospitalisations rates

TESTING & PROTOCOLS



Affordable testing & comprehensive hygiene measures now standard across TUI eco-system

WIDER RETURN TO TRAVEL



3.5m customer departures since June 20 supported by consumers strong desire for international travel

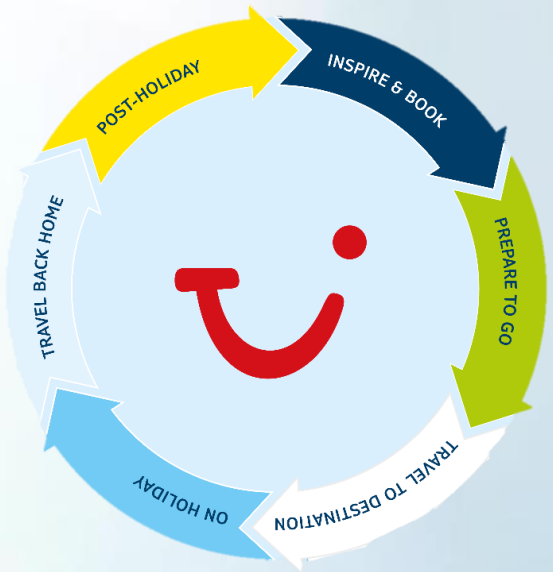
Customers appreciate flexible, safe and unique experiences, adapted to their needs

TRUST

- Strong brand proposition
- Market leading positions
- Control whole value chain
- Holiday protection[1]

SERVICE /QUALITY

- One point of contact
- 24/7 virtual support via TUI app
- In destination representatives[2]



FLEXIBILITY

- Free amendments for bookings
- Introduction of flex options
- Broad range of destinations

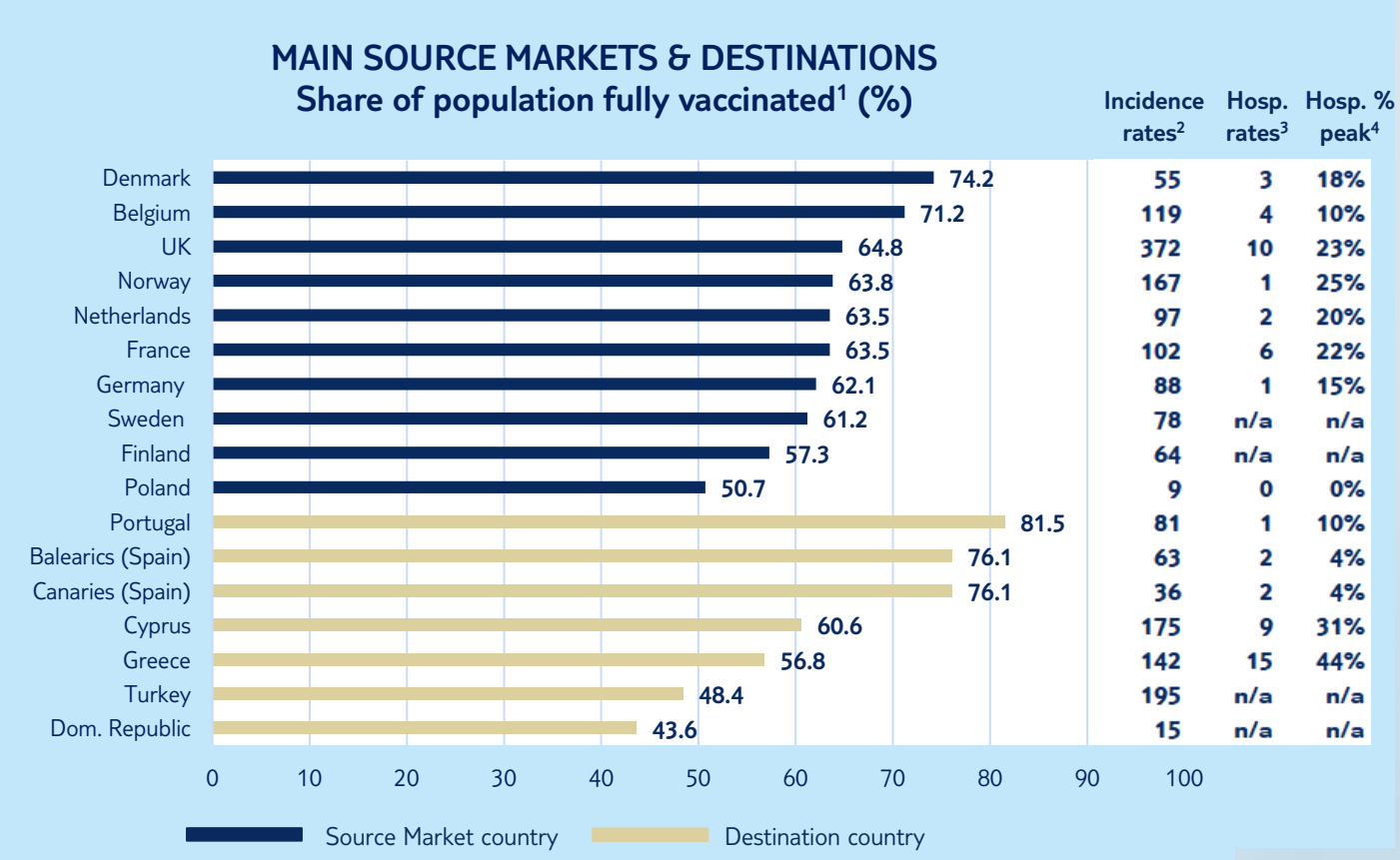
HEALTH / SAFETY

- Hygiene concepts
- Testing facilities
- Insurance cover "COVID protect"

TUI delivers a unique blend of human & digital interaction

1 Via regulated consumer protection schemes in each respective source market; 2 Available in key resorts

Vaccination progress has significantly reduced hospitalisations, enabling international travel for future periods...



- **EU** has reached its target to fully vaccinate of 70% of the **adult population by end of August**, with **UK** on track to offer every adult a double vaccination by **mid-Sept**
- Double-vaccination enables quarantine exemption, combined with measures such as testing aids reopening
- **Low hospitalisation rates** across markets and destinations demonstrate the **success of vaccination** enabling a wider return of international travel

1 Figures available as of 14, & 15 Sept 2021 per Our World in Data (https://ourworldindata.org/covid-vaccinations) | 2 As per 16 Sept 2021, Cases/100k past 7 days | 3 Figures available as of 5 Sept 2021, Hospitalisations/100k of population over past 7 days per Our World Data (https://ourworldindata.org/covid-vaccinations) | 4 Peak hospitalisation rates/100k of population between previous covid peak period (1 Nov 20 - 11 Apr 21)

...however capacity plans flexed to ~60% as a result of changing travel restrictions and procedures, which has created uncertainty for customers

	Key Destinations (Fully vaccinated)			Key Destinations (Not fully Vaccinated)		
	Spain	Greece	Turkey	Spain	Greece	Turkey
UK[1]	✓	✓	✓	✓	✓	✓
UK (From late Oct)[2]	✓	✓	✓	✓	✓	✓
GERMANY[3]	✓	✓	✓	✓	✓	✓
BELGIUM[4]	✓	✓	✓	✓ ✓ (Spain | Canaries)	✓	✓
NETHERLANDS[5]	✓	✓	✗	✓	✓	✗
DENMARK	✓	✓	✗	✓	✓	✗
SWEDEN	✓	✓	✗	✓	✓	✗

Procedures

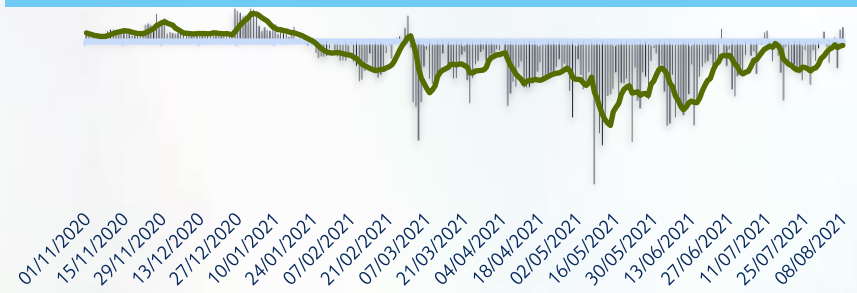
- ✓ Generally no procedures (Antigen-Testing might be required by destination/market)
- ✓ PCR Testing required
- ✓ Mix of PCR-Testing and quarantine measures
- ✗ Not operated by TUI due to strict travel warning

Strong demand evident when travel is permitted and there is clarity in requirements

As at 17 Sept. 1 Reflects Turkey removal from Red list from 22 Sep. Children <18yo exempt from quarantine and subject to different testing rules | 2 Reflects updated two-tier system from the 4 Oct as well as Day 2 PCR replacement with lateral flow test from late Oct. | 3 Children <12yo exempt from all testing requirements | 4 Children <12yo follow their parents' procedure | 5 Children <12yo exempt from testing and quarantine | Additional markets (Austria, Norway, Finland, Poland, Switzerland, France) are all operating a programme

Anecdotal evidence "People want to travel" – Strong booking uptake on positive news flow and adjustment of travel advice policy (Net pax S21 bookings since 1 November 2020)

TUI UK

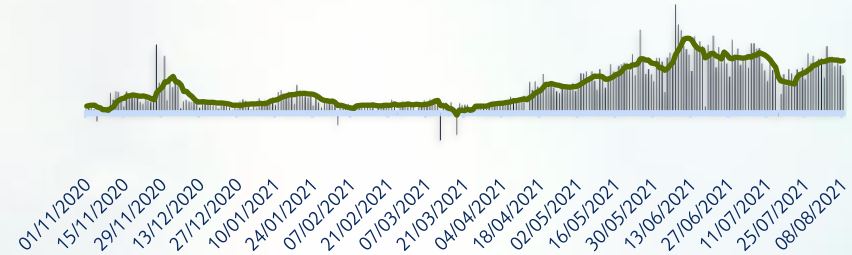


TUI GERMANY



Daily
7 Day Average

TUI BELGIUM



TUI NETHERLANDS



Stricter travel restrictions in UK reflected in current booking profile, while other source markets already benefit from greater freedom for (especially vaccinated) customers

Anecdotal evidence "People want to travel" – Sector-leading load factors demonstrate the strength of our business model to restart operations quickly



	CAPACITY (k)				LOAD FACTOR (%)			
	UK	GER	BEL	NL	UK	GER	BEL	NL
APRIL	-	27	28	15	-	53	58	22
MAY	21	79	60	26	66	92	76	65
JUNE	37	192	91	51	47	82	83	90
JULY	144	280	184	101	71	84	89	83

- In July 21 we operated **42% of a normalised capacity** (Base: July 2019)
- Integrated model drives **sector-leading load factors,** even in a challenging environment

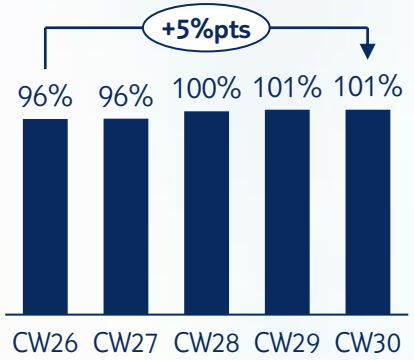
After a mixed start into the summer due to changing governmental advice, we see an improving booking trend for the remainder of the summer season

Anecdotal evidence "People want to travel" – Occupancy in our hotels has increased during the month of July

Germany & Austria

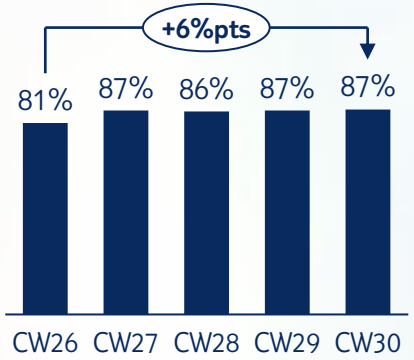
TUI Blue Sylt





RC Landskron

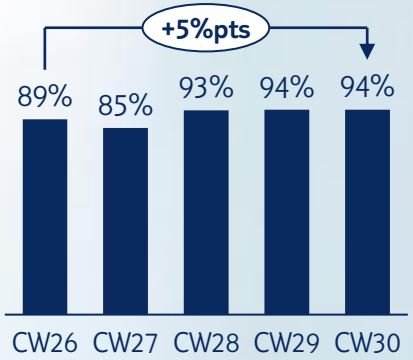




Greece

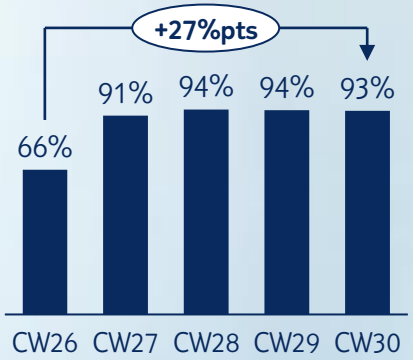
RC Daidalos





ML Marmari

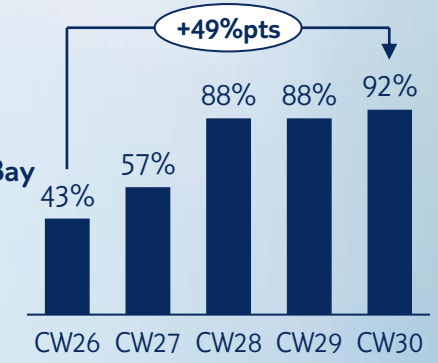




Turkey

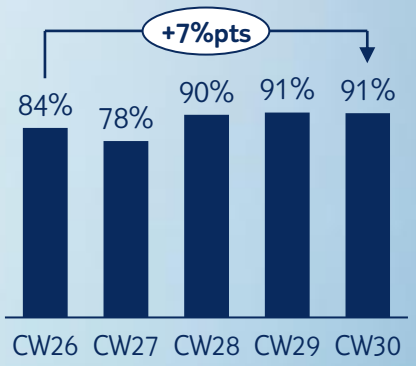
TUI Blue Pascha Bay





ML Bodrum

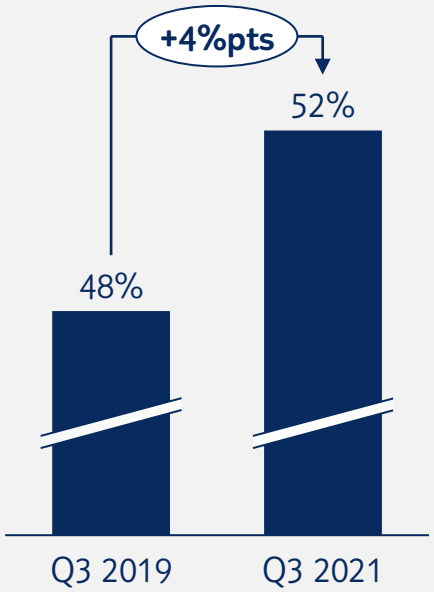




Integrated business model guarantees outstanding occupancies

Pandemic accelerates online strategy in key source markets

% ONLINE BOOKINGS Q3 TUI GROUP



STRONG ONLINE UPTAKE (Q3 21 vs Q3 19)

+10% pts

+17% pts

+6% pts

+14% pts

SIGNIFICANT PROGRESS IN APP USAGE

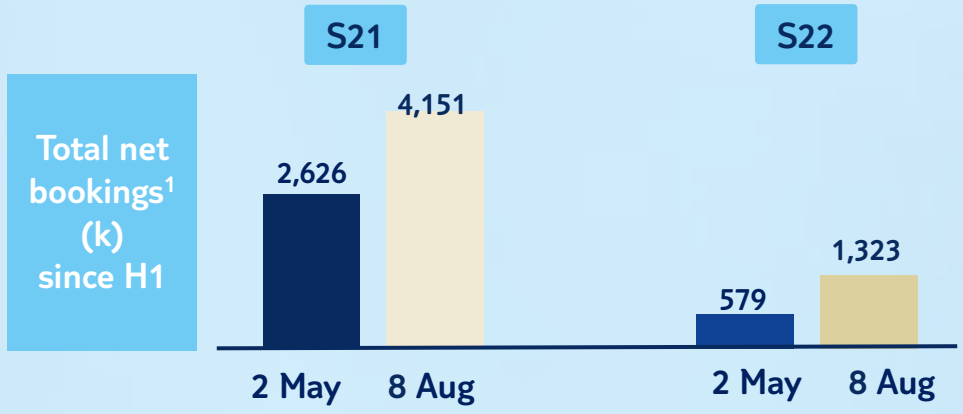
68% (+21% pts) package departure penetration
(FY21 Q3 versus FY19 Q3)



C-19 drives digital interaction with the customer;
Trend expected to remain with favourable influence on margins

Strong pipeline of 4.2m bookings for Summer 2021 – 1.5m bookings added since H1, clear appetite for holidays when certainty is provided by government

OVERALL BOOKING DEVELOPMENT



Versus 2019	S21	S21 (Jul-Oct)	S22
Bookings	(68%)	(56%)	120%
ASP	+9%	+6%	n.m.

- **SUMMER 21:**
  - **Bookings for July to October down (56%)[2]** vs. July- October 2019 (undistorted by C-19) reflecting the **short-term booking environment** created as a result from changing restrictions.
  - **Jul to Oct ASP up 6%** vs. S19 driven by **mix of products & markets**
  - **Strong booking momentum** from **mid-May** through to **early-July**, however stop/start restrictions has dampened recent booking confidence
  - Capacity flexed to **~60%[3]** to reflect the more uncertain environment
- **SUMMER 22:**
  - ~744k bookings[2] added since 2 May 2021; bookings up 120% vs. S19
  - **Cruise** bookings for 22 **within historical ranges at slightly higher rates**

1 Bookings up to 8 August 2021 compared to 2019 programmes (undistorted by C-19) and relate to all customers whether risk or non-risk | 2 Incl. amendments and voucher re-bookings | 3 for rest of Summer July to Oct 2021

"Where we're given entrepreneurial freedom to restart, we are very successful - where we're restricted and governments create uncertainty this is reflected in our bookings.

Now is the time

- **to fully restore freedoms for people who are vaccinated or have recovered from Covid-19**
- **to give children and adolescents their freedoms back without any restriction and**
- **to move away from the rigid fixation on incidence rates as key indicators of the pandemic."**

Fritz Joussen, CEO TUI Group

73%
of adults in the EU vaccinated with at least one dose

62%
of adults in the EU fully vaccinated

Source: ECDC COVID-19 Vaccine Tracker

FINANCIAL PRIORITIES & 9M RESULTS

Recent financial highlights and achievements

ISSUE OF CONVERTIBLE BONDS

- Return to capital markets: Placement of €590m convertible bonds
- Utilisation of conditional capital granted in March 21
- Important refinancing step in a challenging market environment

RCF PROLONGATION

- Extension of €4.7bn credit lines to July 24; 4.5% margin for all tranches agreed
- Covenant holiday for Sep 21 & Mar 22
- Further headroom for Sep 22 & Mar 23 (Net leverage: 4.5x; interest cover: 2.25x)
- Thereafter, net leverage: 3x; interest cover 2.5x

DISPOSAL OF REAL ESTATE TO RIU FAMILY

- Progress on asset-right strategy: Disposal of real-estate portfolio to Riu family
- Management of ~100 RIU hotels remains unchanged
- Closing on 30 July with a cash-inflow of ~€541m; Book gain of ~€200m expected
- Additional ~€130m earn-out subject to FY22/23 financial performance

TUI is fully financed throughout the winter and is committed to return to a solid & healthy balance sheet and target gross leverage ratio of less than 3.0x

General comment: Gross debt is defined as financial liabilities plus net pension obligation

Income Statement – Pent-up demand evident, Q3 performance limited by external factors
(quarter on quarter view)

In €m (IFRS 16)	FY21 Q2	FY21 Q3	FY21 9M	FY20 9M[1]
Revenue	248	650	1,366	6,710
Underlying EBITDA	**-376**	**-449**	**-1,305**	**-888**
Depreciation & Amortisation	-235	-221	-674	-1,079
Underlying EBIT	**-610**	**-670**	**-1,979**	**-1,967**
Adjustments (SDI's and PPA)	33	-78	-68	-235
EBIT	**-578**	**-748**	**-2,047**	**-2,202**
Net interest expense	-136	-99	-344	-166
EBT	**-714**	**-847**	**-2,391**	**-2,368**
Income taxes	29	-93	-47	43
Group result cont. operations	**-685**	**-940**	**-2,438**	**-2,325**
Minority interest	13	5	28	-18
Group result after minorities	**-672**	**-935**	**-2,410**	**-2,343**
Basic EPS (€)	**-0.65**	**-0.85**	**-2.66**	**-3.97**

REVENUE
- ~€650m of revenue generated in Q3, up from ~€248m in Q2, driven by 876k Markets & Airlines passengers departing in the quarter compared to 159k in Q2, demonstrating the clear demand when restrictions are lifted

UNDERLYING EBIT(DA)
- Continued strong discipline on fixed costs, with higher operational costs from ramp-up ahead of peak summer period, with the opportunity to recover these limited by changing restrictions, particularly in the UK

ADJUSTMENTS
- Predominantly relating to Group Realignment Programme.
- **FY21 UPDATE:** We assume positive adjustments range of between +€50m - +€70m with RIU real estate portfolio book gain of ~€200m expected in Q4

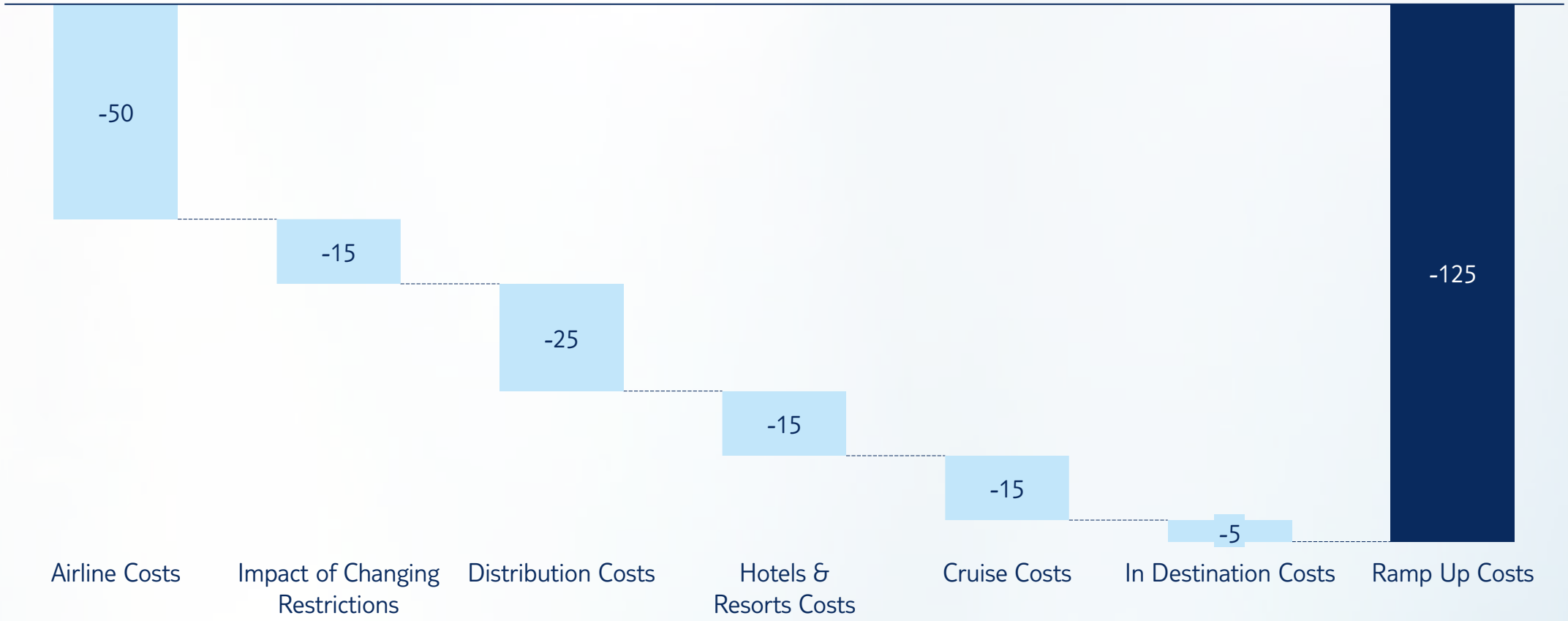
NET INTEREST
- Lower Q3 costs vs Q2, reflects non-repeat of the bond modification costs in Q2 and lower RCF drawings in the period
- **FY21:** Assume net interest charge of between -€400m to -€450m[2]

INCOME TAXES
- Q3 increase driven by a one-off effect from the future change in UK tax rate, adjusting the valuation of deferred tax balances (mainly non-cash effect)

1 FY20 comparative adjusted to reflect adoption of Euro as functional currency in Turkish entities | 2 Coupon payment for Silent Participations are classified as hybrid dividend and are excluded from the interest line. The payment of a dividend is at the discretion of TUI AG. Any unpaid dividend has to be paid on termination or conversion of a silent participation

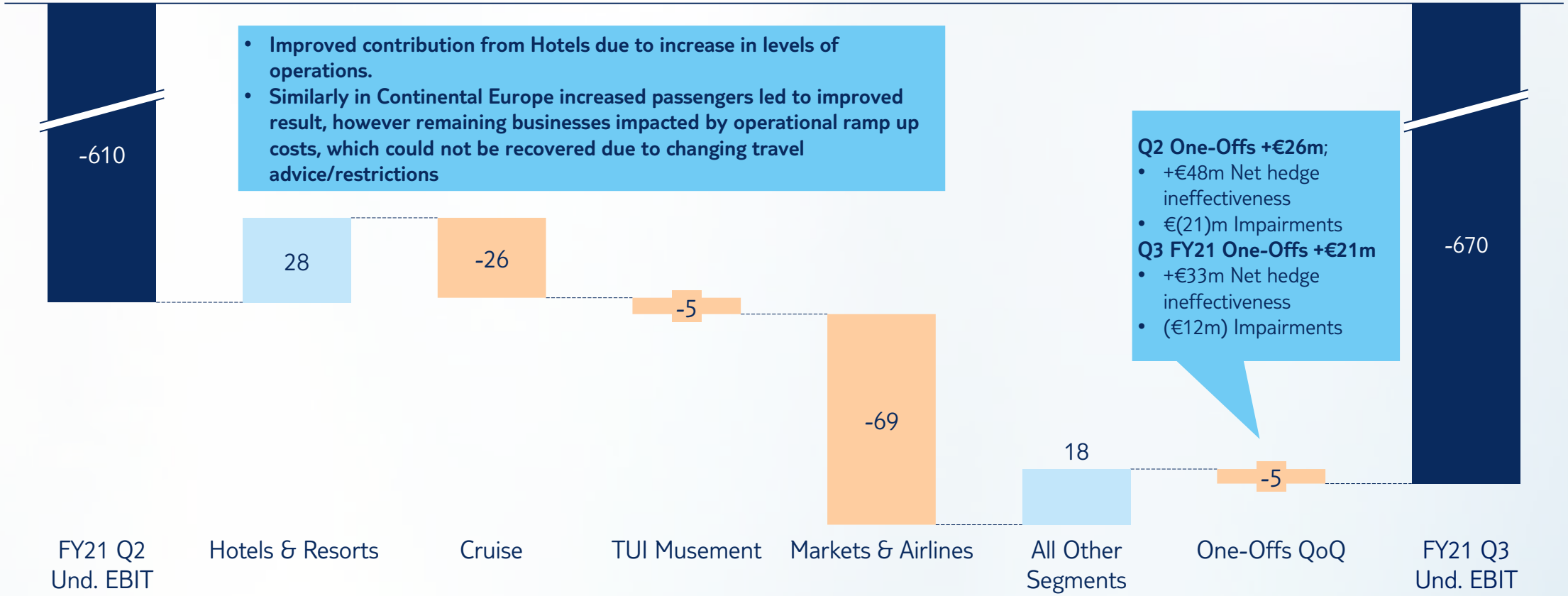
Q3 result – Result impacted by ramp up costs to facilitate restart

Q3 €M RAMP UP COSTS



Q3 result – lower result achieved in Q3 compared to Q2 as a result of changing travel advice during a period of ramp up of operations

FY21 Q2 VS Q3 UNDERLYING EBIT IN €M



Cash flow Q3 positive – driven by inflow of Working Capital
(quarter on quarter view)

In €m (IFRS 16)	FY21 Q2	FY21 Q3	FY21 9M	FY20 9M[1]
Underlying EBITDA	**-376**	**-449**	**-1,305**	**-888**
Adjustments	42	-43	-18	-103
Reported EBITDA	**-334**	**-491**	**-1,323**	**-991**
Working capital	-307	793	85	-1,109
Various other cash items[2]	-265	-69	-391	-139
At equity income	53	69	227	117
Dividends received (JV's, associates)	5	3	13	7
Operating Cash flow	**-848**	**304**	**-1,389**	**-2,114**
Net Investments	61	14	123	-64
Free Cash flow	**-787**	**319**	**-1,266**	**-2,179**
Dividends	0	0	0	-319
Free Cash flow after Dividends	**-787**	**319**	**-1,266**	**-2,497**
Cash flow from financing	905	-200	1,530	2,802
o/w inflow from fin. instruments[3]	*1,409*	*101*	*2,435*	*3,335*
o/w outflow from fin. instruments[4]	*-504*	*-301*	*-905*	*-533*
Total Cash Flow	**118**	**119**	**264**	**305**

WORKING CAPITAL
- Q3 inflow reflects:
  - Increase in customer deposits (mostly for S21, reflecting high level of short-term bookings)
  - Increase in supplier payables from operational ramp-up (June)
- **FY21:** Expect WC position to further recover during Q4 due to late summer business.

VARIOUS OTHER CASH ITEMS
- Q3 improvement driven by:
  - Lower non-cash effect of positive P&L impact from derivatives compared to Q2
  - Some reduced cash interest due to lower RCF drawing and no senior notes interest in Q3

NET INVESTMENTS
- Q3 Capex further reduced combined with lower divestment proceeds vs. Q2
- **FY21 UPDATE:** Expect overall cash inflow of between ~€600m to ~€650m, to include RIU disposal proceeds in Q4

FCF AFTER DIVIDENDS / TOTAL CASH FLOW
- Q3 positive Free Cash Flow driven by inflow from Working Capital
- Overall Q3 Cash Flow in line with Q2 – with cash flow from financing reflecting our reduction in RCF drawings

1 Adjusted for lower depreciation on PPE from the finalisation of PPA | 2 Q3 Various Other cash items of -€70m comprise of other cash effects (+€33m), tax paid (+€1m), cash interest (-€82m) as well as pension contribution & payments (-€21m) | 3 From the issue of bonds, commercial paper, equity instruments and drawings from other financial facilities | 4 For redemption of loans, commercial paper and other financial liabilities

Q3 positive net cash driven by WC inflow – strong liquidity position ahead of Winter

AS AT FY21 Q3

MONTHLY NET CASH FLOW
(INCL. NET COSTS[1], WC & NET SPECIAL ITEMS)

FY21 Q3A
(partial operations)

~+€40m p/m

- Positive monthly net cash driven by WC inflow
- Net fixed costs of ~€225m were better than assumed (€250m-€300m) due to strict cash discipline

FY21 Q4e
(assumptions)

- Short-term bookings to drive WC and revenue
- Q4 capacity reduced given prevailing uncertainty, target towards net cash neutral (excl. special items, e.g. RIU disposal)

SUMMARY

C-19 LIQUIDITY DEVELOPMENT

	€bn
Cash & available facilities 7 May 2021	**~1.7**
Cash inflow May/Jun/Jul/Aug	+0.7
Proceeds from convertible bond tap	+0.2
Proceeds from RIU disposal	+0.5
Cash & available facilities 9 August 2021	**~3.1**

TUI fully financed throughout winter with ~€3.1bn cash & available facilities – lower winter liquidity swing anticipated due to lower volumes

1 All costs & cash-outs including interest & others

Movement in Net Debt

H1 to 9M

In €m	FY21 H1 IFRS 16	FY21 9M IFRS 16	QoQ Δ
Opening net debt as at 1 October	**-6,421**	**-6,421**	**-**
FCF after Dividends	-1,585	-1,266	319
Asset Finance	-265	-410	-145
Capital Increase	1,489	1,724	234
Other	-32	25	56
Closing Net Debt	**-6,813**	**-6,349**	**464**

COMMENTS

- SP1[1] and SP2[1] are classified as equity & dividends will be paid on the drawn participations[2].
- As at 30/6/21:
  - SP1 - €420m fully drawn
  - SP2 - €671m fuly drawn
  - RCF - €3.2bn of €4.6bn utilised
- Post balance sheet date 9/08/21:
  - Convertible bonds tap for the amount of €190m completed 04/07/21
  - Receipt of RIU real estate property disposal proceeds of €541m on 27/07/21
  - RCF - €2.0bn of €4.6bn utilised

In €m		FY21 H1 IFRS 16	FY21 9M IFRS 16	QoQ Δ
Financial liabilities		**-8,226**	**-7,887**	**339**
- Lease liabilities under IFRS16		-3,378	-3,308	70
- Bond with warrant		-117	-129	-12
- Convertible Bond		-	-335	-335
- Liabilities to banks		-4,714	-4,049	665
- Other liabilities		-16	-66	-50
Cash & Bank Deposits		**1,413**	**1,538**	**125**
Net debt		**-6,813**	**-6,349**	**464**
- Net Pension Obligation		-727	-839	-112
Memo: Lease liabilities	*- Aircraft*	*-2,384*	*-2,388*	*-4*
	- Hotels	*-451*	*-421*	*30*
	- Ships	*-174*	*-177*	*-3*
	- Other	*-368*	*-321*	*47*
Memo: Liabilities to banks	*- RCF*	*-3,830*	*-3,192*	*638*
	- SSD	*-427*	*-429*	*-2*
	- Asset Financing	*-458*	*-428*	*29*

1 WSF Silent Participation – as agreed as part of third support package 2 Timing of the payment will be at the discretion of TUI AG. Any unpaid dividend has to be paid on termination or conversion of a silent participation at the latest; General comment: Gross debt is defined as financial liabilities plus net pension obligation

Capital structure development & ongoing priorities

MANAGE LIQUIDITY



- Manage working capital flow back of ~€1.5-2.0bn
- Disciplined CAPEX management
- Focus on asset-right strategy
- Continue with strict cash discipline

DRIVING OPERATING EFFECTIVENESS



- Optimise (fixed) capacity
- Deliver cost efficiency – on track to deliver ~50% by end FY21
- Drive digitalisation & enhance quality
- Return to growth

OPTIMISE FINANCING



- Manage C-19 debt and related interest costs
- Monitor capital markets options
- Improve credit rating

Solid & healthy balance sheet – target return to gross leverage ratio of less than 3.0x

General comment: Gross debt is defined as financial liabilities plus net pension obligation

STRATEGIC PRIORITIES

Looking through the crisis – our priorities is to transform TUI into a digital platform company

TRIPS



- Digital mass individualisation
- Accelerate innovation
- Reduce costs
- Improve differentiation

TUI MUSEMENT



- Grow in activity market
- Consolidate upstream
- Enable differentiation & digitalisation

ASSET RIGHT – GROWTH WITH REDUCED CAPITAL INTENSITY



- Accelerate growth through partnerships
- Unleash third party equity potential

GLOBAL REALIGNMENT PROGRAMME



- Deliver ~€400m cost saving target by FY 23
- Enhancing quality while driving efficiency

Solid & healthy balance sheet – target return to gross leverage ratio of less than 3.0x

TRIPS – Own development of core booking system – drive differentiation & innovation while reducing costs

- One stop travel shop building on own, best in class tech solutions & focussing on digital mass individualisation
- Worldwide roll-out in the cloud
- Central system:
  - Hotel, Cruise, Flight, Package
  - Price and yield
  - CRM, Web Front end, App
- Short development cycles driving efficiency and enabling to respond to customers needs better than ever
- Live for flights in Belgium and the Netherlands since Feb 2021, further rollout of packages in Belgium and Netherlands will continue the coming months
- Rollout to other markets will start as of end 2021



TRIPS will be the engine room of future TUI

TUI Musement - leader for curation and fulfilment of experiences, tours and activities



Offer*
170,000 experiences

Coverage*
140+ countries

Guests**
>27m TUI guests

Excursions, Activities & Tickets** **>10m**

Turnover**
€1.2bn

Transfers**
>31m

* As of January 2021 | **Based on FY2019

TUI Musement – diverse portfolio of "Things to do" in all relevant sun & beach and city destinations, whilst on holiday, during a city break, and at home

HOLIDAYS



CITY BREAKS



AT HOME



>170k EXPERIENCES OFFERED
focus on high-margin, controlled products
(with thousands added every month)

- Excursions & Day Trips
- Attractions & Guided Tours
- Multi-Day Tours
- Cruise Shore Excursions
- Transfers
- Tickets & Events
- Activities

EXPERIENCES FOR EVERYONE
On holiday, on city breaks and at home



Landmarks & Highlights



Active & Adventure



Shows & Concerts



Food & Drink



Museums & Art Galleries



Wellness, Sport & Sports Events

Holiday trip example: Mexico - Xcaret Archeological Park Tour & Activities. At home example: UK: Lake District Tour (with afternoon tea & cruise) City Breaks example: Italy: Domus Aurea - Priority Entrance & Virtual Reality

TUI Musement - Creation of upstream consolidator with scalable digital platform in a highly fragmented and growing market

2018/19 ACQUISITION

musement



Leading online experiences provider with >1m users, 35k products in 1,100 cities

2019/20 INTEGRATION



Combined Inventory of >170K PRODUCTS in >140 COUNTRIES, across >1,500 DESTINATIONS

2021 & FUTURE GROWTH

B2B Strategic Partners	Custom solutions for the world's leading companies
	Booking.com trivago
B2C Open Market Customers	Experiences for all travellers worldwide

STRATEGIC DIFFERENTIATOR:

- **Native reach of ~27m captive customers**
- **Digitalised platform**
- **Already established provider of experiences**

Asset right – accelerate growth, reduce capital intensity

- Re-focus on product, brand, distribution as core elements
- Financing with and by investment partners
- Focus on management and franchise
- Examples and achievements
  - Rightsizing of airlines and deferral of order book
  - Disposal of Hapag-Lloyd Cruises to TUI Cruises JV
  - Existing order book financed through TUI Cruises JV
  - TUI BLUE: already ~100 TUI BLUE Hotels[1] with partners
  - Disposal of minority stake in RIU Hotels S.A. JV to RIU Group

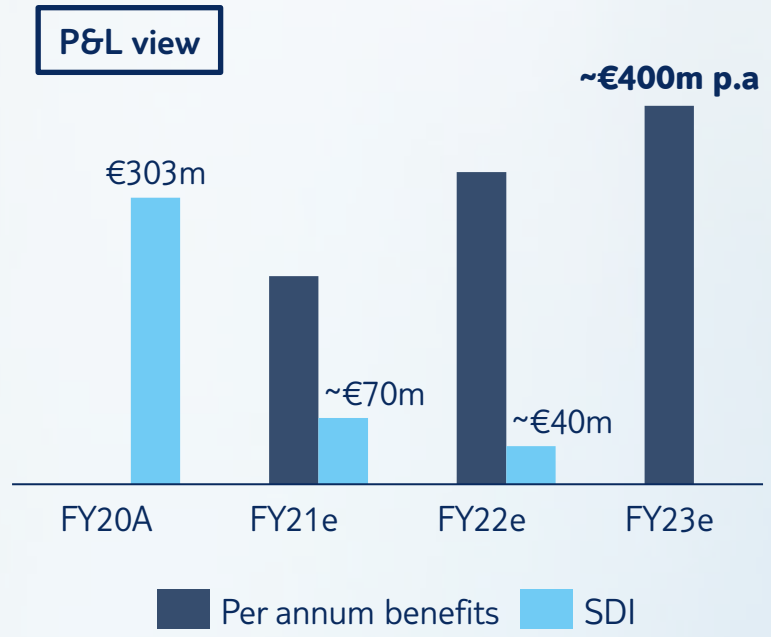




Rightsizing the business while keeping control over products, quality & service

1 thereof 16 hotels owned

Global realignment programme on track to meet ~€400m p.a. cost reduction target

PILLARS	RECENT PROGRESS	PHASING
REDUCE COSTS	• FY20 H1: Announced programme with potential impact on 8k roles, **~7k reduction in FTEs** to date already completed or agreed. • **TUI Musement:** significant progress made to transform into a Digital Platform with **~3k FTE realised** • **TUI Airline:** Consolidation of **5 Airlines** under **one Board and leadership team** with core functions bundled in competence centres progressing well • **Retail: Germany** – restructuring plan finalised with **60 planned shop closures**. 42 rental agreements terminated and 14 shops already closed • **TRIPS:** implementation **on track**	
REDUCE CAPITAL INTENSITY		
DRIVE DIGITALISATION		

On track to deliver ~50% of ~€400 target cost savings by end of FY21

SUMMARY

TUI will be benefitting from the strong rebound in the leisure industry

TRAVEL IS A MEGA TREND



Tourism growth above GDP supported by favorable demographic development

"Experience is the new luxury"

Tourism is a force for good and an integral component for many national economies

STRONG BUSINESS MODEL



Strong brand proposition & market leading positions

Integrated model guarantees flexibility & adaption to customer needs

High level of quality & professional hygiene concepts

TRANSFORMATION PRIORITIES



Driving digital initiatives while enhancing quality

Execute Global Realignment Programme

Return to healthy balance sheet structures & target gross leverage ratio of less than 3.0x

TUI is well positioned to exploit market recovery and growth opportunities

General comment: Gross debt is defined as financial liabilities plus net pension obligation

APPENDIX

FY21 9M Revenue by Segment (excludes Intra-Group Revenue and JVs/associates)*

In €m	FY21 9M IFRS 16	FY20 9M IFRS 16	Change incl FX	IFRS 16 FX	Change ex FX
Hotels & Resorts	**157.9**	**304.7**	**-146.7**	**-7.8**	**-138.9**
- Riu	108.3	231.3	-123.1	-7.2	-115.8
- Robinson	28.5	36.7	-8.1	-0.5	-7.6
- Blue Diamond	-	-	-	-	-
- Other	21.1	36.7	-15.5	-0.1	-15.4
Cruises	**2.7**	**483.6**	**-480.9**	**-0.0**	**-480.9**
- TUI Cruises	-	-	-	-	-
- Marella Cruises	2.7	298.9	-296.2	-0.0	-296.1
- Hapag-Lloyd Cruises**	-	184.7	-184.7	-	-184.7
TUI Musement	**37.5**	**294.2**	**-256.7**	**-1.0**	**-255.7**
Holiday Experiences	**198.2**	**1,082.5**	**-884.3**	**-8.9**	**-875.4**
- Northern Region	215.1	2,202.2	-1,987.1	-3.7	-1,983.5
- Central Region	707.7	2,244.0	-1,536.2	-3.2	-1,533.0
- Western Region	222.6	1,095.5	-872.9	0.0	-872.9
Markets & Airlines	**1,145.5**	**5,541.7**	**-4,396.3**	**-6.9**	**-4,389.4**
All other segments	22.3	86.2	-63.9	-0.6	-63.3
TUI Group	**1,365.9**	**6,710.4**	**-5,344.5**	**-16.4**	**-5,328.1**

*Table contains rounding effects | ** Prior year figures include 100% result of Hapag-Lloyd Cruises which is now consolidated at equity within the TUI Cruises JV

FY21 9M Underlying EBITDA by Segment*

In €m	FY21 9M IFRS 16	FY20 9M IFRS 16 adjusted	Change incl FX	IFRS 16 FX	Change ex FX
Hotels & Resorts	**-105.9**	**-6.1**	**-99.8**	**5.5**	**-105.2**
- Riu	-11.7	123.3	-135.0	0.1	-135.1
- Robinson	-13.6	-6.3	-7.3	0.9	-8.2
- Blue Diamond**	-33.8	-16.3	-17.5	3.0	-20.5
- Other	-46.8	-106.8	60.0	1.5	58.6
Cruises	**-187.4**	**6.1**	**-193.5**	**0.4**	**-193.9**
- TUI Cruises**	-141.5	-7.8	-133.8	-	-133.8
- Marella Cruises	-45.9	-1.0	-44.9	0.4	-45.2
- Hapag-Lloyd Cruises***	-	14.9	-14.9	-	-14.9
TUI Musement	**-78.3**	**-46.5**	**-31.8**	**1.0**	**-32.8**
Holiday Experiences	**-371.6**	**-46.5**	**-325.1**	**6.9**	**-331.9**
- Northern Region	-460.2	-321.3	-139.0	-15.0	-124.0
- Central Region	-287.3	-272.1	-15.2	-3.7	-11.5
- Western Region	-144.2	-138.7	-5.5	-7.7	2.2
Markets & Airlines	**-891.8**	**-732.1**	**-159.7**	**-26.4**	**-133.3**
All other segments	-41.5	-109.9	68.4	-0.1	68.5
TUI Group	**-1,304.8**	**-888.4**	**-416.4**	**-19.6**	**-396.8**

*Table contains rounding effects | **Equity result | *** Prior year figures include 100% result of Hapag-Lloyd Cruises which is now consolidated at equity within the TUI Cruises JV I FY20 comparative adjusted to reflect adoption of Euro as functional currency in Turkish entities

FY21 9M Underlying EBIT by Segment*

In €m	FY21 9M IFRS 16	FY20 9M IFRS 16 adjusted	Change incl FX	IFRS 16 FX	Change ex FX
Hotels & Resorts	**-268.6**	**-308.0**	**39.5**	**9.3**	**30.1**
- Riu	-81.7	66.9	-148.5	2.6	-151.1
- Robinson	-42.1	-34.7	-7.4	1.5	-8.9
- Blue Diamond**	-33.8	-16.3	-17.5	3.0	-20.5
- Other	-111.0	-323.9	212.9	2.3	210.6
Cruises	**-234.6**	**-197.3**	**-37.3**	**1.0**	**-38.2**
- TUI Cruises**	-141.5	-7.8	-133.8	-	-133.8
- Marella Cruises	-93.1	-194.0	100.9	1.0	99.9
- Hapag-Lloyd Cruises***	-	4.4	-4.4	-	-4.4
TUI Musement	**-96.7**	**-66.5**	**-30.2**	**1.2**	**-31.4**
Holiday Experiences	**-599.9**	**-571.9**	**-28.0**	**11.5**	**-39.5**
- Northern Region	-708.1	-592.4	-115.7	-4.1	-111.6
- Central Region	-377.4	-398.7	21.3	-0.3	21.7
- Western Region	-247.3	-285.9	38.6	-2.4	41.0
Markets & Airlines	**-1,332.8**	**-1,277.1**	**-55.8**	**-6.8**	**-48.9**
All other segments	-45.9	-118.0	72.1	0.1	72.0
TUI Group	**-1,978.6**	**-1,967.0**	**-11.6**	**4.8**	**-16.4**

*Table contains rounding effects | **Equity result | *** Prior year figures include 100% result of Hapag-Lloyd Cruises which is now consolidated at equity within the TUI Cruises JV I FY20 comparative adjusted to reflect adoption of Euro as functional currency in Turkish entities

FY21 Q3 Revenue by Segment (excludes Intra-Group Revenue and JVs/associates)*

In €m	FY21 Q3 IFRS 16	FY20 Q3 IFRS 16	Change incl FX	IFRS 16 FX	Change ex FX
Hotels & Resorts	**74.0**	**4.5**	**69.6**	**-0.4**	**70.0**
- Riu	49.1	2.9	46.2	-0.2	46.4
- Robinson	15.2	0.5	14.7	-0.2	15.0
- Blue Diamond	-	-	-	-	-
- Other	9.8	1.1	8.6	0.0	8.6
Cruises	**1.1**	**2.0**	**-0.8**	**0.0**	**-0.8**
- TUI Cruises	-	-	-	-	-
- Marella Cruises	1.1	10.2	-9.1	-	-9.1
- Hapag-Lloyd Cruises**	-	-8.3	8.3	-	8.3
TUI Musement	**19.0**	**-6.2**	**25.2**	**-0.2**	**25.3**
Holiday Experiences	**94.1**	**0.2**	**93.9**	**-0.6**	**94.5**
- Northern Region	56.0	15.3	40.7	1.6	39.1
- Central Region	370.3	34.1	336.2	-1.3	337.5
- Western Region	120.5	20.4	100.1	-	100.1
Markets & Airlines	**546.8**	**69.8**	**477.0**	**0.3**	**476.8**
All other segments	8.7	1.7	7.0	-0.1	7.0
TUI Group	**649.7**	**71.8**	**577.9**	**-0.4**	**578.3**

*Table contains rounding effects | ** Prior year figures include 100% result of Hapag-Lloyd Cruises which is now consolidated at equity within the TUI Cruises JV

FY21 Q3 Underlying EBITDA by Segment*

In €m	FY21 Q3 IFRS 16	FY20 Q3 IFRS 16 adjusted	Change incl FX	IFRS 16 FX	Change ex FX
Hotels & Resorts	**-18.8**	**-162.5**	**143.8**	**2.3**	**141.5**
- Riu	14.4	-43.7	58.1	0.9	57.1
- Robinson	-3.3	-18.3	15.0	0.4	14.6
- Blue Diamond**	-6.6	-16.1	9.5	0.8	8.7
- Other	-23.3	-84.5	61.2	0.1	61.0
Cruises	**-65.2**	**-94.9**	**29.8**	**-0.5**	**30.2**
- TUI Cruises**	-47.3	-49.9	2.5	0.0	2.5
- Marella Cruises	-17.8	-27.3	9.5	-0.5	10.0
- Hapag-Lloyd Cruises***	-	-17.7	17.7	-	17.7
TUI Musement	**-28.7**	**-31.2**	**2.4**	**0.3**	**2.1**
Holiday Experiences	**-112.7**	**-288.6**	**175.9**	**2.0**	**173.9**
- Northern Region	-204.7	-73.5	-131.3	-14.0	-117.3
- Central Region	-77.4	-168.6	91.2	-1.5	92.7
- Western Region	-53.6	-39.3	-14.3	-2.8	-11.6
Markets & Airlines	**-335.7**	**-281.3**	**-54.4**	**-18.3**	**-36.1**
All other segments	-0.4	-52.5	52.1	-0.1	52.2
TUI Group	**-448.7**	**-622.4**	**173.7**	**-16.3**	**190.0**

*Table contains rounding effects | **Equity result | *** Prior year figures include 100% result of Hapag-Lloyd Cruises which is now consolidated at equity within the TUI Cruises JV I FY20 comparative adjusted to reflect adoption of Euro as functional currency in Turkish entities

FY21 Q3 Underlying EBIT by Segment*

In €m	FY21 Q3 IFRS 16	FY20 Q3 IFRS 16 adjusted	Change incl FX	IFRS 16 FX	Change ex FX
Hotels & Resorts	**-70.3**	**-364.1**	**293.8**	**3.0**	**290.8**
- Riu	-8.4	-62.7	54.4	1.3	53.0
- Robinson	-12.8	-27.7	14.9	0.6	14.3
- Blue Diamond**	-6.6	-16.1	9.5	0.8	8.7
- Other	-42.6	-257.7	215.1	0.3	214.8
Cruises	**-81.3**	**-224.3**	**143.0**	**-0.9**	**143.9**
- TUI Cruises**	-47.3	-49.9	2.5	-	2.5
- Marella Cruises	-33.9	-156.6	122.7	-0.9	123.6
- Hapag-Lloyd Cruises***	0.0	-17.8	17.8	0.0	17.8
TUI Musement	**-34.7**	**-37.6**	**2.9**	**0.3**	**2.6**
Holiday Experiences	**-186.3**	**-626.1**	**439.7**	**2.4**	**437.4**
- Northern Region	-289.8	-177.2	-112.6	-11.1	-101.5
- Central Region	-105.4	-219.2	113.9	-0.3	114.2
- Western Region	-87.6	-96.3	8.8	-0.8	9.6
Markets & Airlines	**-482.7**	**-492.7**	**10.0**	**-12.2**	**22.2**
All other segments	-0.8	-53.4	52.6	-0.1	52.7
TUI Group	**-669.8**	**-1,172.2**	**502.3**	**-9.9**	**512.3**

*Table contains rounding effects | **Equity result | *** Prior year figures include 100% result of Hapag-Lloyd Cruises which is now consolidated at equity within the TUI Cruises JV I FY20 comparative adjusted to reflect adoption of Euro as functional currency in Turkish entities

Movement in Net Debt

YE to Q3

In €m	FY20 YE IFRS 16	FY21 9M IFRS 16	9M Δ
Opening net debt as at 1 October	**-3,276**	**-6,421**	**-3,145**
FCF after Dividends	-3,193	-1,266	1,927
Asset Finance	-569	-410	159
Capital Increase and Decrease	-	1,724	1,724
Other	265	25	-241
Disposal group - Hapag-Lloyd Cruises	352	-	-352
Closing Net Debt	**-6,421**	**-6,349**	**72**

In €m		FY20 YE IFRS 16	FY21 9M IFRS 16	9M Δ
Financial liabilities		**-7,669**	**-7,887**	**-218**
- Lease liabilities under IFRS16		-3,400	-3,308	92
- Senior Notes		-299	-	299
- Bond with warrant		-	-129	-129
- Convertible Bond		-	-335	-335
- Liabilities to banks		-3,954	-4,049	-95
- Other liabilities		-16	-66	-50
Cash & Bank Deposits		**1,248**	**1,538**	**290**
Net debt		**-6,421**	**-6,349**	**72**
- Net Pension Obligation		-652	-839	-187
Memo: Lease liabilities	*- Aircraft*	*-2,357*	*-2,388*	-31
	- Hotels	*-476*	*-421*	55
	- Ships	*-181*	*-177*	4
	- Other	*-386*	*-321*	65
Memo: Liabilities to banks	*- RCF*	*-3,316*	*-3,192*	124
	- SSD	*-424*	*-429*	-5
	- Asset Financing	*-214*	*-428*	-214

COMMENTS

- SP1[1] and SP2[1] are classified as equity & dividends will be paid on the drawn participations[2].
- As at 30/6/21:
  - SP1 - €420m fully drawn
  - SP2 - €671m fuly drawn
  - RCF - €3.2bn of €4.6bn utilised
- Post balance sheet date 9/08/21:
  - Convertible bonds tap for the amount of €190m completed 04/07/21
  - Receipt of RIU real estate property disposal proceeds of €541m on 27/07/21
  - RCF - €2.0bn of €4.6bn utilised

1 WSF Silent Participation – as agreed as part of third support package 2 Ttiming of the payment will be at the discretion of TUI AG. Any unpaid dividend has to be paid on termination or conversion of a silent participation at the latest. : Gross debt is defined as financial liabilities plus net pension obligation

Financing facilities and support packages overview (per 9 August 2021)

	Instrument	Support package #	Facility €m	Utilisation	Debt/equity	Maturity date
Bank facilities	RCF (unsecured)	-	1,535	1,487m drawn	Debt	July 2024
		-	215	guarantee line	-	
		1 & 2	2,850	525m drawn	Debt	
	RCF (secured)	3	200	undrawn	Debt	July 2024
	Schuldschein	-	425	-	Debt	July 2023/25/28
Bonds	Bond with warrant WSF	2	150	-	Debt/ Equity-Linked	Bond-Sept 2026 Warrant-Sept 2030
	Convertible bonds (incl. tap issue)	-	590	-	Debt / Equity-Linked	April 2028
Silent participations	Silent Participation I & II WSF	3	420	fully drawn	Hybrid with equity credit	-
		3	671	fully drawn	Hybrid with equity credit	
Lease liabilities	Lease liabilities	-	3,308[1]	-	Debt	Various

1 per 30 June 2021

Sustainability is at the heart of TUI - focus on further driving our sustainable business transformation

TUI GROUP SUSTAINABILITY STRATEGY

We are mindful of the importance of travel and tourism for many countries in the world and people living there. We partner with these countries and help shape their future – in a committed and sustainable manner.

- After having proven a strong performance in FY19, the final year of TUI's current strategy Better Holidays, Better World 2020 was negatively affected by the COVID-19 crisis.
- The next strategy is being developed in **active dialogue** with various **external and internal** stakeholders – inclusion of all business units, group functions and committees
- Focus on **the long-term challenges** facing the global tourism sector and TUI's part of driving the **sustainable transformation** in our industry – reflecting EU Green Deal decisions and based on the UN Sustainable Development Goals
- Objective: Consolidation of our position as the **sustainability leader** in our industry

TUI CREDENTIALS (FY 20)

- TUI Group is represented in the sustainability indices **FTSE4Good, Ethibel Sustainability Index (ESI) Excellence Europe.**
- TUI participated again in the **CDP Climate Change** assessment and has been awarded a place on the prestigious CDP Climate Change A List for 2019, recognising us as corporate leaders on climate action.
- TUI signed the **International Tourism Plastic Pledge** to reduce plastic pollution and successfully **removed 250 million pieces of single-use plastics** by spring 2020.

TUI CARE FOUNDATION COVID-19 RELIEF PROGRAMME

- TUI Care Foundation set up a **Corona Relief Fund to empower 100 charitable organisations in holiday destinations** to offer emergency support to local communities.
- Together with the NGO enpact, TUI Care Foundation initiated an **emergency aid programme for tourism businesses in developing and emerging countries** - a total of 150 teams of young businesses will be supported with expert workshops, mentoring and financial support.



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TUI