

**TUI creates basis for profitability and new growth after the pandemic:  
more hotel management instead of property ownership - Successful RIU  
joint venture will also focus on operations and marketing worldwide**

- **Riu family takes over TUI minority shares in a real estate portfolio with 21 properties**
- **Management of all 100 RIU hotels and resorts worldwide remains unchanged in successful 50:50 joint venture between Riu and TUI**
- **Property transaction strengthens focus on brand, operations, customer experience and distribution**
- **Implementation of TUI Group's asset-right strategy becoming more concrete - decoupling of hotel growth and real estate investments**
- **Attractive total portfolio valuation of 1.5 billion euros, including around 670 million euros for TUI's equity share**
- **Enterprise value/EBITDA multiple of 11.9 (FY 2019).**

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**Hanover/Palma, 27 May 2021.** TUI is sharpening its focus in its long-standing partnership with Riu: in the future, the cooperation will be even more clearly focused on brand, hotel management and distribution. As part of this focus, the Riu family is taking over TUI's minority share in a previously jointly held real estate portfolio of 19 existing properties and two properties in development. The core of the long-standing strategic hotel partnership between Riu and TUI continues to be the 50:50 joint venture with 100 hotels and resorts worldwide. This joint venture will continue to manage and distribute all RIU hotels and resorts worldwide - including the 21 properties that will be fully owned by the Riu family in the future.

TUI is thus strengthening its core business with holiday experiences - and in particular the development, operation and marketing of hotel and holiday brands. The Group intends to grow primarily with its international hotel brands TUI Blue, RIU, Robinson, TUI Magic Life and the management of these hotels, but in doing so will tie up less capital in land and its own real estate in the future. TUI had already initiated this so-called "asset right" strategy before Corona in December 2019. The aim is to decouple growth in hotels and cruise ships from investments. The inclusion of Hapag-Lloyd Cruises in the TUI joint venture TUI Cruises, which was already agreed in spring 2020, was a first successful step towards implementing the strategy. With the real estate

transaction now agreed, TUI is consistently continuing to implement its strategy also in the highly profitable hotel segment and lifting hidden reserves in the consolidated balance sheet.

The Supervisory Board of TUI AG approved this real estate transaction today. It has a total volume of 670 million euros - thus an extremely attractive valuation was agreed for the portfolio of 19 existing properties and two in development. The proceeds will be used to reduce the Group's Corona debt.

Peter Krueger, as Chief Strategy and M&A Officer responsible for TUI Group's hotel investments, explains, "We are separating hotel management and the holiday experience from property ownership, in line with our strategy announced in 2019 pre-crisis, a business model that has proven successful in the international city hotel sector. With the acquisition of our share in the 21 real estate properties by the Riu family, we will release capital employed, while we are strengthening our core business by focusing on global hotel management with continuing our successful RIU operating joint venture. With around 410 hotels and resorts, TUI is the global market leader in the leisure hotel industry. For the customer experience, it's all about the brand and quality of the hotel rather than ownership of the real estate. The partnership between TUI and the Riu family has existed for many decades and will be further strengthened by this transaction. TUI and RIU look forward to welcome guests again this summer in many countries open for travel and expect strong business recovery next year."

In total, the hotel company jointly owned by TUI and the Riu family will continue to operate 100 hotels and resorts worldwide in 19 countries.

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**About TUI Group**

TUI Group is the world's leading tourism group and operates worldwide. The Group is headquartered in Germany. TUI's share is listed on the FTSE 250, the benchmark index of the London Stock Exchange, and on the Regulated Unofficial Market in Germany. The TUI Group offers integrated services from a single source for its 28 million customers, 21 million of them in the European national companies. The entire tourism value chain is covered under one roof. This includes over 400 hotels and resorts with premium brands such as RIU, TUI Blue and Robinson and 15 cruise ships, from the MS Europa and the MS Europa 2 in the luxury class and expedition ships to the Mein Schiff fleet of TUI Cruises and cruise ships at Marella Cruises in Great Britain. The Group also includes leading tour operator brands and online marketing platforms across Europe, five airlines with more than 100 modern medium and long-haul aircraft and over 1,000 travel agencies. In addition to expanding its core business with hotels, cruises via successful joint ventures and activities in holiday destinations, TUI is increasingly focusing on the expansion of digital platforms. The Group is transforming itself into a digital company.

Global responsibility for sustainable economic, ecological and social action is at the core of our corporate culture. The TUI Care Foundation, initiated by TUI, focuses on the positive effects of tourism, on education and training and on strengthening environmental and social standards with projects in 25 countries. It thus supports holiday destinations in their development. The globally active TUI Care Foundation initiates projects that create new opportunities for the next generation.

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