

TUI Group expects strong travel summer 2022: currently already 85 per cent of the booking level of summer 2019 achieved - return to significantly positive EBIT in the current financial year possible

- **Free cash flow at 1.24 billion euros due to strong operational ramp-up**
- **Liquidity increased to 3.8 billion euros even after return of around 700 million euros in credit lines**
- **Net debt decreases to 3.9 billion euros**
- **Returning of government credit lines to be continued soon**
- **New bookings in the last six weeks across all markets above level for summer 2019**
- **Industry-typically weaker winter quarter (Q2 2022) was significantly better than previous year**
- **1.9 million guests travelled with TUI in the reporting period – almost ten times as many as in the same period last year (Q2 2021: 0.2 million)**
- **Turnover of 2.13 billion euros in Q2 2022 - nine times higher than in the same period last year (Q2 2021: 248 million euros)**
- **Q2 Underlying EBIT loss of 330 million euros, almost halving the prior Q2 of 633 million euros**
- **TUI Hotels & Resorts delivering a third successive quarter of positive earnings since the start of the pandemic**
- **TUI CEO Fritz Jousen: "The high demand for travel and the very good business performance confirm our forecasts. 2022 will be a good financial year. Capacity almost reaches pre-Corona level of 2019. After two years of crisis, we expect TUI to become profitable again in the current financial year with a significantly positive underlying EBIT. This is the basis for new growth."**

Hanover, 11 May 2022. TUI expects a strong travel summer in 2022, with all indicators pointing in this direction. A significantly improved second financial quarter and a strong booking and business performance show that the tourism group is on the right path and is finding its way back to former strength. At 1.9 million, the number of customers travelling with TUI in the period under review increased almost tenfold year-on-year. Turnover was around nine times higher

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and the usual seasonal loss was almost halved compared with the same period last year. Fritz Jousen, CEO of TUI Group: "The strong Easter business was already the first important indicator. The high demand for travel and the good business performance now confirm our forecasts. 2022 will be a good financial year with a strong travel summer. In terms of capacity utilisation, we are almost reaching the pre-Corona level of 2019. After two years of crisis, things are clearly progressing and we expect to become profitable again in the current financial year with a significantly positive underlying EBIT. This is the basis for new growth."

Key financials improved: free cash flow at 1.24 billion euros - liquidity position increased to 3.8 billion euros despite return of credit lines - net debt reduced to 3.9 billion euros

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The strong return of the operating business generated significant cash inflows in the period under review, resulting in a free cash flow of 1.24 billion euros. TUI continues to have KfW credit lines to fall back on, but is not currently drawing on them. Following the return of credit lines of around 700 million euros, the Group had around 3.4 billion euros in liquid funds at its disposal at the beginning of April. The liquidity position was further improved by the significant increase in business momentum and the continued global realignment with successful cost management. As at 6 May 2022, TUI had 3.8 billion euros in financial resources.

TUI had announced that it would reduce the Corona aid as quickly as possible and lower the Group's debt. At the end of the period under review, TUI's net debt stood at around 3.9 billion euros, compared with around 5.1 billion euros in the previous quarter. The target remains unchanged at a gross leverage ratio of below three. Due to the positive business development, the stabilisation of the market and the ongoing transformation of the company, the basis has been created to gradually return the KfW credit lines and to reduce the German government's participation.

Strong travel summer 2022 expected: 85 per cent of summer 2019 booking level achieved, new bookings currently above summer 2019 level - markets UK, Germany and Netherlands show high momentum

The booking trend remains unabatedly high. In the period under review, 1.9 million guests travelled with TUI - almost ten times as many as in the same period last year (Q2 2021: 0.2 million). For Winter 2021/22 and Summer 2022 combined, TUI currently counts 11 million customers. After the short-term dampener due to the omicron variant, bookings are picking up significantly. In the past six weeks in particular, new bookings were above the comparable level for summer 2019. As in the weeks before, the particular momentum continues above all in TUI Germany and TUI Netherlands. Both markets saw double-digit growth in Summer 2022 bookings in April, above the comparable booking level for Summer 2019. In terms of the overall development of bookings for Summer 2022, TUI UK continues to lead the way, currently showing an increase of 11 per cent compared to Summer 2019.

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Group-wide, booked volumes are currently at 84 per cent of summer 2019, the last regular financial year before the Corona pandemic. TUI confirms its expectation to almost reach the booking level of summer 2019 in summer 2022. Two trends are confirmed: Holidaymakers continue to book more at short notice and at the same time spend more money on their trip. Average prices remain high at +13 per cent for Winter 2021/22 and +20 per cent for Summer 2022. The reason for this continues to be the high proportion of package tours booked. Customers trust the TUI brand and hand over the complexity of travel planning with flights, transfers and hotel rooms to TUI tour operators in the markets. At the same time, TUI guests book longer stays on average and they have more budget for additional services, such as a higher hotel or room category.

Overview Winter 2021/22 and Q2 2022

For Winter 2021/22, TUI had advised to reach the lower to middle corridor of 60 to 80 per cent of pre-crisis capacity. In Q2 2022, 71 per cent of pre-crisis 2019 capacity was operated. This puts the Group above the mid-range corridor of original expectations for the period. Overall, more than 3.3 million guests travelled with TUI in Winter 2021/22. The significantly improved business performance with strong booking momentum saw turnover climb to 2.13 billion euros in the period under review - nine times as much as in the same period of the previous year (Q2

2021: 248 million euros). The usual seasonal loss was almost halved to -330 million euros (previous year: -633 million euros).

The **Markets & Airlines** segment with the regions North (UK, Ireland, Sweden, Norway, Finland, and Denmark), Central (Germany, Austria, Switzerland, Poland) and West (Netherlands, Belgium and France) recorded 1.9 million passengers in the reporting period. The load factor across all markets was 84 per cent. Overall, the regions' results improved due to a strong pick-up in business, especially in the second half of the reporting period. The Northern Region reduced its seasonal loss to -181 million euros (Q2 2021: -221 million euros), the Central Region narrowed its loss to -21 million euros (Q2 2021: -123 million euros) and the Western Region posted an underlying EBIT of -57 million euros (Q2 2021: -83 million euros).

Overall, the result of the Markets & Airlines segment improved by 168 million euros compared to the previous year.

For the third consecutive quarter since the start of the pandemic, the **Hotels & Resorts** segment achieved a positive result. In the months January to March 2022, underlying EBIT was 24 million euros (previous year: -103 million euros). Average revenue per bed-night rose by 17 euros year-on-year to 86 euros, while occupancy rate improved by 29 percentage points to 65 per cent.

For the **Cruises** segment, the Group expects a recovery in the second calendar half of the year. In the reporting period, many ports were still closed and restricted routes in January and February, so that normal business activities were not possible. In January, only eight of the total of 16 ships were in service; since April, the entire fleet of TUI Cruises, Hapag-Lloyd Cruises and Marella Cruises has been in operation again. In addition, the trend towards later and shorter-term bookings continues in this segment as well. Underlying EBIT in the segment totalled -74 million euros in the period under review (Q2 2021: -55 million euros).

The development in **TUI Musement**, the growth area for tours and activities, benefits from digitalisation, the integrated business model, the breadth of offerings in popular destinations and the return of the operating business by

opening up destinations. In Q2 2022, almost 700,000 excursions, activities and tours were sold, ten times more than in the second financial quarter last year. The number of transfers increased more than eightfold to 2.5 million. The sector's typical winter loss was almost halved in the reporting period, with underlying EBIT at -17 million euros (Q2 2021: -29 million euros). TUI Musement is to become the leading global platform for excursions, tours and activities, which is why exclusive offers in particular are being consistently expanded. The "TUI Collection" portfolio has been relaunched and will grow from 350 to 650 high-quality experiences available only from TUI. In addition, the Group expects an increase in sales via third-party providers, so that sales of excursions, activities and tours in TUI Musement will outperform the increase in capacity planned for the Markets & Airlines segment in financial year 2022.

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About TUI Group

TUI Group is a leading global tourism group and operates worldwide. The Group is headquartered in Germany. TUI shares are listed on the FTSE 250, an index of the London Stock Exchange, on the regulated market of the Hanover Stock Exchange and on the Open Market segment of the Frankfurt Stock Exchange. The TUI Group offers integrated services from a single source for its 27 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 16 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.

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