

TUI GROUP**Q4 Pre-Close Trading Update**

Prior to entering its close period ahead of reporting its full year results for the twelve months ending 30 September 2023 on 6 December, TUI Group publishes the following trading update.

Confirmation of expectations for a strong Summer 2023 with bookings in final month of season well ahead of Summer 2022. We are pleased to see the positive momentum continuing into Winter 2023/24 supported by higher prices. TUI is well positioned to achieve the results target for FY 2023

- Current booking trends underlining the strong consumer demand in the current macro-economic environment and the popularity of our product offering

Summer 2023

- Strong pipeline of 13.7m¹ bookings for the Summer 2023 season, a +5% increase against prior season and close to pre-pandemic levels at 96%
- 1.1m additional bookings taken since our Q3 2023 update with demand in the final month of season well ahead of Summer 2022 at +8%
- Season extension in particular in Greece and Turkey to accommodate increased demand
- ASP for Summer 2023 continues to be well ahead at +8% versus prior season and +27% versus Summer 2019, slightly ahead of the levels reported at Q3

Winter 2023/24

- Positive momentum continuing into Winter 2023/24 with an expanded programme and overall bookings up +15% against Winter 2022/23. Promising booking situation across all key source markets supported by higher prices +4% versus prior season. We are hedged for the coming Winter and Summer season in line with our expectations
- UK, as usual, with 38% of the season sold, is the most advanced booked on a larger programme. Bookings are at +8% and ASP +3% against Winter 2022/23
- Holiday Experiences trading remains well on track to deliver in line with expectations both for Summer 2023 and Winter 2023/24

Expectations

- TUI reconfirms expectations to increase underlying EBIT² significantly for both Q4 2023 and also for FY 2023 against FY 2022

TUI Group

- Q4 underlying EBIT FY 2023² expected to increase significantly against prior year – Hotels & Resorts anticipated to be close to an already strong prior year. Both Cruises and Markets & Airlines set to achieve a significantly improved result with a strong increase in results expected for TUI Musement
- FY 2023 Assumption² – we reconfirm our expectations to increase underlying EBIT significantly for FY 2023

- Mid-term ambitions – we are focused on operational excellence and execution of our strategy. We have a clear strategy to accelerate profitable growth with new customer segments and more product sales. Our mid-term 2025/26 ambitions are for underlying EBIT to significantly build on €1.2bn³. We have a target to return to a gross leverage ratio⁴ of well below 3.0x and aim to return to a credit rating in line with the pre-pandemic rating of BB / Ba territory
- We will issue the TUI Group Full Year results on Wednesday 6 December 2023 and hold a presentation for investors and analysts in London on the same day. Further details will follow

¹ Bookings up to 10 September 2023 and relate to all customers whether risk or non-risk

² Based on constant currency

³ FY 2019 underlying EBIT of €893m including €293m Boeing MAX cost impact

⁴ Defined as gross debt (financial liabilities incl. lease liabilities & net pension obligations) divided by underlying EBITDA

Chief Executive Officer of TUI Group, Sebastian Ebel, commented:

“We are seeing a strong close to the Summer season and we are on course to achieve results in line with expectations. This is particularly evident in our main markets Germany where bookings year-on-year are +10% higher and UK where bookings are in line with an already strong prior year Summer season and +4% ahead of pre-pandemic levels. Indeed, had it not been for the various events during the last few months which were outside of our control, not least the wildfires on Rhodes, we would have performed ahead of expectations. TUI is well positioned as we head into the new financial year. The positive trading momentum is continuing, and I am very optimistic for the coming Winter and Summer seasons. For Winter 2023/24, we are still at an early booking stage, but the increase of +15% in bookings compared to the previous year, is a very encouraging signal. We have a clear strategy for the coming years introducing new products, growing our customer base and developing our market share, supported by the TUI customer ecosystem. We will update the market on our latest strategic initiatives and progress made when we announce our full year results in December.”

Current Trading¹ – Markets & Airlines

We have a strong pipeline of 13.7m bookings for Summer 2023 which is an increase of 1.1m since our Q3 Update on 9 August 2023. As a result bookings for Summer 2023 at +5% are well ahead of Summer 2022 and close to pre-pandemic levels at 96%. The overall Summer 2023 programme is now 95% sold, in line with prior season and pre-pandemic levels. ASP continues to hold up strongly across our markets at +8% versus Summer 2022 and +27% versus Summer 2019, slightly ahead of the levels published at our Q3 Update. In UK cumulative volumes are in line with Summer 2022 and 4% ahead of Summer 2019. In our key Continental European markets, bookings for Germany are up +10% against the prior Summer season and -3% against pre-pandemic levels. Similarly, in the Netherlands, bookings are up +4% against Summer 2022 and -3% against Summer 2019. Our traditional short- and medium-haul offering to Greece, Turkey, the Canaries, and the Balearics, continue to prove popular with our customers, with all key destinations benefiting from higher demand against Summer 2022. We have seen strong demand in the final weeks of the summer season which traditionally runs to the end of October. As a consequence, we recently announced the extension of the season into November in particular to Turkey and Greece, to cover demand outside the traditional Summer season. It again highlights the benefit of our integrated business model and our ability to react quickly to changes in demand.

We are pleased to see the positive Summer booking momentum continuing into Winter 2023/24. Supported by the current booking trends and strong customer demand, we have expanded our Winter programme by 11% against Winter 2022/23. This is in particular the case in the UK and is enhanced by our increased dynamic product offering, providing more flexibility and choice for our customers. As usual, sales for Winter 2023/24, are still at an early stage at 29% sold, which is slightly ahead of the Winter 2022/23 position. To date 1.5m bookings have been taken, significantly up +15% against the prior Winter season and well ahead of the capacity targets for the full season. ASP continues to be higher across our key markets and up +4% overall against Winter 2022/23, reflecting the popularity of our products. FY 2024 Q1 bookings, which represent a mix of late Summer and early Winter, are 57% sold, +1% higher than Winter 2022/23. Short- and medium haul destinations including the Canaries, Egypt and Cape Verde are set to form a key part of the upcoming Winter programme with Mexico, Thailand and the Dominican Republic

expected to be significant long-haul destinations. UK is traditionally our most advanced booked market with 38% of the season sold to date. In UK volumes are +8% overall and +15% in the last four weeks against Winter 2022/23 underlining the positive momentum which we are seeing across our key markets. This is supported by higher ASPs up +3% versus Winter 2022/23.

Current Trading – Holiday Experiences

In Hotels & Resorts our diversified portfolio of well recognised brands including Riu, Robinson, TUI Blue and TUI Magic Life continues to deliver. Q4 trading² remains well on track to be in line with expectations. Overall, the number of available bed nights³ for Q4 year-on-year is up +3% with booked occupancy⁴ in line year-on-year. Average daily rates are +5% above Q4 2022 supported in particular by strong demand for Riu. Turkey, the Caribbean, the Balearics, Greece, the Canaries and Cape Verde are proving well sought after destinations again. For Winter 2023/24 we expect the segment to benefit from the expansion of our tour operator offering for the season. The number of available bed nights for H1 2023/24 is up +6% against H1 2022/23. Average daily rates are currently +4% and occupancy is up +3%pts for H1 2023/24 year-on-year highlighting the good demand for our Winter hotel offering.

Our Cruises segment is set to operate a full fleet of 16 ships as we head into the Winter 2023/24 season. Mein Schiff, with its fleet of six ships will offer itineraries to the Canaries, the Orient, the Caribbean, Central America, Asia and Northern Europe. Hapag-Lloyd Cruises' fleet of five ships will focus on routes to the Americas, Caribbean and Asia with standout expeditions including the semi-circumnavigation of Antarctica. Marella, with its fleet of five ships, will operate itineraries to the Canaries and the Caribbean with Asia also reintroduced for the upcoming Winter season. The poorer summer weather in the source markets has boosted bookings and demand in autumn at higher rates. The segment continues its strong post-pandemic recovery. As a consequence, occupancy rates⁵ are +9%pts higher and average daily rates are up +11% year-on-year and returning to pre-pandemic levels. Q4 available passenger cruise days⁶ are in line with Q4 2022. The winter programme has been expanded year-on-year with available passenger cruise days up +2% for H1 2023/24. Occupancy rates are +15%pts higher and average daily rates are up +5% for H1 2023/24 against H1 2022/23, underlining the positive start to the winter season. Guest satisfaction is again high across our Cruises brands and exceeding 2019 levels. Recently Mein Schiff was again voted best cruise brand in a survey by the German travel magazines FVW and Travel Talk.

TUI Musement our tours and activities business, continues its expansion with a focus on its B2C offering driving profitable growth of Experiences sales directly to the customer and through B2B, as well as by growing the differentiated own product portfolio globally. Sales to date for our Experiences business, providing excursions, activities and tickets, are +11% higher for Q4 against Q4 2022. The transfer business, providing support to our guests in their destination, is expected to develop in line with our Markets & Airlines capacity assumptions. The winter season has started positively but is still at a very early stage.

¹ Bookings up to 10 September 2023 and relate to all customers whether risk or non-risk

² 2023 trading data as of 10 September 2023 excluding Blue Diamond

³ Number of hotel days open multiplied by beds available in the hotel (Group owned and leased hotels)

⁴ Occupied beds divided by available beds (Group owned and lease hotels)

⁵ Achieved passenger cruise days divided by available passenger cruise days

⁶ Number of operating days multiplied by berths available on the operated ships

Analyst & Investor Enquiries

Nicola Gehrt, Group Director Investor Relations
Adrian Bell, Senior Investor Relations Manager
James Trimble, Investor Relations Manager
Stefan Keese, Investor Relations Manager
Anika Heske, Junior Investor Relations Manager

Tel: +49 (0) 511 566 1435
Tel: +49 (0) 511 566 2332
Tel: +44 (0) 1582 315 293
Tel: +49 (0) 511 566 1387
Tel: +49 (0) 511 566 1425

Cautionary statement regarding forward-looking statements

The present announcement contains various statements relating to TUI Group's and TUI AG's future development. These statements are based on assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, they are not guarantees of future performance since our assumptions involve risks and uncertainties that could cause actual results to differ materially from those anticipated. Such factors include market fluctuations, the development of world market prices for commodities and exchange rates or fundamental changes in the economic or political environment. TUI does not intend to and does not undertake any obligation to update any forward-looking statements in order to reflect events or developments after the date of this announcement.

Appendix:

Markets & Airlines Trading

Summer 2023¹

Variance in % versus	2022	2019
	Summer 2023	Summer 2023
Bookings	+5	-4
ASP	+8	+27

Winter 2023/24¹

Variance in % versus	2022/23
	Winter 2023/24
Bookings	+15
ASP	+4

¹ Bookings up to 10 September 2023 relate to all customers whether risk or non-risk

Holiday Experiences

Q4 FY 2023 Trading

Variance in % versus	July – September 2023 ¹	July – September 2022
Hotels & Resorts²		
Available bed nights ³		+3
Occupancy % ⁴		+0% points
Average daily rate		+5
Cruises		
Available passenger cruise days ⁵		+0
Occupancy % ⁶		+9% points
Average daily rate		+11
TUI Musement		
Experiences sold		+11
Transfers		In-line with Markets & Airlines

H1 FY 2024 Trading

Variance in % versus	October 2023 – March 2024 ¹	October 2022 – March 2023
Hotels & Resorts²		
Available bed nights ³		+6
Occupancy % ⁴		+3% points
Average daily rate		+4
Cruises		
Available passenger cruise days ⁵		+2
Occupancy % ⁶		+15% points
Average daily rate		+5
TUI Musement		
Experiences sold		n.m.
Transfers		In line with Markets & Airlines

¹ Trading data as of 10 September 2023

² 2023 trading data as of 10 September 2023 excluding Blue Diamond

³ Number of hotel days open multiplied by beds available in the hotel (Group owned and leased hotels)

⁴ Occupied beds divided by available beds (Group owned and lease hotels)

⁵ Number of operating days multiplied by berths available on the operated ships

⁶ Achieved passenger cruise days divided by available passenger cruise days