

Conclusion of an agreement with the German Economic Stabilization Fund (WSF) on the repayment of stabilization measures and their refinancing by means of a capital increase following the implementation of a capital reduction

Publication of inside information pursuant to Article 17 of Regulation (EU) No. 596/2014

Hanover, 13 December 2022. Today, the Executive Board of TUI AG ("Company"; ISIN DE000TUAG000 (voting and dividend-bearing shares), ISIN DE000TUAG331 (voting shares only)) has, with the consent of the Supervisory Board, concluded an agreement with the German Economic Stabilization Fund ("WSF") on the repayment of stabilization measures ("Repayment Agreement"). This agreement regulates the intended complete termination of the stabilization measures granted by the WSF by means of a right of the Company (i) to repayment of the contribution made by the WSF as a silent partner in January 2021 in the nominal amount of currently 420 million Euros ("Silent Participation I") and (ii) to repurchase the warrant-linked bond 2020/2026 ("Warrant Bond") issued by the Company to WSF in the remaining amount of 58.7 million Euro as well as the 58,674,899 option rights ("Warrants") originally attached to the warrant bond. In addition, the Repayment Agreement regulates the implementation of capital measures for the purpose of refinancing the aforementioned measures.

Under the Repayment Agreement, the Company is obliged, to the extent permitted by law, to propose to the General Meeting a reduction in the Company's share capital from currently approx. EUR 1.785 billion to then approx. EUR 179 million by consolidating shares at a ratio of ten to one in accordance with the provisions of the German Economic Stabilization Acceleration Act (Wirtschaftsstabilisierungsbeschleunigungsgesetz - "WStBG"). The amount of the reduction of approx. EUR 1.606 billion will be allocated to the Company's capital reserves and will not be distributed to shareholders. The capital reduction shall pave the way for the termination of the stabilization measures and is thus related to the recapitalization of the Company implemented in January 2021. The invitation to the Annual General Meeting, including the full agenda and the corresponding resolution proposals from Company management, is expected to be published in the German Federal Gazette (Bundesanzeiger) and on the Company's website at the beginning of January 2023.

Pursuant to the recapitalization measures adopted in January 2021, WSF has the right to convert Silent Participation I at a conversion price of EUR 1.00 per share into currently up to 420 million shares in the Company. In addition, under the Warrants, the WSF has the right to subscribe for currently up to 58,674,899

shares in the Company at an option price of 1.00 euro per share, whereby the option price can also be paid by contributing the Warrant Bond.

The repayment agreement provides for a right of the Company to terminate the Silent Participation I in full and to repurchase the remaining Warrant Bond together with all Warrants until 31 December 2023 at a repayment price of 730,113,240.00 euros plus interest accruing until repayment under the stabilization measures. In economic terms, this price accounts for the existing conversion and option rights of the WSF. If the weighted average stock exchange price of the shares of the Company during the last fifteen calendar days prior to the date of the public announcement of the Refinancing Capital Increase referred to below, as adjusted for the price increase effect of the share consolidation, (“Adjusted Average Price”), is higher than 1.6816 euros, the repayment price shall be increased in accordance with the repayment agreement as follows: The Adjusted Average Price less a discount of 9.3% shall be multiplied by the total nominal amount of the stabilization measures in the amount of EUR 478.7 million, capped at a maximum amount of EUR 957.4 million.

WSF undertakes not to exercise its conversion and option rights under Silent Participation I and the Warrants until 31 December 2023. The Company is obliged to exercise its repayment and repurchase right under the Repayment Agreement in the event of successful completion of the Refinancing Capital Increase referred to below. If the stabilization measures are not fully terminated by 31 December 2023, the Company will pay WSF an at market standstill premium.

To finance the repayment of the WSF and thus the termination of the stabilization measures, the Company is obligated under the Repayment Agreement, to the extent permitted by law, to use its best efforts to implement a rights issue capital increase from the Authorized Capital 2022/I existing pursuant to Art. 4 par. 5 of the Articles of Association in the amount of approx. 162 million euros and potentially also from Authorized Capital 2022/II existing pursuant to Art. 4 par. 7 of the Articles of Association in the amount of approx. 627 million euros (“Refinancing Capital Increase”). This obligation applies for a period starting from the effective date of the capital reduction referred to above until 31 December 2023 – subject to the positive assessment of the then prevailing capital market conditions by the Board of Management and Supervisory Board. The proceeds from this Refinancing Capital Increase shall be used primarily for a full repayment of Silent Participation I and a repurchase of the Warrant Bond and the Warrants.

The Company intends to use (i) the proceeds from the exercise of the Authorized Capital 2022/I exclusively for the priority of the full repayment of the WSF

and (ii) the proceeds from the exercise of Authorized Capital 2022/II predominantly for a substantial redemption of KfW's credit lines, it being understood that both capital increases shall be carried out simultaneously in one subscription offer.

The closing of the repayment agreement is still subject to confirmation by the European Commission that it does not raise any objections under state aid law.

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