



The following is an English convenience translation of the subscription offer (*Bezugsangebot*). The German language version, which is legally binding, is expected to be published in the Federal Gazette on or around 27 March 2023.

TUI AG

Hanover/Berlin, Germany

Subscription Offer

(ISIN DE000TUAG505 / WKN TUA G50)

The executive board (*Vorstand*) of TUI AG (the "**Company**") (the "**Executive Board**") resolved on 24 March 2023, with the approval of the supervisory board (*Aufsichtsrat*) (the "**Supervisory Board**") of the Company of the same date, to increase the Company's registered share capital from €178,520,585.00 by up to €476,054,893.00 to up to €654,575,478.00, by issuing up to 476,054,893 new shares (which includes 147,144,445 new shares that would have been attributable to Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity (as defined below) which will not be issued (as further described below)), consisting of:

(i) up to 140,358,663 new shares originating from a capital increase against cash contributions from the Company's authorised capital 2022/I, the proceeds of which shall be used primarily for the full repayment of (i) the €420.0 million silent participation with rights of conversion into shares of the Company made available by the German Economic Stabilisation Fund (*Wirtschaftsstabilisierungsfonds*, "**WSF**") and (ii) the bonds with warrants issued on 1 October 2020 to the WSF consisting of a warrant-linked bond convertible into shares of the Company in an outstanding amount of €58.7 million and 58,674,899 warrants (together, the "**Bonds with Warrants**") (the "**Capital Increase I**"); and

(ii) up to 335,696,230 new shares originating from a concurrent capital increase against cash contributions from the Company's authorised capital 2022/II, the proceeds of which shall be used to repay in full current drawings under the KfW Facility and to partly repay current drawings under the €1.454 billion revolving credit facility for cash drawings made available by 20 commercial banks. In addition, the Company intends to significantly reduce the €2.1 billion credit line under the KfW Facility (the "**Capital Increase II**" and together with the Capital Increase I, the "**Capital Increases**").

328,910,448 New Shares (which do not include any new shares that would have been attributable to Unifirm Limited ("**Unifirm**") and Severgroup LLC ("**Severgroup**") or Alexey Mordashov or Marina Mordashova or any natural or legal person, entity or body associated with them listed in Annex I of Council Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine or any natural or legal person, entity or body directly or indirectly controlled by any of them (together the "**Major Shareholder Sanctioned Persons or Entities**"), the "**Offer Shares**") will be offered in a combined subscription offer as set forth herein with indirect subscription rights (the "**Subscription Rights**") for existing shareholders (other than Unifirm and Severgroup or any Major Shareholder Sanctioned Person or Entity). With respect to the 147,144,445 new shares from the Capital Increases that would have been attributable to Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity, the Capital Increases will not be implemented.

By way of the Capital Increases, the Company's registered share capital will thus be increased by €328,910,448.00 to €507,431,033.00 by issuing 328,910,448 new ordinary registered shares with

no-par value (*auf den Namen lautende Stückaktien*) with a proportionate amount of €1.00 of the share capital and carrying full dividend rights from 1 October 2022 (the "**New Shares**"). The issue price corresponds to the minimum issue price (section 9 (1) AktG) of €1.00 per new no-par value share (the "**Issue Price**").

The statutory Subscription Rights shall be granted to all shareholders, except for Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity, in such manner that the New Shares (which do not include any new shares that would have been attributable to Unifirm or Severgroup or any other Major Shareholder Sanctioned Person or Entity) will be subscribed to and acquired by one or several credit institution(s) (or one or several enterprises engaged in activities in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act (*Gesetz über das Kreditwesen*)) at the Issue Price with the obligation (i) to offer the New Shares to the shareholders of the Company (other than Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity) for subscription at a fixed subscription price in the amount of €5.55 (the "**Subscription Price**"), (ii) to deliver the shares in accordance with the exercised Subscription Rights when the implementation of the Capital Increases has become effective, and (iii) to pay the difference between the Issue Price and the Subscription Price – after deduction of a reasonable commission as well as the costs and disbursements – to the Company (indirect subscription right within the meaning of section 186 (5) sentence 1 AktG).

The indirect subscription is to be offered to the shareholders (other than Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity) at a subscription ratio of 8:3 (8 New Shares offered for every 3 existing shares, the "**Subscription Ratio**"). The Subscription Ratio is to be rounded down to a maximum of three decimal places. Any fractional amount shall be excluded from the subscription right.

Barclays Bank Ireland PLC, One Molesworth Street, Dublin 2, D02 RF29, Ireland ("**Barclays**"), BofA Securities Europe SA, 51 rue La Boétie, 75008 Paris, France ("**BofA Securities**"), Citigroup Global Markets Europe AG, Reuterweg 16, 60323 Frankfurt am Main, Germany ("**Citigroup**"), COMMERZBANK Aktiengesellschaft, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany ("**COMMERZBANK**"), Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Germany ("**Deutsche Bank**") and UniCredit Bank AG, Arabellastraße 12, 81925 Munich, Germany ("**UniCredit Bank AG**" and, together with Barclays, BofA Securities, Citigroup, COMMERZBANK and Deutsche Bank, the "**Lead Joint Global Coordinators**"), HSBC Trinkaus & Burkhardt GmbH, Hansaallee 3, 40549 Düsseldorf, Germany ("**HSBC**") and Société Générale, 29 boulevard Haussmann, 75009 Paris, France ("**Société Générale**" and, together with HSBC the "**Co-Joint Global Coordinators**"), Crédit Agricole Corporate and Investment Bank, 12, Place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France ("**Crédit Agricole CIB**"), ING Bank N.V., Bijlmerdreef 106, 1102 CT Amsterdam, The Netherlands ("**ING**") and Natixis, 7 promenade Germaine Sablon, 75013 Paris, France ("**Natixis**", and together with Crédit Agricole CIB, ING, HSBC and Société Générale, the "**Joint Bookrunners**" and, together with the Lead Joint Global Coordinators and the Co-Joint Global Coordinators, the "**Underwriters**") have agreed in an underwriting agreement dated 24 March 2023 (the "**Underwriting Agreement**") to offer the New Shares to the existing shareholders of the Company (other than Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity) at the Subscription Ratio and the Subscription Price of €5.55 per New Share, subject to the terms and conditions set out below under "*Important Notices*".

The Underwriters have agreed to underwrite any Offer Shares, including any Offer Shares (which do not include any new shares that would have been attributable to Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity) for which subscription rights will not be exercised ("**Rump Shares**") and which will not be sold in a private placement after the subscription period ("**Unplaced Rump Shares**") at the Subscription Price, subject to terms and conditions in line with market practice. The Underwriters may offer or sell such Unplaced Rump Shares, which they are required to subscribe for as underwriters, outside the Offering (including by way of a



coordinated sell-down). The Lead Joint Global Coordinators (on behalf of themselves and the other Underwriters) may also arrange sub-underwriting for some, all or none of the Unplaced Rump Shares.

The Subscription Rights (ISIN: DE000TUAG1E4) of the existing shareholders (other than Unifirm and Severgroup and any other Major Shareholder Sanctioned Person or Entity) and attributable to the existing shares of the Company (ISIN DE000TUAG505 / WKN TUA G50) will automatically be delivered by Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany, to the custodian banks on 30 March 2023 as per the holding on 29 March 2023 at 11:59 p.m. CET (record date). The custodian banks are responsible for booking the Subscription Rights to the eligible custodian accounts of such existing shareholders. No Subscription Rights may be booked to any custodian accounts of Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity. Any other natural or legal person, entity or body, which is subject to applicable EU sanctions or UK sanctions, is prohibited from exercising the Subscription Rights. From the beginning of the Subscription Period on 28 March 2023, the existing shares of the Company (ISIN DE000TUAG505 / WKN TUA G50) will be quoted "ex subscription rights" on the regulated market of the Hanover Stock Exchange, the London Stock Exchange and on the Open Market of the Frankfurt Stock Exchange and on the OTC-markets of all other German stock exchanges.

We kindly request our shareholders – other than Unifirm and Severgroup or any other Major Shareholder Sanctioned Person or Entity or any other natural or legal person, entity or body subject to applicable EU sanctions or UK sanctions – to exercise their Subscription Rights in order to avoid exclusion from participation in the Capital Increases during the Subscription Period

from 28 March 2023 until 17 April 2023 inclusive (the "Subscription Period")

through their custodian banks at the subscription agent mentioned below during normal office hours. Subscription rights not exercised in due time shall lapse and shareholders will not receive any compensation.

Subscription agent is Deutsche Bank. The Subscription Rights are fully transferable, but it should be noted that it is not possible to migrate a Subscription Right between the UK and Germany.

Shareholders may only subscribe for one share or multiples thereof. The notification of the exercise of the Subscription Rights is binding upon receipt by the subscription agent and cannot be altered thereafter. No compensation will be awarded for any Subscription Rights not exercised. Upon expiration of the Subscription Period, the unexercised Subscription Rights will expire and become worthless and holders that have not exercised those Subscription Rights will not receive any compensation for any such expired rights. For the avoidance of doubt: (A) in the event that any shares to which the unexercised Subscription Rights relate are purchased under the Rump Placement, any premium over the Subscription Price received from such purchaser will not be distributed to shareholders under Listing Rule 9.5.4; and (B) there will be no entitlement of shareholders to fractional shares or the proceeds of any sale of aggregated fractional entitlement as part of the Offering under Listing Rule 9.5.13.

The transfer of the New Shares to the investors who have exercised Subscription Rights or who have purchased Rump Shares will be executed by the subscription agent. The implementation of the Capital Increases is subject to the registration in the commercial register of the district court of Berlin-Charlottenburg and in the commercial register of the district court of Hanover (both such commercial registers together the "**Commercial Registers**"), expected on or about 19 April 2023.

Subscription Price

The Subscription Price per New Share subscribed is €5.55. The Subscription Price must be paid on 17 April 2023 at the latest.

Shareholders should take into account that if they choose to exercise their Subscription Rights, they have committed to acquiring the shares of the Company at a Subscription Price potentially higher than would be possible for them through an acquisition on the market, due to the volatility of the Company's shares and a possible deterioration of market conditions.

Subscription Rights Trading

The Subscription Rights will be traded on the regulated market of the Hanover Stock Exchange from 28 March 2023 through 12 April 2023. Furthermore, they will be traded on the Open Market of the Frankfurt Stock Exchange from 28 March 2023 through 12 April 2023. The price for the Subscription Rights is determined continuously during the ordinary times of trading. On 12 April 2023, the Subscription Rights trading on Xetra will end with a closing auction starting not before 11:45 a.m. CEST and on the Hanover Stock Exchange with a special midday auction starting at 12:00 (noon) CEST. The market price of subscription rights depends, inter alia, on the development of the price of the Company's shares but it may show a significantly higher volatility than the price of the shares. Subscription rights, settled in the form of depositary interests, will also be traded on a multilateral trading facility at the London Stock Exchange, from 30 March 2023 through 12 April 2023.

Important Notice

Prior to making a decision to exercise, purchase or sell Subscription Rights, eligible shareholders and investors are advised to carefully read the securities prospectus dated 24 March 2023, for the public offering of the New Shares (the "Prospectus") and to take particular note of the risks described in the "Risk Factors" Section of the Prospectus and to consider such information when making their decision.

The Lead Joint Global Coordinators on behalf of the Underwriters are entitled to terminate the Underwriting Agreement under certain circumstances at any time prior to the filing of the application for registration of the implementation of the Capital Increases with the Commercial Registers. Such circumstances include, a suspension of trading on or by any of the Hanover Stock Exchange, the Frankfurt Stock Exchange, the London Stock Exchange or the New York Stock Exchange or any other regulated financial market within the European Economic Area, a suspension of trading of any securities of TUI AG, a general moratorium on commercial banking activities, an outbreak of hostilities or escalation of hostilities or terror attacks or any material adverse change in national or international financial, political, industrial or economic conditions.

The Lead Joint Global Coordinators cannot terminate the Underwriting Agreement after the application for registration of the implementation of the Capital Increases has been filed with the Commercial Registers, save that the Lead Joint Global Coordinators may terminate the Underwriting Agreement if the Company successfully withdraws the application for registration of the implementation of the Capital Increases with both Commercial Registers which is at the discretion of each Commercial Register, or the Commercial Registers do not register the Capital Increases within the timeframe specified in the subscription certificate to be issued by the Underwriters (currently two business days from the date of the application, *i.e.*, until 20 April 2023).

In the event of a successful termination of the Underwriting Agreement in any such case set out above, the Subscription Rights shall expire. In such a case, a rescission of



Subscription Rights trading transactions will not take place. Accordingly, investors who have acquired Subscription Rights in the Subscription Rights trading would suffer a loss in

this case. If short sales have occurred, the seller of these shares bears the risk of not being able to fulfil its obligation by delivering New Shares.

In light of the current high volatility of equity prices and the market environment, shareholders should inform themselves of the Company's current share price before exercising their Subscription Rights at the Subscription Price.

Form and Certification of the New Shares

The New Shares (ISIN DE000TUAG505 / WKN TUA G50) will be represented by one or more global certificates, which will be deposited with Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760, Eschborn, Germany. The right of a shareholder to have his share confirmed in a share certificate is excluded. Unless the Subscription Period is extended, the New Shares subscribed in connection with the Subscription Offer are expected to be delivered on 24 April 2023 by means of a credit note to the respective securities accounts.

Commission charged by custodian banks

The custodian banks will charge the customary bank commission for the subscription of the New Shares.

Admission to Trading and Listing of the New Shares

The existing shares of the Company (ISIN DE000TUAG505 / WKN TUA G50), settled in the form of DIs, have been admitted to the premium listing segment of the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange. On or about 17 April 2023, applications will be made to the FCA for the New Shares to be admitted to the premium listing segment of the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange (together the **"UK Admission"**). It is expected that the UK Admission will become effective and that dealings in the New Shares, settled in the form of depositary interests, will commence on the London Stock Exchange at 8.00 a.m. (London time/BST) on 24 April 2023.

Applications will be made to apply for the admission to trading of the New Shares on the regulated market segment (*regulierter Markt*) of the Hanover Stock Exchange (**"HSE"**) and the inclusion into trading in the Open Market segment of the Frankfurt Stock Exchange (**"FSE"**). The applications for admission to trading of the New Shares on the HSE and inclusion of the New Shares in the Open Market segment of the FSE are expected to be filed on or about 18 April 2023. The admission of the New Shares to trading on the regulated market of the HSE and the inclusion into trading in the Open Market segment of the FSE are expected to take place on 20 April 2023. All New Shares will be included in the existing listings of the Company's shares (ISIN DE000TUAG505 / WKN TUA G50) on or about 24 April 2023.

Availability of the Prospectuses

After completion of a completeness check, including an examination of the coherence and comprehensibility of the information provided, which is not to be construed as an endorsement of the New Shares, the prospectuses were approved by the German Federal Financial Supervisory Authority and the FCA on 24 March 2023 and published by the Company on its website (www.tuigroup.com). Upon request, printed versions of the prospectuses will be made available to any investor at TUI AG, Karl-Wiechert-Allee 4, 30625 Hanover, Germany, during normal business hours.

Selling restrictions

The New Shares and the Subscription Rights have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with the securities regulatory authorities of any individual state of the United States of America. The New Shares and the Subscription Rights may at no time be offered, sold, exercised, pledged, transferred or delivered, directly or indirectly, to or within the United States of America, except in a transaction not subject to, or pursuant to an exemption from, the registration requirements of the Securities Act and, in each case, in accordance with any applicable securities laws of any state.

Hanover/Berlin, in March 2023

TUI AG

The Executive Board