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TUI AG announces further strengthening of its balance sheet via fully underwritten c.€1.1 bn capital increase

Inside information pursuant to Article 17 MAR and Article 17 of UK MAR

This announcement is an advertisement and is not a prospectus within the meaning of the Regulation (EU) 2017/1129, as amended, and the Prospectus Regulation EU 2017/1129 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 or otherwise.

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The Executive Board of TUI AG ("TUI" or the "Company", and, together with its consolidated subsidiaries, the "Group") resolved today, with the consent of the Supervisory Board of the Company, to launch a fully underwritten capital increase with subscription rights (the "Subscription Rights") to raise gross proceeds of c.€1.1bn (the "Rights Issue" or the "Offering").

523,520,778 new ordinary registered shares with no par value of the Company (the "New Shares") will be offered at a subscription ratio of 10:21 (10 New Shares for every 21 existing shares). The Subscription Price of €2.15 per New Share represents a discount to TERP (theoretical ex-rights price) of 35.1%.

TUI's largest shareholder, Unifirm Limited ("Unifirm"), with a 32.0% holding in the Company, has undertaken to exercise all Subscription Rights attributable to its shareholding at the Subscription Price and to subscribe directly for New Shares represented by such Subscription Rights.

The remainder of the capital increase is secured through an underwriting by a banking syndicate, subject to terms and conditions in line with market practice for similar transactions.

The Company intends to use the net proceeds of the Offering to reduce interest costs and net debt by reducing current drawings (i) first under the KfW Facility, under which as at 4 October 2021 the Company had drawn €375.0 million, and (ii) second under the Cash Facility, under which as at 4 October 2021 the Company had drawn €1,486.5 million.

As a result, taking into account the expected net proceeds of the Offering of around €1,099.5 million, the current drawings under the KfW Facility would be reduced by €375.0 million to zero and the current drawings under the Cash

Facility would be reduced by the remaining net proceeds of €724.5 million to €762.0 million.

Existing shareholders, other than Unifirm, can exercise their Subscription Rights to the New Shares during the subscription period from and including 8 October 2021 up to and including 26 October 2021 (the "Subscription Period") through their respective depository bank. Investors are recommended to follow the respective guidelines of their depository banks.

A prospectus (the "German Prospectus") setting out the full details of the Offering, including a full timetable of key dates, is expected to be approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin") on 6 October 2021. For the purposes of the public offering in the United Kingdom and the admission to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities, a separate prospectus (the "UK Prospectus" and together with the German Prospectus, the "Prospectuses") is expected to be approved on the same day by the FCA. Both Prospectuses will be available on the Company's website (<https://www.tuigroup.com/en-en/investoren/capital-increase-october-2021>). A copy of the German Prospectus will also be available on the website of BaFin (www.bafin.de) and the website of the European Securities and Markets Authority (ESMA) (<https://registers.esma.europa.eu/publication/>), and a copy of the UK Prospectus will be submitted to the National Storage Mechanism and will be available for inspection at (<https://data.fca.org.uk/#/nsm/nationalstorage-mechanism>). The information in this announcement should be read in conjunction with both the Prospectuses.

All capitalised terms used but not otherwise defined in this announcement have the meaning set out in the Prospectuses.

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The Securities have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Accordingly, the Securities are being offered and sold by way of private placements (i) in the United States, only to qualified institutional buyers in accordance with Rule 144A under the Securities Act, and (ii) outside the United States, to eligible investors in offshore transactions in accordance with Regulation S under the Securities Act.

This announcement is an advertisement and not a prospectus for the purposes of Prospectus Regulation (Regulation (EU) 2017/1129) (the **Prospectus Regulation**) and the UK Prospectus Regulation (Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018) (the **UK Prospectus Regulation**). The public offering of certain Securities in Germany and the United Kingdom will be made exclusively by means of and on the basis of the German Prospectus, when published, of the Company, when it has been approved by the BaFin in Germany, and on the basis of the UK Prospectus, when published, of the Company when it has been approved by the FCA in the United Kingdom, in each case which approval should not be

understood as an endorsement of any Securities offered. Investors must not subscribe for or purchase any Securities referred to in this announcement except on the basis of information contained in the German Prospectus or UK Prospectus, as applicable, published, or the international offering circular issued, by the Company in connection with the Offering, as the case may be (together with any amendments or supplements thereto), and should read the German Prospectus, UK Prospectus or the international offering circular, as the case may be (together with any amendments or supplements thereto) before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the Securities.

The German Prospectus, once approved, will be available on the website of the BaFin (www.bafin.de), the website of the Company (<https://www.tuigroup.com/en-en/investoren/capital-increase-october-2021>) and the website of the European Securities And Markets Authority (<https://registers.esma.europa.eu/publication/>). The UK Prospectus, once approved, will be submitted to the National Storage Mechanism and will be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> and the website of the Company (<https://www.tuigroup.com/en-en/investoren/capital-increase-october-2021>)

This announcement has been issued by and is the sole responsibility of the Company. The information contained in this announcement is for background information purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement does not constitute a recommendation concerning any investor's decision or options with respect to the Offering. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice. Each shareholder or prospective investor should consult his, her or its own independent legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

Apart from the responsibilities and liabilities, if any, which may be imposed on them by the Financial Services and Markets Act 2000, as amended or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of Barclays Bank Ireland PLC, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Deutsche Bank Aktiengesellschaft and HSBC Trinkaus & Burkhardt AG, COMMERZBANK

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Each of the Underwriters and Sponsors is acting exclusively for the Company in connection with the Offering and they are acting for no one else. The Underwriters and Sponsors will not regard any other person as their respective clients in relation to the Offering or any other matter in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, each of the Underwriters and any of their respective affiliates, may take up a portion of the Securities as a principal position and in that capacity may retain, subscribe for, purchase, sell, offer to sell or otherwise deal for their own accounts in such Securities and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in this announcement to the Securities being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue, offer, subscription, acquisition, placing or dealing by each of the Underwriters and any of their affiliates in such capacity. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps, warrants or contracts for difference) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Securities. None of the Underwriters or any of

their affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

No person has been authorised to give any information or to make any representations other than those contained in this announcement and the German Prospectus or UK Prospectus published, or the international offering circular issued, by the Company in connection with the Offering, as the case may be (together with any amendments or supplements thereto) and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Underwriters, the Sponsors or any of their respective affiliates.

Forward-Looking Statements

Certain statements included in this announcement are forward-looking. These statements can be identified by the fact that they do not relate only to historical or current facts. By their nature, they involve risk and uncertainties because they relate to events and depend on circumstances that will occur in the future. Actual results could differ materially from those expressed or implied by such forward-looking statements. The potential reasons for such differences include market fluctuations, the development of world market fluctuations, the development of world market commodity prices, the development of exchange rates or fundamental changes in the economic environment. The Company does not intend or assume any obligation to update any forward-looking statement to reflect events or circumstances after the date of this announcement. The potential reasons for such differences include market fluctuations, the development of world market fluctuations, the development of world market commodity prices, the development of exchange rates or fundamental changes in the economic environment. The Company does not intend or assume any obligation to update any forward-looking statement to reflect events or circumstances after the date of this announcement.

Forward-looking statements often use words such as "expects", "may", "will", "could", "should", "intends", "plans", "predicts", "envisages" or "anticipates" or other words of similar meaning. They include, without limitation, any and all projections relating to the results of operations and financial conditions of the Company and its subsidiary undertakings from time to time (the 'Group'), as well as plans and objectives for future operations, expected future revenues, financing plans, expected expenditure and divestments relating to the Group and discussions of the Group's business plan. All forward-looking statements in this announcement are based upon information known to the Group on the date of this announcement and speak as of the date of this announcement.

Other than in accordance with its legal or regulatory obligations, the Group does not undertake to update or revise any forward-looking statement to reflect any changes in events, conditions or circumstances on which any such statement is based.

Actual results may differ from those expressed or implied in the forward-looking statements in this announcement as a result of any number of known and unknown risks, uncertainties and other factors, including, but not limited to, the effects of the COVID-19 pandemic and uncertainties about its impact and duration, many of which are difficult to predict and are generally beyond the control of the Group, and it is not reasonably possible to itemise each item. Accordingly, readers of this announcement are cautioned against relying on forward-looking statements. All forward-looking statements made on or after the date of this announcement and attributable to the Company are expressly qualified in their entirety by the primary risks set out in that section. Many of these risks are, and will be, exacerbated by the COVID-19 pandemic and any further disruption to the travel and leisure industry and economic environment as a result.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (**MiFID II**); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the **MiFID II Product Governance Requirements**), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Securities the subject of the Offering have been subject to a product approval process, which has determined that such Securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the **Target Market Assessment**). Notwithstanding the Target Market Assessment, distributors should note that: (i) the price of the Securities may decline and investors could lose all or part of their investment; (ii) the Securities offer no guaranteed income and no capital protection; and (iii) an investment in the Securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may

result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Securities. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Securities and determining appropriate distribution channels.

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