



TUI AG

Hanover/Berlin, Germany

Subscription Offer

(ISIN DE000TUAG000 / WKN TUAG00)

(Temporary ISIN DE000TUAG323 / WKN TUAG32)

The executive board (*Vorstand*) of TUI AG (the "**Company**") resolved on 6 October 2021, with the approval of the supervisory board (*Aufsichtsrat*) of the Company of the same date, to increase the Company's share capital by EUR 523,520,778.00 (the "**Capital Increase**") by issuing 523,520,778 new ordinary registered shares with no-par value (*auf den Namen lautende Stückaktien*) with a proportionate amount of EUR 1.00 of the share capital and carrying full dividend rights from 1 October 2020 (the "**New Shares**"), against contribution in cash. The issue price corresponds to the minimum issue price (section 9 (1) AktG) of EUR 1.00 per new no-par value share (the "**Issue Price**"). The shareholders must generally be granted a subscription right (the "**Subscription Right**").

The statutory Subscription Right shall be granted to all shareholders, except for shareholder Unifirm Limited, in such manner that the New Shares 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 for subscription at a fixed subscription price in the amount of EUR 2.15 (the "**Subscription Price**"), (ii) to deliver the shares in accordance with the exercised Subscription Rights when the implementation of the Capital Increase 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).

Shareholder Unifirm Limited shall be granted the statutory Subscription Right in such manner that Unifirm Limited will be permitted to subscribe for and acquire – in accordance with the amount of statutory subscription rights it is entitled to – the New Shares allotted to said amount of subscription rights at the Subscription Price directly with the Company (direct subscription right in the sense of section 186 (1) sentence 1 AktG).

The (direct or indirect) subscription is to be offered to the shareholders at a subscription ratio of 10:21 (10 new shares offered for every 21 existing shares, the "**Subscription Ratio**"). The Subscription Ratio is to be rounded down to two 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**"), Deutsche Bank Aktiengesellschaft, Taunusanlage 12, 60325 Frankfurt am Main, Germany ("**Deutsche Bank**"), HSBC Trinkaus & Burkhardt AG, Königsallee 21/23, 40212 Düsseldorf, Germany ("**HSBC**", and, together with Barclays, BofA Securities, Citigroup and Deutsche Bank, the "**Joint Global Coordinators**"), COMMERZBANK Aktiengesellschaft,

Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany (“**COMMERZBANK**”), Landesbank Baden-Württemberg, Am Hauptbahnhof 2, 70173 Stuttgart, Germany (“**Landesbank Baden-Württemberg**”) and Natixis, 30 avenue Pierre Mendès France, 75103 Paris, France (“**Natixis**”, and together with COMMERZBANK and Landesbank Baden-Württemberg, the “**Joint Bookrunners**” and, together with the Joint Global Coordinators, the “**Underwriters**”) have agreed in an underwriting agreement dated 6 October 2021 (the “**Underwriting Agreement**”) to offer the New Shares to the existing shareholders of the Company (other than Unifirm Limited) at the Subscription Ratio and the Subscription Price of EUR 2.15 per New Share, subject to the terms and conditions set out below under “*Important Notices*”. The Company will offer the New Shares attributable to Unifirm Limited’s Subscription Rights directly to Unifirm Limited for subscription.

The existing shareholder Unifirm Limited has undertaken to the Company, to exercise all its Subscription Rights at the Subscription Price and subscribe directly these New Shares under the commitment agreement entered into with the Company on 6 October 2021 (the “**Commitment Agreement**”). For the remainder of the Capital Increase, the Underwriters have agreed to underwrite any New Shares 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 Subscription Rights (ISIN DE000TUAG1D6) of the existing shareholders other than Unifirm Limited and attributable to the existing shares of the Company (ISIN DE000TUAG000 / WKN TUAG00; and Temporary ISIN DE000TUAG323 / WKN TUAG32 with respect to any shares issued to holders of the €589.6 million unsecured convertible bonds issued by the Company on 16 April 2021 and 6 July 2021, due 2028 who exercised their conversion right into ordinary registered shares of the Company and with respect to any shares issued to the German Economic Stabilisation Fund (*Wirtschaftsstabilisierungsfonds*) as holder of the €150 million bonds with warrants issued by the Company on 1 October 2020) will automatically be delivered by Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany, to the custodian banks on 12 October 2021 as per the holding on 11 October 2021 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. From the beginning of the Subscription Period on 8 October 2021, the existing shares of the Company (ISIN DE000TUAG000 / WKN TUAG00 and Temporary ISIN DE000TUAG323 / WKN TUAG32) 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 Frankfurter Stock Exchange and on the OTC-markets of all other German stock exchanges.

We kindly request our shareholders, other than Unifirm Limited, to exercise their Subscription Rights in order to avoid exclusion from participation in the capital increase during the Subscription Period

from 8 October 2021 until 26 October 2021 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, other than those subscribed for by Unifirm Limited, 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 Increase 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 28 October 2021.

Subscription Price

The Subscription Price per New Share subscribed is EUR 2.15. The Subscription Price must be paid on 26 October 2021 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 8 October 2021 through 21 October 2021. Furthermore, they will be traded in the Open Market of the Frankfurt Stock Exchange from 8 October 2021 through 21 October 2021. The price for the subscription rights is determined continuously during the ordinary times of trading. On 21 October 2021, the Subscription Rights trading on XETRA will end with a closing auction starting not before 11:45 a.m. CET and on the Hanover Stock Exchange with a special midday auction starting at 12:00 (noon) CET. 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 12 October 2021 through 21 October 2021.

Important Notice

Prior to making a decision to exercise, purchase or sell Subscription Rights, shareholders and investors are advised to carefully read the securities prospectus dated 6 October 2021, 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 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 Increase 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 Joint Global Coordinators cannot terminate the Underwriting Agreement after the application for registration of the implementation of the Capital Increase has been filed with the Commercial Registers, save that the Joint Global Coordinators may terminate the Underwriting Agreement if the Company successfully withdraws the application for registration of the implementation of the Capital Increase with both Commercial Registers which is at the discretion of each Commercial Register, or the Commercial Registers do not register the Capital Increase 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 29 October 2021).

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 DE000TUAG000 / WKN TUAG00 and Temporary ISIN DE000TUAG323 / WKN TUAG32) 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 2 November 2021 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 DE000TUAG000 / WKN TUAG00), 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 26 October 2021, 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) on 2 November 2021.

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 on 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 27 October 2021. The admission of the New Shares to trading on the regulated market of the HSE and the Open Market segment of the FSE are expected to take place on 29 October 2021. All New Shares will be included in the existing listings of the Company's shares (ISIN DE000TUAG000 / WKN TUAG00 and Temporary ISIN DE000TUAG323 / WKN TUAG32) on or about 2 November 2021.

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 ("**BaFin**") and the FCA on 6 October 2021 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 October 2021

TUI AG

The Management Board