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Pricing Term Sheet **19th July 2024**

EUR 487 million Senior Unsecured Convertible Bonds due 2031 convertible into ordinary registered shares of TUI AG

Issuer:	TUI AG (the **“Issuer”**) (LEI number: 529900SL2WSPV293B552)
Securities Offered:	Euro denominated senior unsecured convertible bonds (the “**Bonds**”), convertible into new and/or existing no-par value ordinary registered shares of the Issuer (the “**Shares**”)
Underlying Shares:	New and/or existing Shares of the Issuer listed on XETRA ISIN DE000TUAG505 / German WKN TUAG50 / Bloomberg TUI1 GY / Reuters TUI1n.DE

Status:	The Bonds will constitute direct, unconditional, unsubordinated and, subject to the negative pledge, unsecured obligations of the Issuer, ranking *pari passu* among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer
Rating:	The Issuer is rated B1, Positive (Moody's) and B+, Positive (S&P) The Bonds will not be rated
Issue Size:	EUR 487 million
Denomination:	EUR 100,000 (the "**Principal Amount**")
Launch Date:	18 July 2024
Pricing Date:	Expected to be 19 July 2024
Closing Date:	Expected to be on or about 26 July 2024
Maturity Date:	Expected to be 26 July 2031 (7 years)
Bondholder Put Date:	Expected to be 26 July 2028 (4 years)
Issue Price:	100% of the Principal Amount
Redemption Price:	100% of the Principal Amount
Coupon:	1.95% per annum, payable semi-annually in arrear in equal instalments on 26 July and 26 January in each year, commencing on 26 January 2025, Actual/Actual, following business day convention unadjusted
Conversion Premium:	50% above the Reference Price
Reference Price:	EUR 6.40 per Share, being the clearing price of a Share in the Concurrent Delta Placement (see "**Concurrent Delta Placement**" below)
Concurrent Delta Placement:	The Issuer has been informed by the Joint Global Coordinators that the Joint Global Coordinators organised a simultaneous placement of existing Shares on behalf of certain subscribers of the Bonds who wished to sell these Shares in short sales to purchasers procured by the Joint Global Coordinators in order to hedge the market risk to which the subscribers are exposed with respect to the Bonds that they acquire in the offering (the "**Concurrent Delta Placement**"). The placement price for the Shares in the Concurrent Delta Placement was determined via an accelerated bookbuilding process carried out by the Joint Global Coordinators. The Issuer will not receive any proceeds from any sale of Shares in connection with the Concurrent Delta Placement. Any offer or sale of Shares in the Concurrent Delta Placement will be made (A) (i) outside the United States in offshore transactions in reliance on Rule 903 of Regulation S under the U.S. Securities Act of 1933 (the **"U.S. Securities Act"**) or (ii) within the United States to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act,

	and (B) with respect to sales in the EEA or the UK, to qualified investors as defined in the Prospectus Regulation (as defined below)
Conversion Price:	EUR 9.60 initially, equal to the Reference Price x (1 + Conversion Premium), subject to adjustment as provided in the Terms and Conditions
Conversion Ratio:	10,416.6666 Shares per Bond initially – and from time to time the number of Shares corresponding to the Principal Amount divided by the prevailing Conversion Price
Conversion Right:	Unless previously redeemed, or purchased and cancelled, the Bonds will be convertible into Shares at any time during the Conversion Period at the prevailing Conversion Price
Conversion Period:	Bonds are convertible at the option of the Bondholder from 5 September 2024 (*41st calendar day following the Closing Date*) to the close of business on the 10th business day prior to the Maturity Date or, on any early redemption at the option of the Issuer, to the close of business on the 10th business day prior to the date set for redemption
Cash Payment in Lieu of Delivery of Shares in Certain Circumstances:	Yes, but only if, due to legal reasons, on the relevant settlement date the Issuer is unable to issue Shares from conditional capital, and in addition, the Issuer does not hold treasury shares, which the Issuer is legally authorised to deliver upon the exercise of a Conversion Right
Early Redemption at the Option of the Issuer:	The Bonds may be redeemed in whole but not in part at their Principal Amount together with accrued but unpaid interest subject to a minimum of 30 days' and a maximum of 60 days' prior notice: • at any time on or after 16 August 2029 (5 years and 21 days following the Closing Date), if the Parity Value on at least 20 trading days in any period of 30 consecutive trading days ending not earlier than 7 trading days prior to the giving of the notice of redemption in respect of a Bond in the principal amount of EUR 100,000 exceeds EUR 150,000; or • at any time, if 20% or less of the aggregate principal amount of the Bonds originally issued remains outstanding "**Parity Value**" of a Bond in respect of any dealing day means the Principal Amount of such a Bond divided by the Conversion Price in effect on such day, multiplied by the Volume Weighted Average Price of a Share on XETRA on such dealing day, as further described in the Terms and Conditions
Dividend Entitlement:	The Shares to be delivered by the Issuer upon conversion will be entitled to profits (to be paid out by way of dividends, if any) for the then current and all following financial years as from the beginning of the financial year of the Issuer in which such Shares are issued, and may initially carry a separate securities code if a dividend for the previous financial year has not been paid yet.
Dividend Protection:	Downward adjustment of the Conversion Price for any cash dividends per Share paid by the Issuer

Anti-dilution Provisions: Standard German market anti-dilution protection in relation to Shares, as further described in the Terms and Conditions

Change of Control and Take-Over Bid Protection: If a Change of Control occurs, the Issuer will, as soon as practicable after becoming aware thereof, fix the Control Record Date and give notice of the Change of Control, the adjusted Conversion Price determined in accordance with the formula below and the Control Record Date

If a Change of Control occurs and a Bondholder validly exercises the Conversion Right in respect of any Bond during the period from and including the date on which the Issuer gives notice of a Change of Control to and including 4:00 p.m. (Frankfurt time) on the Control Record Date, then the Conversion Price will be adjusted in accordance with the formula below:

$$CP_a = \frac{CP}{1 + Pr \times \frac{c}{t}}$$

where:

- CP_a = the adjusted Conversion Price;
- CP = the Conversion Price on the day immediately preceding the day on which the Acceptance Event or the Change of Control, as applicable, occurs;
- Pr = the initial conversion premium of 50 per cent.;
- c = the number of days from and including the date on which the Change of Control or the Acceptance Event occurs to but excluding the Maturity Date; and
- t = the number of days from and including the Closing Date to but excluding the Maturity Date

If any Bidder publishes a Take-over Bid in accordance with § 14(2) WpÜG, the Issuer will give notice of the Take-over Bid and of the prospective Acceptance Record Date as soon as practicable after becoming aware of the publication. If the Issuer gives such notice, each Bondholder has the right to exercise the Conversion Right in respect of any Bond at the Conversion Price adjusted in accordance with the formula set out above by giving a conversion notice that is conditional on the occurrence of an Acceptance Event (the "**Conditional Conversion Notice**"). The Conditional Conversion Notice must be received by the Principal Conversion Agent before 4:00 p.m. (Frankfurt time) on the last day of the Conditional Conversion Notice Period. In addition, the Bondholder is required to deliver to the Principal Conversion Agent the Bonds to be converted before the end of the Conditional Conversion Notice Period. Any Conditional Conversion Notice becomes unconditional at the end of the day on which the Acceptance Event occurs, regardless of whether or not that point in time falls within an Excluded Period. If an Acceptance Event occurs, the Issuer will give notice of this fact, the adjusted Conversion Price and the Acceptance Record Date as soon as practicable after the publication by the Bidder of the announcement triggering the occurrence of the Acceptance Event

Please refer to the Terms and Conditions for the more detailed description of the conversion procedure in case of the occurrence of a Conditional Take-Over Bid

Where:

An "**Acceptance Event**" occurs when upon a Take-over Bid (i) after the expiry of the Initial Acceptance Period, the Bidder has published an announcement pursuant to § 23(1) sentence 1 No. 2 WpÜG according to which the Take-over Bid has been accepted at least for a number of Shares which (together with Shares already held by or attributable to the Bidder pursuant to the provisions of § 30 WpÜG) corresponds at least to such number of Shares as are necessary to provide Control, and (ii) the Bidder has published an announcement according to which all offer conditions (including any minimum acceptance thresholds) have been satisfied at the latest upon expiry of the Initial Acceptance Period, except for (x) such offer conditions that have been validly waived and (y) such offer conditions the satisfaction of which may remain pending upon the expiration of the Initial Acceptance Period (such as conditions in relation to regulatory approvals, in particular merger control approvals or the completion of capital measures of the Bidder in order to secure the offer consideration); provided, however, that an Acceptance Event cannot occur anymore if any offer condition cannot be fulfilled (already before or at the same time) any longer and the offer has, thus, failed

"**Acceptance Record Date**" means the last day of the Initial Acceptance Period (taking into account extensions of this period, if any, pursuant to, or in accordance with, applicable laws and regulations)

"**Bidder**" is the person or partnership making the Take-over Bid or the Mandatory Offer

A "**Change of Control**" will be deemed to have occurred (i) if after the date of issue of the Bonds any person or persons or any partnership ("**Relevant Person(s)**") and/or any person or persons acting on behalf of any such Relevant Person(s), (irrespective of whether the management board (*Vorstand*) or the supervisory board *(Aufsichtsrat*) of the Issuer has given its consent thereto) acquire(s) Control of the Issuer (unless the acquirer is a credit institution, financial service provider or agent that acquires the relevant Shares only temporarily in a transitory function in connection with the implementation of a capital measure or corporate action) or (ii) in case of a merger of the Issuer with or into a Third Person or the merger of a Third Person with or into the Issuer, or the sale of all or substantially all of the assets (determined on a consolidated basis) of the Issuer to a Third Person other than in connection with transactions following which (A) in the case of a merger, holders that represented 100% of the voting rights of the Issuer hold at least the majority of the voting rights of the surviving entity immediately after such merger and (B) in the case of a sale of all or substantially all of the assets of the Issuer, the acquiring entity is or becomes a subsidiary of the Issuer and becomes a guarantor in respect of the Bonds.

"**Conditional Conversion Notice Period**" means the period commencing on the day on which the Issuer gives notice and ending at 4:00 pm (Frankfurt time) on the Acceptance Record Date

"**Control**" means direct or indirect, legal and/or beneficial, ownership of Shares (including by a group of persons acting in concert within the meaning of § 2(5) WpÜG), carrying an aggregate 50 per cent. or more of the voting rights in the Issuer

"**Control Record Date**" means the business day fixed by the Issuer which will be not less than 40 and no more than 60 days after the date on which the notice of the Change of Control is published in accordance with the Terms and Conditions

"**Initial Acceptance Period**" means the acceptance period pursuant to § 16(1) WpÜG (not the additional acceptance period pursuant to § 16(2) WpÜG))

"**Mandatory Offer**" means any mandatory offer (*Pflichtangebot*) for Shares, according to the WpÜG or – in case the Issuer is not or no longer subject to the WpÜG but to the comparable takeover regulation of another jurisdiction – according to this comparable takeover regulation, which is addressed to shareholders of the Issuer by any person or partnership other than the Issuer

"**Take-over Bid**" means any voluntary take-over bid for Shares, according to the WpÜG or – in case the Issuer is not or no longer subject to the WpÜG but to the comparable takeover regulation of another jurisdiction – according to this comparable takeover regulation, which is addressed to the shareholders of the Issuer by any person or partnership other than the Issuer

"**Third Person**" means any person other than a subsidiary of the Issuer

"**WpÜG**" means the German Securities Acquisition and Take-Over Act (*Wertpapiererwerbs- und Übernahmegesetz*), as amended from time to time

In the case of a Take-over Bid, in connection with which an Acceptance Event as well as a Change of Control occurs, the Conversion Price shall be adjusted only once (and as of the time at which the first of these events occurs)

In no event shall the Conversion Price be adjusted more than once during any period starting with the notice by the Issuer of a Change of Control or a Take-over Bid and ending on the Change of Control Record Date (in case of a Change of Control) or the day of the settlement of the Take-over Bid (in case of a Take-over Bid)

Bondholder Put: The Bonds may be redeemed at the option of the Bondholders:

(i) at the Principal Amount plus accrued interest on the Bondholder Put Date (subject to giving notice no more than 60 business days and no later than 45 business days prior to the Bondholder Put Date); and

(ii) upon the occurrence of a Change of Control or Transferring Merger, at par plus accrued interest, as further described in the Terms and Conditions

Negative Pledge: Yes, in respect of the Issuer and the Issuer's Material Subsidiaries in respect of capital markets indebtedness, as further described in the Terms and Conditions (subject to customary exceptions)

Events of Default:	Customary Euro-market events of default in relation to the Issuer and its Material Subsidiaries, as described in the Terms and Conditions
Cross Default:	Yes, in respect of the Issuer and the Issuer's Material Subsidiaries including a cross default threshold of EUR 100 million, as further described in the Terms and Conditions
Material Subsidiary:	A subsidiary of the Issuer which has total assets or net sales (excluding intra-group items) representing 5% or more of the total assets or net sales of the Issuer and its subsidiaries, calculated on a consolidated basis, as further described in the Terms and Conditions
Separate and Concurrent Transaction:	The Issuer announced yesterday a concurrent partial repurchase of its convertible bonds due 2028 ("**Convertible Bonds Tender Offer**") as outlined in its ad-hoc release available on the website of the Issuer
Tax Call / Gross-Up:	None
Use of Proceeds:	The Issuer intends to use the proceeds from the Bonds to finance the Convertible Bonds Tender Offer and reduce the KfW Credit line
Form:	The Bonds will be in bearer form, represented by a global certificate to be held permanently by Clearstream Banking AG, Frankfurt, in its book-entry system, with a register of holders (the "**Bondholders**")
Lock-up:	For the Issuer and its subsidiaries from the Pricing Date until 90 calendar days after the Closing Date, subject to customary exceptions or waiver by the Joint Global Coordinators
Selling Restrictions:	Institutional private placement, Reg S only, Category 1, no Rule 144A, TEFRA Rules do not apply No offers or sales into the US, Australia, Japan or South Africa or in any other jurisdiction in which an offering would be unlawful pursuant to applicable securities laws Sales in the EEA or in the UK to Qualified Investors only and not to retail investors (as defined in the EU PRIIPs Regulation and UK PRIIPs Regulation, respectively). No key information document (within the meaning of the EU or UK PRIIPs Regulation) will be prepared In Canada, sales only to investors that are not individuals, that are both an "Accredited Investor" and a "Permitted Client" and are resident in Ontario, Québec, British Columbia or Alberta (with investor letter) MiFID II Professionals/Eligible Counterparties-only / No EU PRIIPS or UK PRIIPS KID / No sales to retail investors in the EEA, the UK or elsewhere Standard selling restrictions apply elsewhere
EU MiFID Target Market:	Eligible counterparties and professional clients only. No EU PRIIPs or UK PRIIPS key information document (KID) has been prepared as not available to retail investors in EEA or the UK
Governing Law:	German Law

Listing of the Bonds:	Application is intended to be made for the Bonds to be included on the Open Market segment (*Freiverkehr*) of the Frankfurt Stock Exchange
Clearing Systems:	Clearstream Banking AG Frankfurt, and also for Euroclear Brussels and Clearstream Luxembourg.
Clearing Codes:	ISIN: DE000A383JQ7 German WKN: A383JQ Common Code: 283851281
Paying and Conversion Agent:	Citibank, N.A. London Branch
Calculation Agent:	Conv-Ex Advisors Limited
Joint Global Coordinators and Joint Bookrunners:	BofA Securities Europe SA, HSBC Continental Europe S.A., COMMERZBANK AG in cooperation with ODDO BHF SCA, Credit Agricole CIB and UniCredit Bank
Joint Bookrunners:	Barclays, Natixis, Citi, Deutsche Bank and Société Générale
Settlement Agent:	HSBC Continental Europe S.A.
Disclaimers:	Important - your attention is drawn to the disclaimers below, and any purchase of Bonds will be deemed to be made in acceptance and acknowledgement by you of and subject to (i) the terms of such disclaimers and (ii) the final terms and conditions in respect of the securities which all purchasers are deemed to have reviewed and found satisfactory, prior to closing Please request a copy of the terms and conditions if you have not received them.

IMPORTANT INFORMATION

For further information on this transaction, please call your regular contact at the Joint Bookrunners

This indicative term sheet should be read together with the full text of the Terms and Conditions of the Bonds.

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THE BONDS WILL BE AUTHORIZED FOR TRADING ON ORGANIZED NON-BRAZILIAN SECURITIES MARKETS AND MAY ONLY BE OFFERED TO BRAZILIAN PROFESSIONAL INVESTORS (AS DEFINED BY APPLICABLE CVM REGULATION), WHO MAY ONLY ACQUIRE THE BONDS THROUGH A NON-BRAZILIAN ACCOUNT, WITH SETTLEMENT OUTSIDE BRAZIL IN A NON-BRAZILIAN CURRENCY. THE TRADING OF THESE BONDS ON REGULATED SECURITIES MARKETS IN BRAZIL IS PROHIBITED.

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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 MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Bonds have been subject to a product approval process, which has determined that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

The target market assessment is without prejudice to the requirements of any contractual or legal selling restrictions in relation to any offering of the Bonds and/or the Shares.

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 action whatsoever with respect to the Bonds.

EU AND UK PRIIPS REGULATION / EEA AND UK PROSPECTUS REGULATION / PROHIBITION OF SALES TO RETAIL INVESTORS, IN THE EEA, THE UK OR ELSEWHERE

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or the United Kingdom (the “**UK**”). For these purposes, a "retail investor" means (a) in the EEA, a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MIFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MIFID II, and (b) in the UK, a person who is one (or more) of (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) no 2017/565 as it forms part of UK domestic law by virtue of the EUWA or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the UK (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**EU PRIIPs Regulation**") or the EU PRIIPS Regulation as it forms part of UK domestic law by virtue of the EUWA (the “**UK PRIIPS Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the EU PRIIPs Regulation and/or the UK PRIIPS Regulation.

In the case of any securities being offered to you as a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, you will also be deemed to have represented and agreed that the securities acquired by you in the offering have not been acquired on behalf of persons in the EEA or the UK who are retail investors (as defined above) or persons in the United Kingdom and other member states (where equivalent legislation exists) for whom you have authority to make decisions on a wholly discretionary basis, nor have the securities been acquired with a view to their offer or resale in the EEA or the UK where this would result in a requirement for publication by the Issuer, the Joint Bookrunners or any other manager of a prospectus pursuant to Article 3 of the Prospectus Regulation, or in which the prior consent of the Joint Bookrunners has been obtained to such offer or resale.

REPRESENTATIONS BY DELTA PLACEMENT PARTICIPANTS

BUYERS OF BONDS WHO WISH TO SELL SHARES IN THE CONCURRENT DELTA PLACEMENT ARE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) THEY UNDERSTAND THAT THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT 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 U.S. SECURITIES ACT, (II) THEY HAVE NOT OFFERED OR SOLD, AND WILL NOT OFFER OR SELL, ANY SHARES WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND (III) NEITHER THEY, NOR ANY OF THEIR AFFILIATES NOR ANY PERSONS ACTING ON THEIR BEHALF HAVE ENGAGED OR WILL ENGAGE IN ANY DIRECTED SELLING EFFORTS (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT) OR GENERAL SOLICITATION OR GENERAL ADVERTISING (WITHIN THE MEANING OF REGULATION D UNDER THE U.S. SECURITIES ACT) IN THE UNITED STATES WITH RESPECT TO THE SHARES.

The Issuer and the Joint Bookrunners and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements, and agreements. Notwithstanding the above, a person who is not a Qualified Investor and who has notified the Joint Bookrunners of such fact in writing may, with the written consent of the Joint Bookrunners, be permitted to purchase securities.