FY25 STRATEGY UPDATE

10 December 2025

TUI
Live Happy

Ambitious strategy poised to capture growth in holiday demand

Global Travel & Tourism growing ahead of GDP[1]

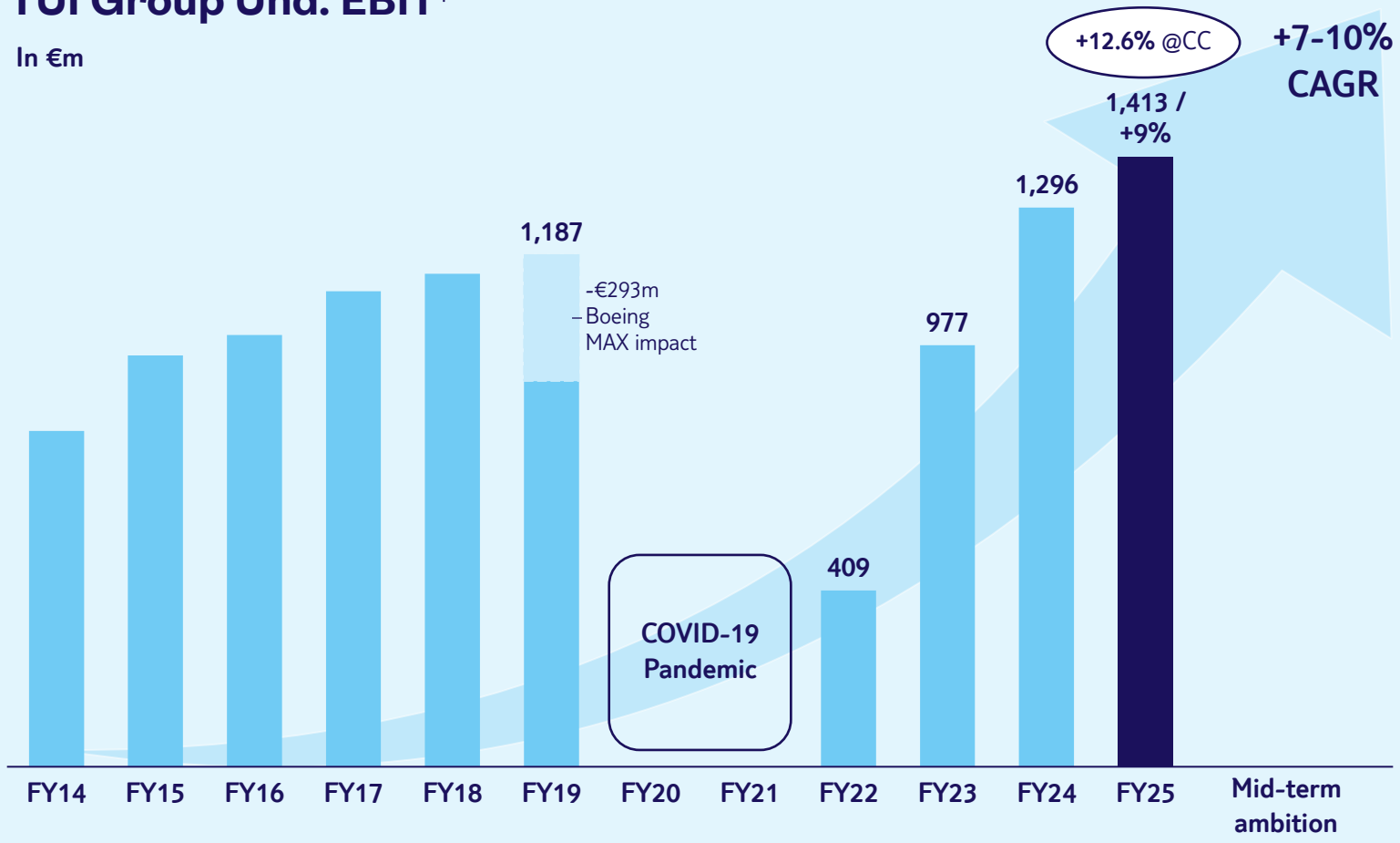
- **Most UK travellers plan to spend the same or more on holidays in 2026** compared to 2025[2]
- **Travel remains a top priority**, with Europeans delaying major purchases to afford their summer holidays[3]
- **Growing demand for unique, brand-led leisure products**

1 World Travel & Tourism Council (WTTC) | 2 ABTA: Holiday Habits 2025-26 | 3 Allianz Partners: International Vacation Confidence Index – Summer 2025

Strong track record of delivering Und. EBIT growth

TUI Group Und. EBIT[1]

In €m



Comments

- **Und. EBIT up +80%** vs. FY14[1], driven by our vertically integrated business model
- **Holiday Experiences ~85% of Group** EBIT (vs. ~30% in FY14)
- **Future growth** fueled by HEX asset-right expansion and M+A transformation

1 FY14-FY17 TUI Group Und. EBIT excludes Discontinued Operations; FY14-FY19 Und. EBIT on IAS17 basis, FY20 and further on IFRS16 basis

Our strategy will deliver further growth

Vertically integrated tourism group

1 **Hotels & Resorts**

2 **Cruises**

3 **TUI Musement**

4 **Markets + Airline**

Sustainable, globally differentiated product growth

Transformational growth –
global curated leisure marketplace

Hotels, Cruises and Experiences global production and selling platform

Selling platform with exclusive and differentiated products & global sourcing

Marketing, Customer Retention & CCE

5 **Future of search, AI powered connected trip & global platforms**

Building a performance organization

6 **Sustainability**

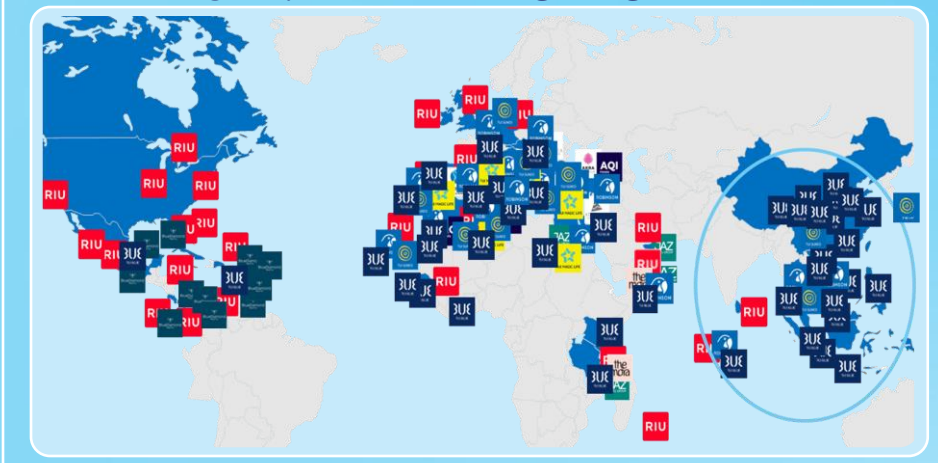
CCE = Central Customer Eco-System

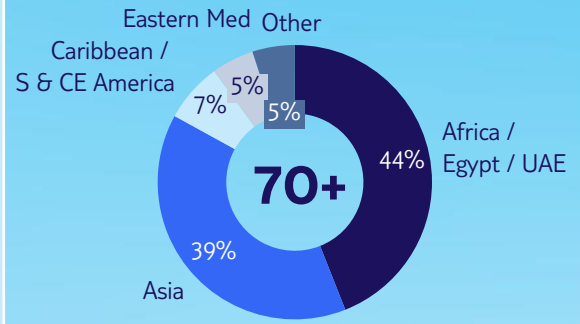
1 Hotels & Resorts – Delivering growth with our asset-right hotel pipeline

	FY25	FY26+
No. of hotels	463	*(+18[1])*
ROIC	19%	*(+1%pts)*
Q4 CSAT[2]	8.7	

Signed pipeline of 70+ hotels, mainly mgmt./franchise

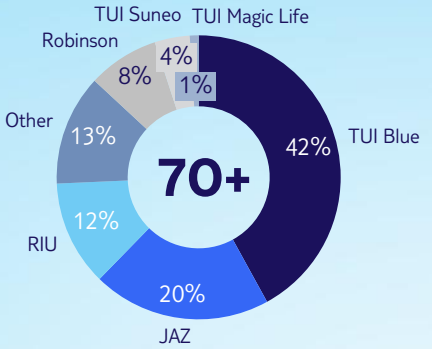
➢ Strategically focused on **higher-growth destinations**





➢ **Diversified** across **proven brands** & positioned to **meet market demand**

Luxury	the mora	Royalton Luxury Resorts		
Global	RIU HOTELS & RESORTS	ROBINSON	TUI BLUE	TUI MAGIC LIFE
Regional	ATLANTICA HOTELS & RESORTS	GRUPOTEL HOTELS & RESORTS	IBEROTEL	AKRA HOTELS
Price-conscious	TUI SUNEO	AQI		



1 Total +30; addition of further +12 hotels in our Caribbean portfolio was through a revised count of asset-light hotels reported by our regional joint venture partner | 2 CSAT = Customer satisfaction score, rated on a scale ranging from 0 to 10 (ideal result)

1 Oman partnership: new vertically integrated destination cluster will drive end-to-end profitability – proven Cape Verde showcase

Strategic rationale – New destination cluster with 5 new hotels

- Salalah becoming **year-round sun and beach destination** with differentiated hotels & experiences
- **Oman as new strategic long-term commercial partner and investor through OMRAN Group**
- **Monetising vertical integration benefits**

Hotels & Resorts

- Initial pipeline of 5 hotels

Markets + Airline

- Tour Operator customers
- Oman Air & TUIfly

TUI Musement

- Transfers & local Experiences

Timeline & Expected Return

- First hotels expected to open in Winter 2028
- **Target ROIC on hotel growth investments significantly >11%**

2 Cruises – JV newbuilds driving de-risked growth & profitability

	FY25			FY26+
No. of ships	18			(+1)
ROIC	32%			(+5%pts)
Q4 NPS[1]	84 Mein Schiff	92 Hapag-Lloyd Cruises	72 Marella Cruises	

Growth through +3 new ships

➢ **Off-balance sheet investments** driven by successful **TUI Cruises JV**

MARELLA CRUISES

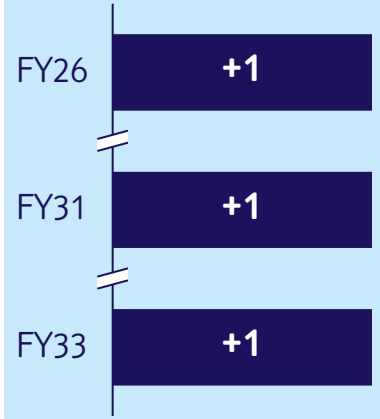
100% owned

TUI Cruises

Mein Schiff

HAPAG LLOYD CRUISES

50% Joint Venture



TUI Cruises New Builds FY31 & FY33

➢ **Capitalising** on the **growth** of **German-speaking market**

➢ Further **leveraging** TUI Cruises **strong brand in UK & Northern Europe**

➢ Utilising TUI Cruises' financial capacity for **fleet expansion**, supporting our asset-right growth strategy

1 NPS = Net promoter score, ranging from -100 to +100 (-100 to 0: critical; 0 to +50: neutral to satisfactory; +50 to +100: excellent)

3 TUI Musement – global, differentiated growth leveraging digital platform

	FY25	
Transfers	30.9m	*(+1%)*
Experiences	10.6m	*(+6%)*
Uptake Rate	c. 30%	

FY26+

Digital growth, supported by vertical integration

Platforming of Transfers & Tours

- Slight growth p.a. in Transfers
- Enhancing our multi-day Tours offering

Experiences as key growth driver

- Sun & Beach destinations with increasing cities footprint
- ESG-certified own Experiences
- Exclusive TUI collection offers
- **Up- & cross-selling** – 1 of 3 M+A customers buy an Experience

We expect "Experiences sold" to increase by low double-digit CAGR in the mid-term

8 Experiences refers to number sold

4 Markets + Airline – Transformation into Global Curated Leisure Marketplace

	FY25	
Customers	20.2m	(+0%)
o/w Dyn. Package	3.3m	(+11%)
App Sales %	10.3%	(+41%)

FY26+

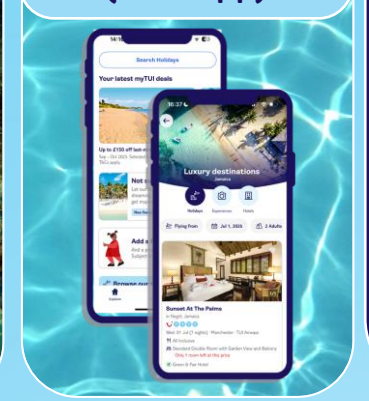
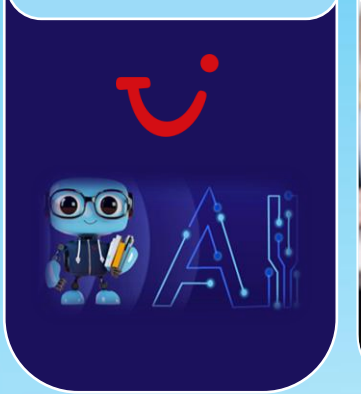
Two Platforms that maximise vertical integration

Airline Transformation: Commercialisation of Airline

Markets Transformation: Transforming regional tour operators to Global Curated Leisure Marketplace

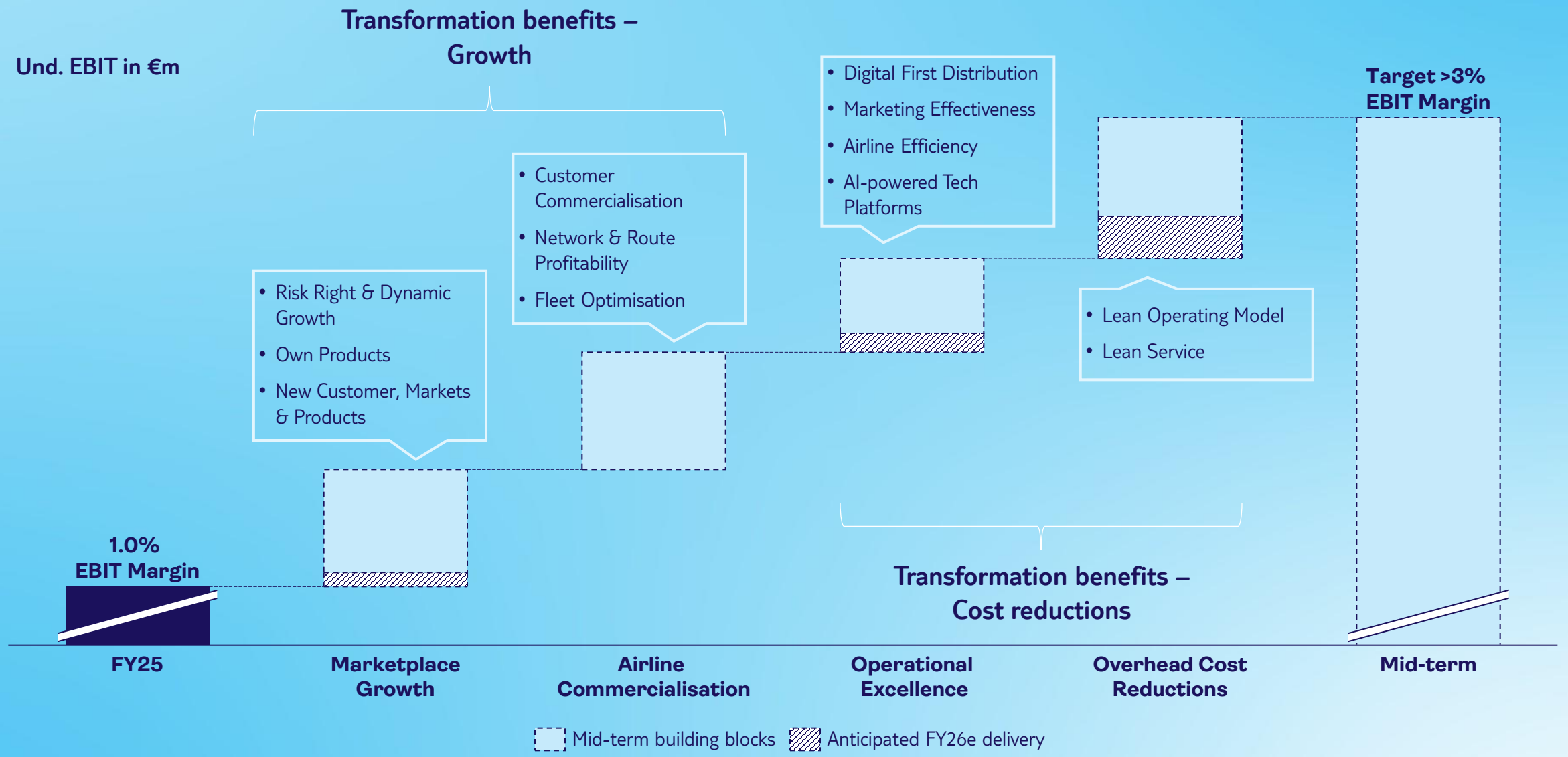
Our ambition is to improve M+A to >3% Und. EBIT margin in the mid-term

4 Markets + Airline – our transformation levers

Marketplace Growth			Airline Commercialisation	Operational Excellence		Overhead Cost Reduction
Risk Right & Dynamic Growth	Own Products	New Customers, Products & Markets	Airline Growth	Digital First Marketing & Sales (Web/App)	AI-powered Tech platforms	Lean Organisation & Winning Culture
						
Flexibility & Choice • Commercial risk right steering • Dynamic package growth by low-double digit CAGR	**Product Differentiation** • Drive exclusive TUI hotels and concept offer • Optimise marketplace portfolio	**CLV Management** • Acquire & retain customer across leisure segments & holiday types • Existing & new markets	**Customer and Commercial** • New customer revenue streams • Network & route profitability • Fleet optimisation	**Marketing Effectiveness** • Grow digital by mid-double digit CAGR (App push) • Drive frequency • Decrease distribution cost	**Global Scalability IT Platforming** • Entering new growth markets • Leverage Next-Gen Tech at lower costs	**Reorganisation & Efficiency** • Lean organisation • Lean & smart operating model and operations • High performance culture

 CCE = Central Customer Ecosystem | CLV = Customer Lifetime Value

4 Markets + Airline – first benefits of transformation planned for FY26



4 Markets + Airline – We have launched a cost reduction programme targeting ~€250 million in savings by FY28

~€250m

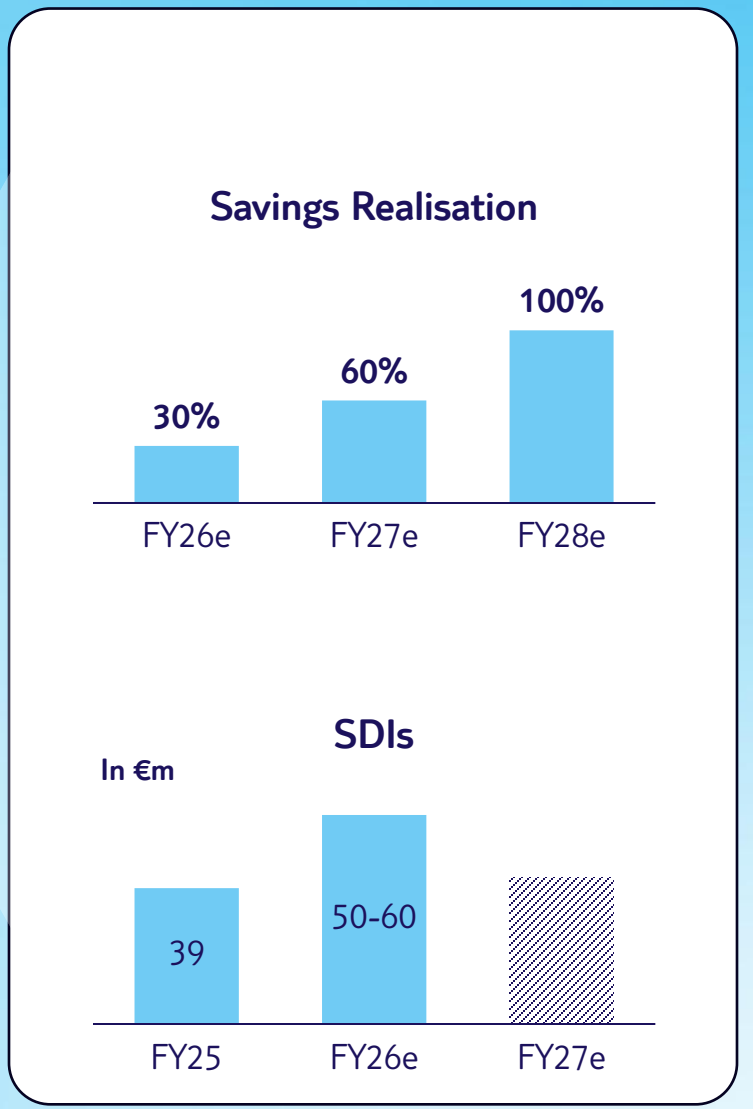
In €m

~60% Overhead Cost Reductions

~40% Operational Excellence

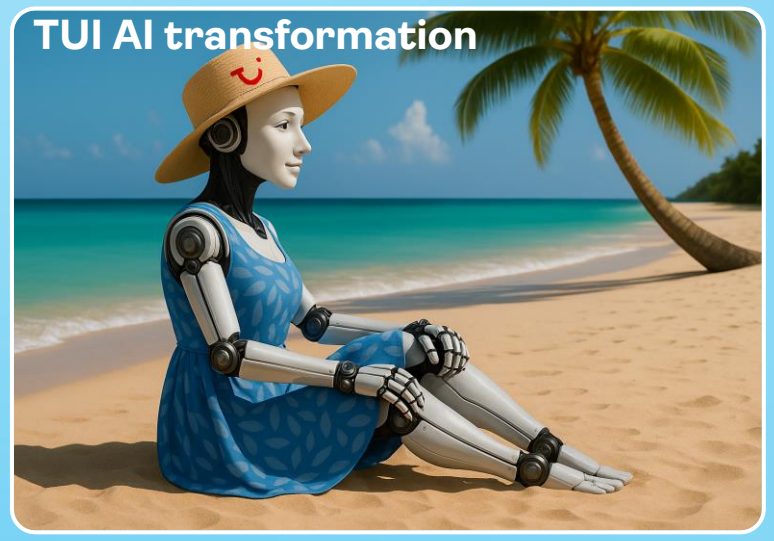
Reduction in Distribution Costs & Airline Efficiency

Lean Operating Model & Service



SDIs = Separately Disclosed Items

5 Travel in an AI world – search is changing - from traditional to agentic



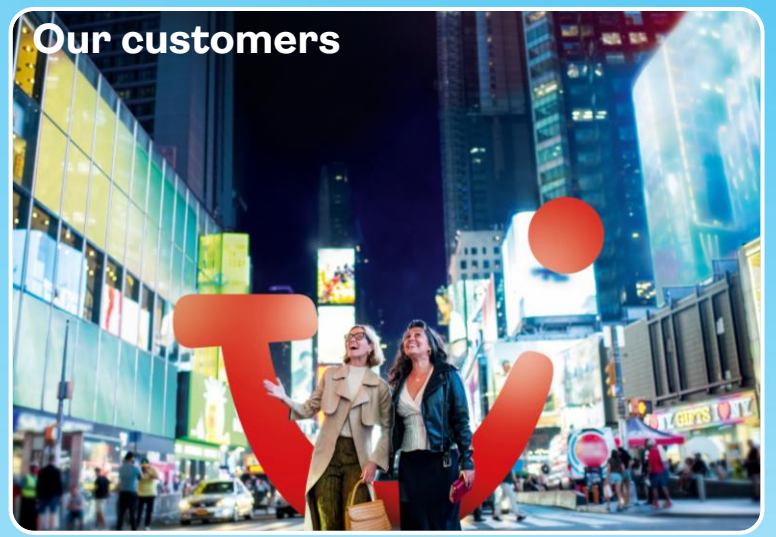
AI / agentic search

Better Content

Better Customer Experience

Hyper-personalisation

Lower Costs

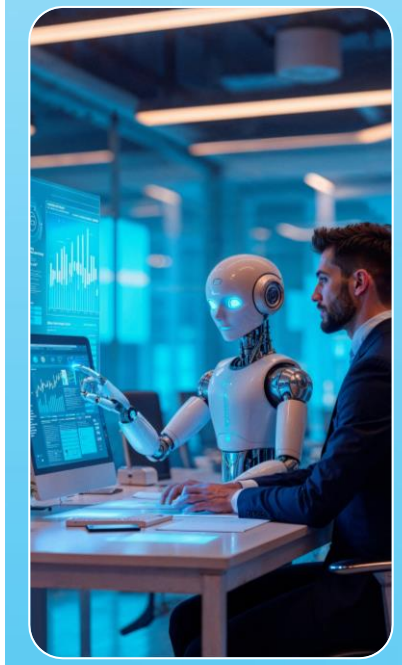


OUR AI VISION

- AI First – TUI changes to an AI powered organisation
- TUI products visible & bookable via all front doors (AEO/GEO)
- TUI open to all LLMs (ChatGPT etc.)
- TUI AI advantage: strong brand & unique products & integrated travel experiences

5 AI First – TUI changes to an AI powered organisation, working with a broad range of strategic partners & products

AI for our colleagues



35k+ e-learnings completed in last 12m

1.5k+ FTEs trained in Amazon Q increasing speed to market (<25%)

~2.2k AI Assistants created by colleagues **saving 1000s hrs** per week

Launch of **new AI Literacy Framework** to accelerate **transformation to "AI First" organisation**

Actively working with key players

aws

mindtrip.

Subset shown for illustration

AI for our customers

Ability to **source new dynamic products 50% faster** than previously

AI used to create **inspirational videos, content & translations** to **improve trip planning**

AI powered recommendations and **personalisations** across the customer journey (2x to 9x conversion uplift)

Voice, chat agents with smart routing enabling Customer Services to deliver record NPS & CSAT scores

5 Key ingredients for success for

1 – LLM platform bookers

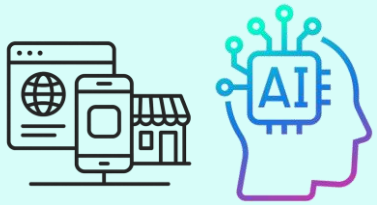
AEO/GEO

Gemini

Partnerships

mindtrip.

TUI 'AI Concierge' Agent



2 – Brand specific bookers

Differentiated products

ROBINSON

RIU HOTELS & RESORTS

TUI MAGIC LIFE

HAPAG-LLOYD CRUISES

MARELLA CRUISES

Mein Schiff

Making brands AI ready

Data - end to end customer insights

Trustworthy verified content

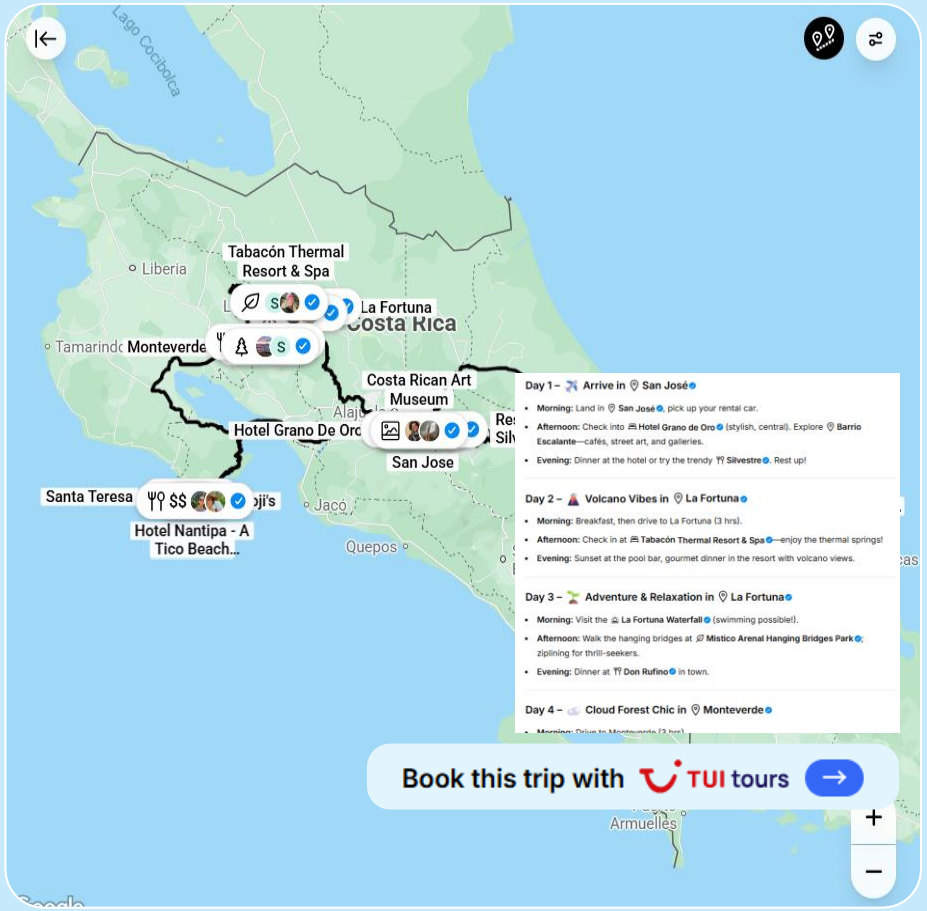
LLMs = Large Language Models

5 TUI partners with Mindtrip for AI-Powered trip planning

mindtrip x TUI tours

- **Mindtrip is an AI-powered travel planning platform,** turning inspiration into personalised, bookable itineraries
- **AI-powered:** Conversational trip planning (e.g. "Where should I go in December?")
- **Seamless booking**: Customers can plan with AI, a trip including flights, hotels, transfers, car hire, & excursions and then book personalised packages via **"Book this trip with TUI tours"** button
- **Real-time integration**: AI-generated itineraries are mapped to TUI Tours' live inventory for accurate, bookable recommendations
- **The partnership highlights TUI's competitive advantage - our integrated model,** enabling end-to-end, personalised, AI data-driven service

Our proof-of-concept for distributing our offering through AI agents



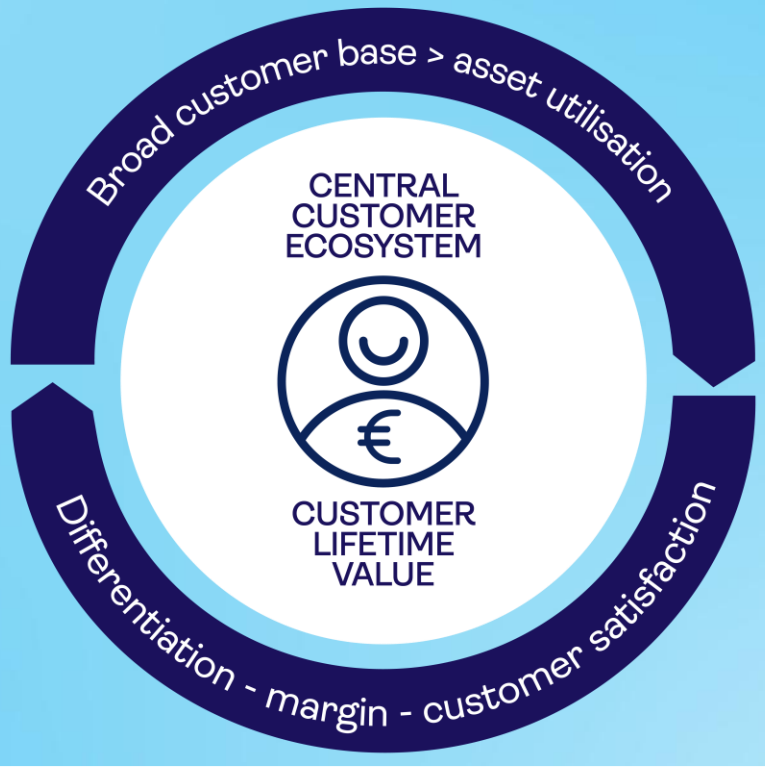
Vertical integration propels growth & customer satisfaction: strong & resilient HEX business boosted by M+A marketplace

TUI's Unique Synergy Fly Wheel

Markets + Airline Marketplace

- European market leader
- Global reach through scalable platforms
- Curated leisure products
- Dynamic growth
- Transformation efficiencies
- App first and AI focus

Key KPI: Revenue + Margins



Holiday Experiences: Hotels, Cruises, TUI Musement

- Lighthouse products
- Differentiated + unique
- Experiences marketplace
- Asset right growth
- Expansion into new destinations

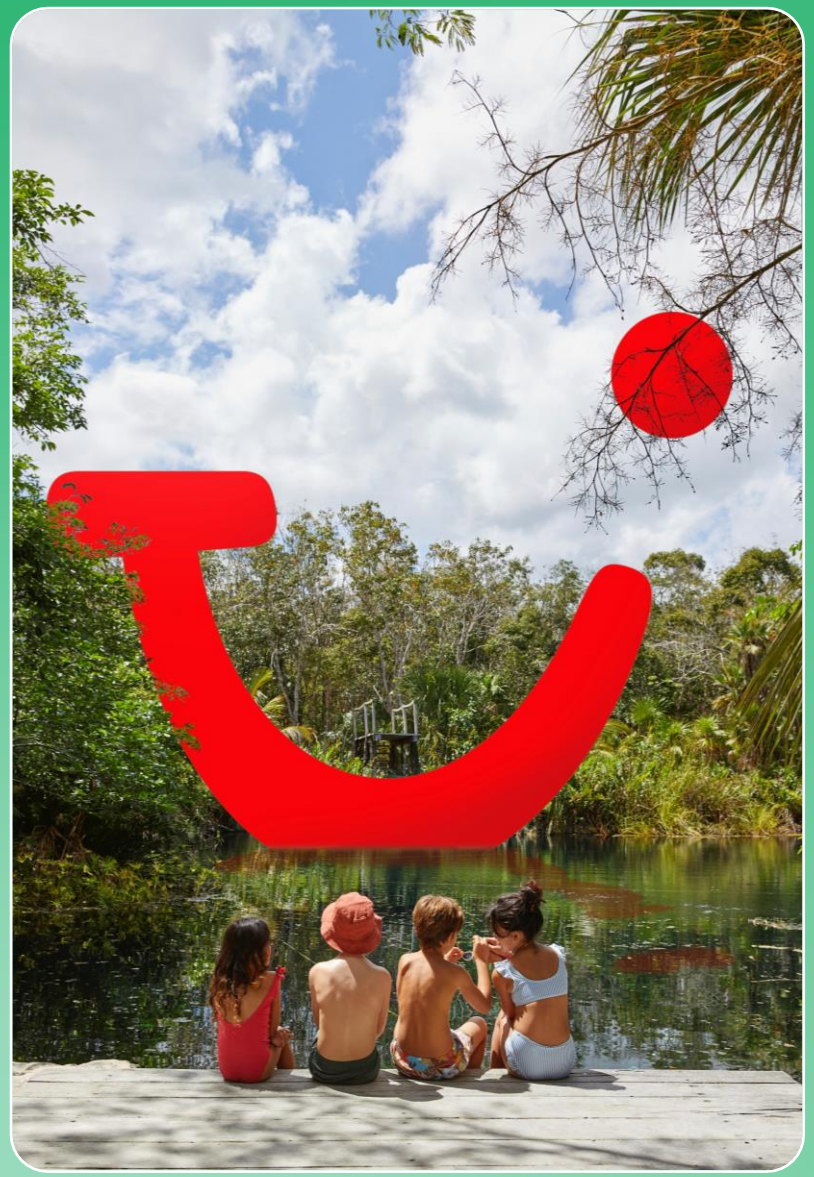
Key KPI: ROIC

TUI WELL ON TRACK TO DELIVER:

- **FY26 UND. EBIT TO GROW BY +7-10%[1]**
- **MID-TERM AMBITIONS TO GROW UND. EBIT BY 7-10% CAGR[1]**
- **ATTRACTIVE DIVIDEND POLICY – FY25: STARTER DIVIDEND; FY26+ 10-20% OF UND. EPS**

1 Based on constant currency; the guidance is provided acknowledging the current trading environment as well as prevailing macroeconomic and geopolitical uncertainties

6 Delivering on our FY25 SBTi targets in all 3 segments



Emission Reduction Roadmap

2030 SBTi Targets[1]
-24% reduction airline[2]
-27.5% reduction cruise[3]
-46.2% reduction TUI Hotels & Resorts[3]

Our FY25 achievements for emissions reduction[1]

Airline	Cruises	Hotels
-7.8%	**-5.5%**	**-17.5%**
-0.9%pts better vs. FY25 target	**-2.5%pts** better vs. FY25 target	**-2.5%pts** better vs. FY25 target

On track to deliver on our 2030 SBTi targets

1 Reduction vs FY19 baseline year | 2 CO_2e per revenue passenger kilometre | 3 Absolute CO_2e