TUI GROUP INVESTOR PRESENTATION

January 2021

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Agenda

1. KEY INVESTMENT HIGHLIGHTS

Introductory Comment from the Management

"This proposed capital increase, part of a wider €1.8bn support package agreed with private investors, banks and the German government, is directed to enable the full redemption of the Senior Notes due in October 2021 and consequently ensures the extension of TUI's debt maturity to July 2022 at the earliest. Alongside the additional liquidity secured through the multi-party agreement, this fully underwritten capital increase would help our integrated business to emerge from the Covid-19 crisis in a position of strength, ready to capture the pent up demand for leisure travel and to continue work on rebuilding a strong and healthy balance sheet."

Friedrich Joussen, TUI Group CEO

Reasons to invest

1	Holidays remain a high priority
2	Integrated business model with strong customer base and distribution power
3	TUI is strategically well positioned to deliver sustainable growth
4	Fulfilment distinguishes TUI from competition - ability to take risks and shape markets
5	Leading, trusted brand with differentiated products
6	Accelerated digital transformation due to C-19 pandemic

TUI is well positioned to benefit from market recovery – capital increase would enable redemption of Senior Notes and extension of financial maturity profile

Fulfilment: Strategic control of the value chain – ability to take risks and shape market

2. BUSINESS OVERVIEW AND RECENT TRENDS

TUI's unique and integrated business model continues to be the foundation of our success

INTEGRATED BUSINESS MODEL

MARKETS & AIRLINES

- 21m customers
- 150 aircraft
- Own & 3rd party Distribution
- % 30% of profit pool[3]

HOLIDAY EXPERIENCES

- 433 Hotels[1]
- 17 Cruise ships[2]
- 1m "things to do"
- % 70% of profit pool[3]

STRONG CUSTOMER BASE | **DIFFERENTIATED CONTENT**



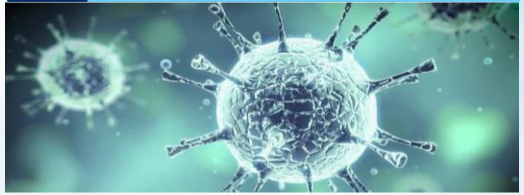
- Integrated business model with differentiated product offering along the whole value chain
- Strong brand reputation across all source markets
- Customer ownership: digitalised product upselling
- Double diversification across Markets & Airlines and Holiday Experiences
- Strong yields and occupancies driven by access to broad customer base

Integrated business model with diversified customer base & distribution power

Note: All data as at Sep 2019 besides otherwise stated I 1 Includes Group hotels and 3rd party concept hotels as at Sept 2020 | 2 As at Sept 2020 | 3 Excluding cost impact of 737 MAX in Markets & Airlines segment

COVID-19 crisis and the impact on TUI

1 EXCEPTIONAL FY20 START



- Exceptional start to S20 trading – January was TUI's best bookings month in history
- Bookings up 14% as at February
- First 5M of FY20 delivered YoY increase in Und. EBIT of €97m
- On track to add ~1.5m customer to our S20 capacity
- Strong market share gains anticipated

On track for strong FY20 result

2 TUI INITIAL IMPACT & LOCKDOWN ACTIONS

- Travel suspension from mid-March, temporary lockdown had been expected
- €3.0bn German state support package agreed
- Cash fixed costs reduced >70%
- Boeing compensation & HLC disposal completed
- Global Realignment: target accelerated to ~€400m p.a. cost base savings

Swift and disciplined liquidity & cost management

3 PARTIAL RESTART

- Integrated model - TUI first to resume operations
- Global presence - diversified destination offer
- 2.3m M&A customers[1] and 42K cruise customers[2]
- Q4 avg. load factor 82%[3] & avg. hotel occupancy c.50%[4]
- Pent up demand evident
- Digital acceleration

Integrated business model enabled quick restart

4 BRIDGE RETURN TO GROWTH

- Restrictions limiting operations
- Winter 20/21 bookings down 82%[5]
- Further support package agreed for €1.8bn
- Immediate uplift in bookings and recovery of revenue on reopening of destinations
- Strong underlying demand – May 21 capacity already ~50% sold

Resume growth trajectory

TUI is strongly positioned to benefit from market recovery and resume growth trajectory

1 Departed PAX between mid June & end of October | 2 TUI Cruises and Hapag Lloyd Cruises only, UK restrictions in place for Marella. Total cruise customers relates to departures since restart until end of October | 3 Based on adjusted capacity | 4 Based on available beds | 5 These statistics are up to 29 November 2020 shown on a constant currency basis and relate to all customers whether risk or non risk

C-19 driving accelerated change:
Global realignment programme cost reduction target increased to ~€400m p.a.

PILLARS

REDUCE COSTS

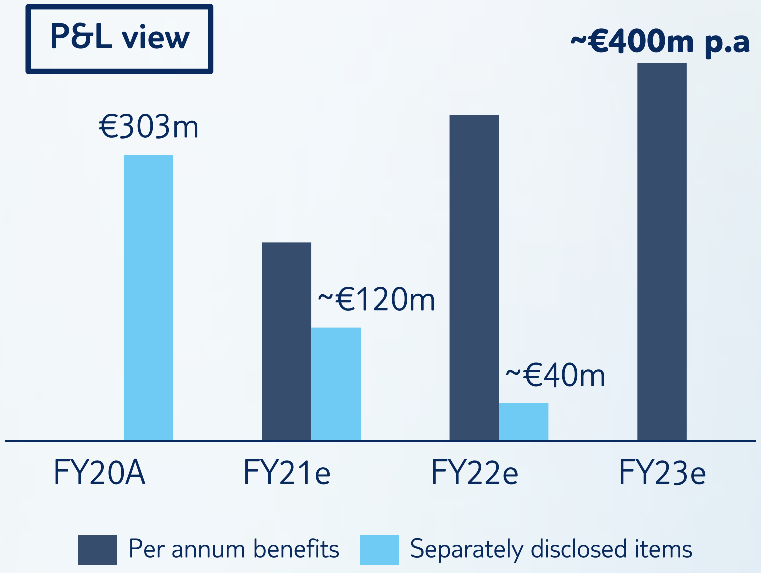
REDUCE CAPITAL INTENSITY

DRIVE DIGITALISATION

RECENT PROGRESS

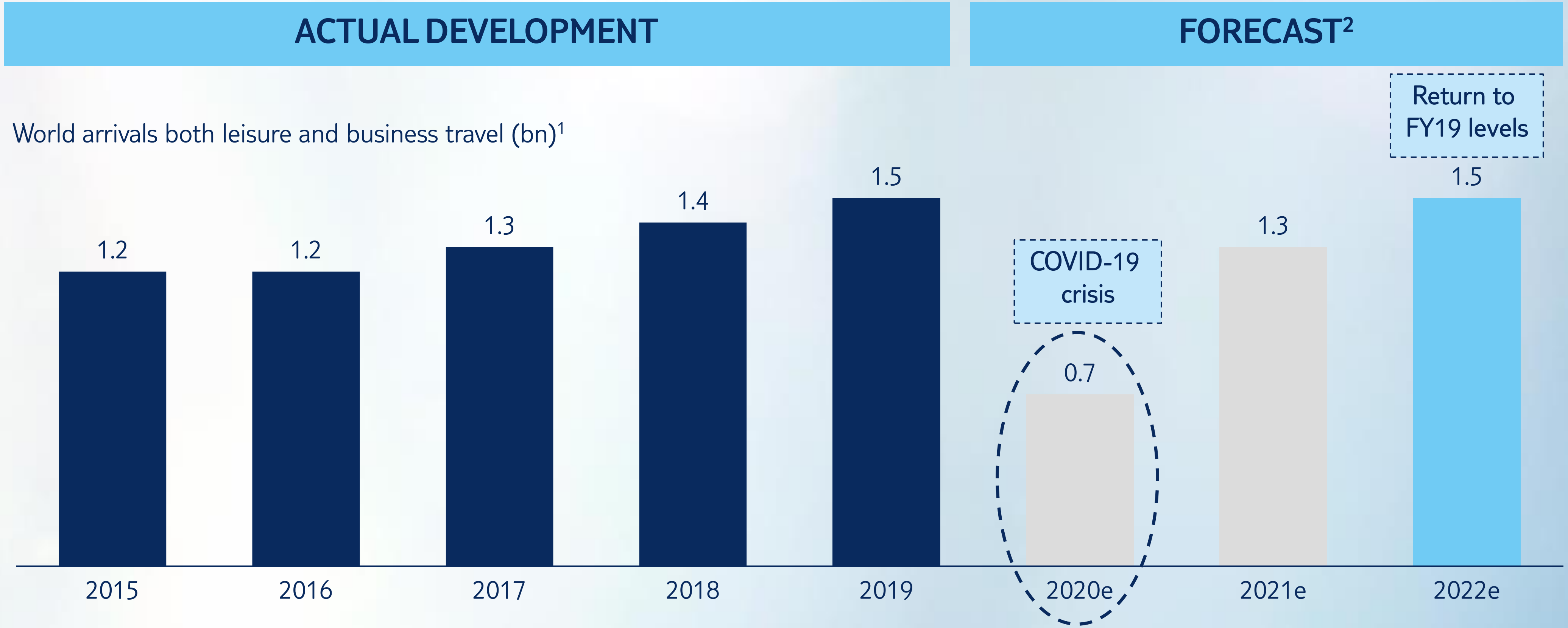
- **TUI fly Germany**: Implementing restructuring plan to reduce number of aircraft & bases
- **TUI Musement**: Restructuring progressed in Asia & Americas; "digital first" model advancing
- **TUI UK**: High street shop closures announced and notice served
- **Core functions**: lean target operating models designed and restructuring executed in certain locations

PHASING



Programme is a key component supporting the return to profitable growth

World arrivals expected to show strong increase in 2021 & return to 2019 levels in 2022



Leisure travel expected to recover sooner than business travel in a consolidated market

Source: Euromonitor International, Travel 2021 edition I 1 Arrivals refer to non-resident overnight visitors to the country of reference, travelling for business and leisure purposes, excluding same day visitors. If a person visits the same country several times each year, each trip is recorded as a separate arrival. If a person visits several countries during a single trip, their arrival in each country is recorded separately. I 2 Euromonitor baseline forecast, 9 July 2020

Strong sentiment for leisure travel suggests pent up demand and fast recovery

BCG Consumer Sentiment Survey

Travel and tourism related

Most missed categories

Rank	Age: Gen Z and millennials	Age: Gen X	Age: Baby boomers	Household income per capita[2]: Highest quartile	Household income per capita[2]: Lowest quartile
1	**Leisure travel**				
2	Out-of-home entertainment	Restaurant dining			
3	Restaurant	Out of home entertainment			
4	Cosmetics	Business travel			Accessories, fashion
5	Accessories, fashion	Women's clothing	Gambling		Public transport

Recent **BCG** consumer sentiment survey[1]:

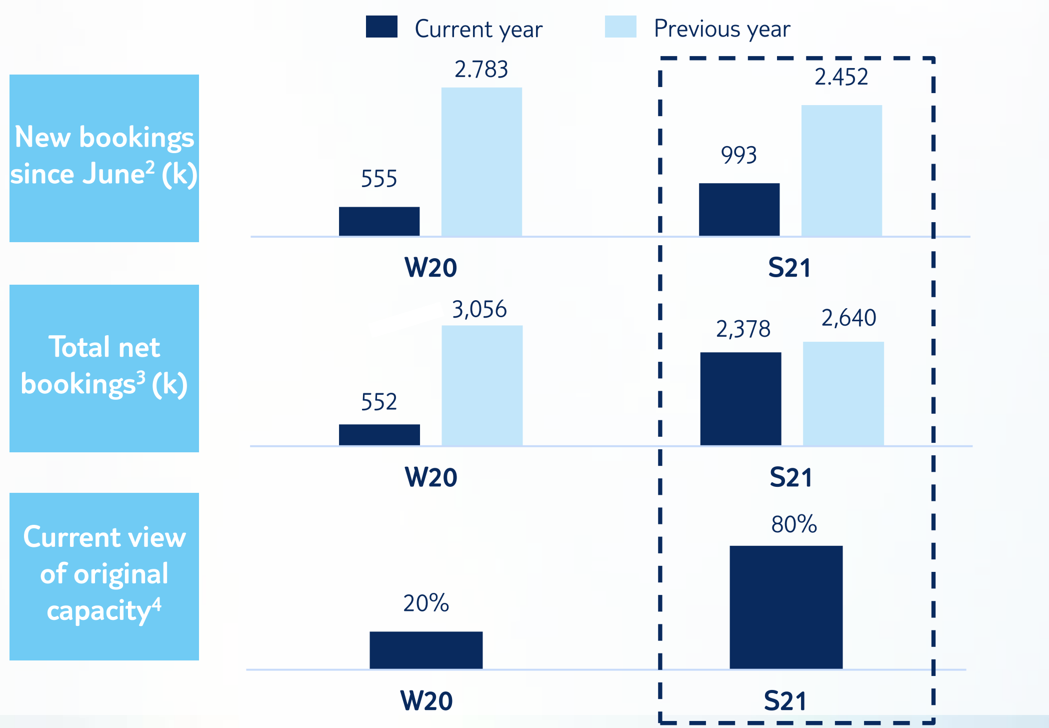
- **Leisure travel** was the activity rated as "**most missed"**
- **Virus safety measures** were considered **nearly as critical as price**, underlining the importance of trusted operators

Leisure travel is missed more than anything else

1 BCG COVID-19 consumer sentiment survey UK, US, Italy and France https://www.bcg.com/en-gb/publications/2020/covid-consumer-sentiment-survey-snapshot-5-18-20 | 2 Calculated by dividing household income by no. of people within household

Customers are committing to travel despite volatility – 3.3m[1] new bookings since global travel bans were lifted

RECENT BOOKING DEVELOPMENT[2]



OVERALL BOOKING DEVELOPMENT[3]

- **WINTER 20/21**:
  - Total bookings down 82% and ASP up 4% YoY, in line with adjusted capacity of 20%
  - More recent and extensive travel restrictions starting in Oct/Nov limiting both operations and bookings
- **SUMMER 21:**
  - Total bookings (incl. amendments and voucher re-bookings) **down 10% against strong comparables for S20** following Thomas Cook insolvency but **up 3%[5] vs. S19 bookings**
  - **ASP up 14% vs. S20**
  - **UK bookings up 19% vs. S20,** reflecting the region's typical earlier booking behaviour

Demand evident on reopening of destinations – May 21 capacity already ~50% sold

1 3.3m includes new bookings for Summer 20 of 1,761k, Winter 20/21 of 555K and Summer 21 of 993K I 2 Key markets excl. Switzerland and Poland; up to 29 November 2020 I 3 These statistics are up to 29 November 2020 shown on a constant currency basis and relate to all customers whether risk or non-risk I 4 Original capacity represents 2019 programme I 5 Bookings up to 29 November 2020 compared to November 2018 (for Summer 2019 Programme)

Summary: Drive transformation and expected return to profitable growth

FY20: STRONG START & C-19

- Exceptional start to S20 trading
- Swift and disciplined liquidity management
- 2.3m[1] customers departed on reopening
- Pent up demand evident
- FY20 loss almost entirely driven by C-19 travel ban

Customers want to resume leisure travel

FY21: TRANSITION

- Bookings uplift and revenue recovery to correlate with easing of travel restrictions
- Resume growth trajectory from FY19
- Deliver on Global Realignment Programme transforming cost structure
- Digital acceleration prioritised
- Rebuild a robust financial profile

Accelerated lean and agile structure

FY22+: PROFITABLE GROWTH

- Trusted, leading brand with differentiated products strongly positioned to benefit from expected market consolidation
- Cost base savings from Global Realignment Programme expected to be visible
- Structurally leaner and more agile
- Digital initiatives drive further profitability

Profitable growth - stronger, less capital intensive & more digital

1 Departed PAX between mid June & end of October

3. THIRD SUPPORT PACKAGE & PROPOSED TRANSACTION

Protection from ongoing travel restrictions as bridge into return to growth – new support package of €1.8bn with shareholder, bank & government participation

1 WSF: HYBRID CAPITAL

- **€420m** Hybrid I
  no maturity, but conversion rights for up to 25%+1 @€1
- **€671m**[1] Hybrid II
  no maturity, IFRS equity credit
- Leading framework agreement

2 KFW ADDITIONAL RCF

- **€200m RCF**, secured; largely same terms as existing KfW credit line
- Prolongation of €500m, initially due for cancellation as of 1 April 2021, to same maturity as existing KfW credit line

Total €1.8bn
(€1.5bn net liquidity post repayment of €300m senior notes)

3 STATE GUARANTEES

- €200m state guarantee scheme to unlock cash collaterals still in discussions with state of Lower Saxony – may reduce Hybrid II
- Cash collaterals required (approx. €400m) largely in favour of European regulatory authorities and credit card providers
- Not treated as debt (off-balance sheet)

4 CAPITAL INCREASE

- **€509m**[2] fully underwritten offering with pre-emptive rights for existing shareholders Subscription price of €1.07
- Underwritten by Unifirm & syndicate of banks[3]
- Use of proceeds: €300m to repay Senior Notes & general corporate purposes

1 To be reduced by the amount of a potential state guarantee | 2 Net proceeds of capital increase | 3 Capital increase will be secured through a combination of Unifirm taking up its subscription rights, Unifirm providing an underwriting commitment and a market standard underwriting by a banking syndicate, subject to terms and conditions in line with market practice for similar transactions

Successful agreement of support package – TUI continues with swift and proactive liquidity management to bridge into 2021 recovery

HOLISTIC 3RD SUPPORT CONCEPT

- **Commitment of the German government & Unifirm (Mordashov family)**
  - Strong trust in return to profitable growth
  - Alignment of government and shareholders
  - Strengthening of TUI's equity base by €0.8bn[1]
  - Package secures €300m Senior Notes redemption
  - Extension of maturity profile until July 2022
- Reopens access to capital markets and further refinancing opportunities
- **Pro Forma liquidity incl. support package per 30 November 2020 amounts to ~€2.5bn[2]**

SUMMARY – C-19 LIQUIDITY DEVELOPMENT

	€m
Cash & available facilities 15 Mar 2020	**1,400**
Cash outflow Mar – Jun: 3.5* -550	-1,925
Cash outflow Jul – Sep: 3* -230	-690
Cash outflow Oct – Nov: 2* -400	-800
Cash inflow from 1st & 2nd support package	+3,000
Cash & available facilities 30 Nov 2020	**~1,000**
Cash inflow from 3rd support package[2]	+1,500
Pro Forma Cash & avail. fac. 30 Nov 2020	**~2,500**

Liquidity impact during C-19: €3.4bn
Thereof:
€1.7bn WC
~€400m cash collaterals

1 According to IFRS | 2 Post €300m Senior Notes redemption

Equity Capital Increase: Summary Transaction Overview

ISSUER	**TUI AG**
OFFERING SIZE	• Approx. 509m new ordinary shares at a subscription price of €1.07 each for total net proceeds of about €509m
STRUCTURE	• Fully underwritten offering, by a combination of existing shareholder Unifirm and the Joint Global Coordinators, **with pre-emptive rights for existing shareholders** • **Unifirm** (current interest of ~24.89%) **has irrevocably undertaken to exercise their subscription rights and subscribe in any rump placement** (to the extent permitted) • Subscription ratio of 25 New Shares for every 29 existing no-par value Shares
PROCESS AND TIMING	• Subscription rights trading: 8 January – 22 January 2021 • Subscription period: 8 January – 26 January 2021 • Announcement of take-up and rump placement (if any): 27 January 2021 • Closing: 29 January 2021
USE OF PROCEEDS	• Repay Company's €300m Notes coming due in 2021, thereby extending KfW financing • Remainder of the proceeds is intended to strengthen TUI's liquidity or to be used for general corporate purposes
JOINT GLOBAL COORDINATORS	BofA SECURITIES, BARCLAYS, citi, Deutsche Bank

Equity Capital Increase: Overview of transaction timeline

EXPECTED TRANSACTION TIMELINE AND KEY MILESTONES

30-Dec-2020
Publication of prospectus

5-Jan-2021
Extraordinary General Meeting

8-Jan-2021
Shares trade ex-rights and start of German subscription period and rights trading

12-Jan-2021
Start of UK DI pre-emptive rights subscription and trading

22-Jan-2021
German subscription rights trading and UK DI pre-emptive rights cease trading

26-Jan-2021
German rights period and UK DI pre-emptive subscription period end

27-Jan-2021
Announcement of final take-up and rump placement (if any)

29-Jan-2021
Closing

Ongoing priorities & next steps in the return to a healthy balance sheet

MANAGE LIQUIDITY	DRIVE REVENUE & EARNINGS	OPTIMISE FINANCING
• Execution of 3rd support package • Manage working capital flow back of ~ €1.5-2.0bn • Disciplined CAPEX management • Other (Divestments, Sale & Manage back)	• Optimise capacity (less fixed capacity) • Execute Global Realignment Programme • Continue cost discipline & improving quality through digitalisation • Drive TUI transformation & return to growth path	• Focus on asset-right strategy • Manage C-19 debt and related interest costs • Monitor capital markets options

Solid & healthy balance sheet – Return to a gross leverage ratio target of less than 3.0x

TUI strongly positioned to be a key beneficiary beyond the crisis

INTEGRATED BUSINESS MODEL WITH DIVERSIFED CUSTOMER BASE & DISTRIBUTION POWER

STRONG BRAND PROPOSITION

STRENGTHENED POSITION FROM FURTHER CONSOLIDATION

Markets & Airlines

- 21m customers
- 150 aircraft
- Own & 3rd party distribution
- 30% of profit pool[3]

Holiday Experiences

- 433 Hotels[1]
- 17 Cruise ships[2]
- 1m "things to do"
- 70% of profit pool[3]

TOURISM SECTOR FUNDAMENTALS REMAIN ATTRACTIVE & UNCHANGED

TRANSFORMATION TO LEANER & MORE AGILE STRUCTURE

ACCELERATED DIGITALISATION / GLOBAL REALIGNMENT PROGRAMME

Transformed TUI will benefit from key market position, driving return to profitable growth

Note: All data as at Sep 2019 unless otherwise stated I 1 Includes Group hotels and 3rd party concept hotels as at Sept 2020 | 2 As at Sept 2020 | 3 Excluding cost impact of 737 MAX in Markets & Airlines segment

4. APPENDIX

Q4/12M: EBIT loss reflects impact of C-19 restrictions, mitigated by fixed cost reductions

Q4 REVENUE
€1.2bn[1]
-84%[1]

FY REVENUE
€7.9bn[1]
-58%[1]

Q4 UND. EBIT
-€1.1bn[1]
-€2.2bn[1] vs. PY
Incl. one-off items totalling -€0.2bn

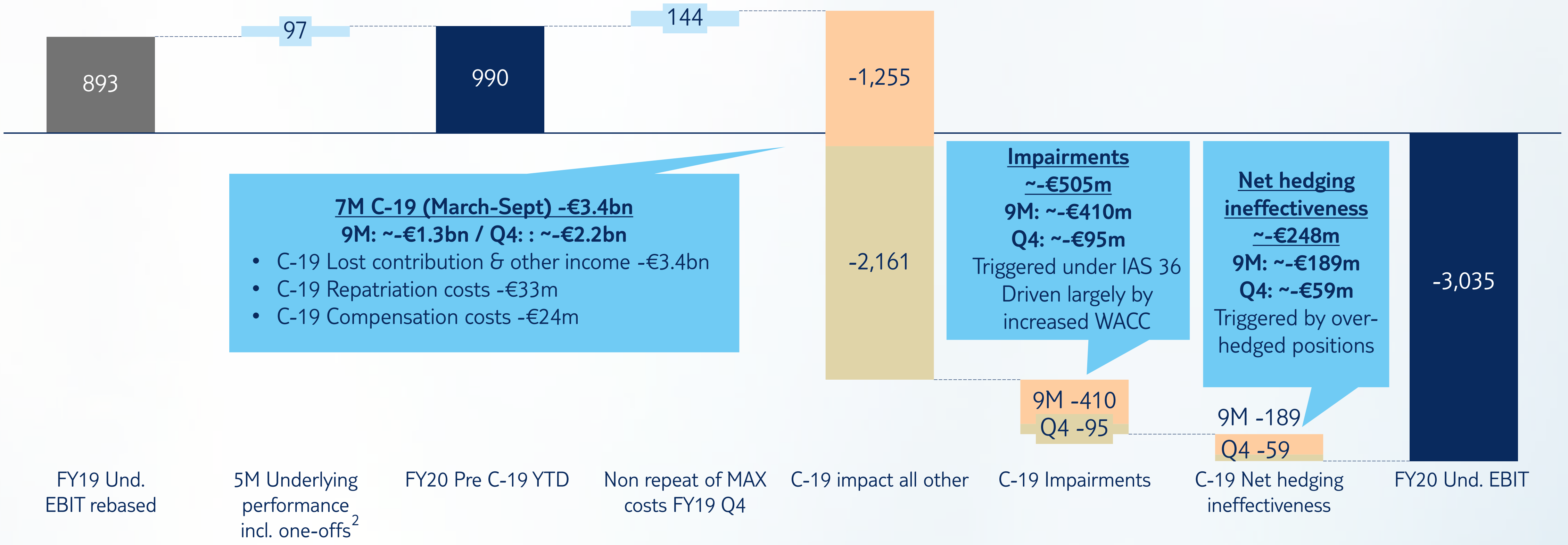
FY UND. EBIT
-€3.0bn[1]
-€3.9bn[1] vs. PY
Incl. one-off items totalling -€0.8bn

- Pre C-19 crisis we had **an exceptional start to FY20** – on track to deliver a strong FY20 result
- **Q4 Revenue of €1.2bn** - TUI first operator to restart with >2m customers departing since restart
- **FY Revenue -58% YoY** - result of travel suspension & reduced operations during peak Summer season
- **Q4 Underlying EBIT of -€1.1bn** – restart of operations contributes positive WC and supports consumer sentiment, limited by headwinds from ongoing volatility in changing travel restrictions. **Impairments** and **net hedging ineffectiveness** amounted to **€152m**
- **FY Underlying EBIT loss of -€3.0bn** mitigated by **> 70% fixed cost reduction** set against:
  - **Suspended/reduced operations** during Q3 & Q4
  - **Impairments of €515m** triggered by C-19 under IAS 36, with future CF discounted at a higher WACC
  - **Net hedging ineffectiveness of €248m** as a result of reduced operations & latest evaluation of future contracts

Figures based on a pro-forma calculation according to IAS 17 | 1 At constant currency

Strong start to first 5M, with FY loss triggered by unprecedented C-19 travel suspension, limited by immediate fixed cost reductions

FY20 UNDERLYING EBIT IN €M[1]



1 FY20 financials based on a pro-forma calculation according to IAS 17 at constant currency | 2 Includes 5M Pre C-19 (Oct-Feb) contribution, one-offs such as MAX and benefit of non-repeats over prior year

Income Statement – acute H2 impact from C-19 travel restrictions, limited by immediate fixed cost reductions

In €m	FY20 IFRS 16	FY20 IAS 17[1]	FY19 adjusted[2]
Revenue	7,943.7	7,952.9	18,928.1
Underlying EBITDA	**-1,615.0**	**-2,242.6**	**1,359.5**
Depreciation & Amortisation	-1,382.0	-790.2	-466.0
Underlying EBIT	**-2,997.0**	**-3,032.8**	**893.5**
Adjustments (SDI's and PPA)	69.6	70.1	-124.9
EBIT	**-2,927.4**	**-2,962.7**	**768.6**
Net interest expense	-275.9	-176.5	-77.0
EBT	**-3,203.3**	**-3,139.2**	**691.6**
Income taxes	64.2	61.4	-159.6
Group result continuing operations	**-3,139.1**	**-3,077.8**	**532.1**
Minority interest	-9.4	-9.4	-115.7
Group result after minorities	**-3,148.4**	**-3,087.2**	**416.4**
Basic EPS (€)	**-5.34**	**-5.23**	**0.71**
Underlying EPS (€)	**-4.56**	**-5.45**	**0.89**

REVENUE

€6.7bn generated in 9M period and **€1.2bn generated during restart in Q4**

UNDERLYING EBITDA

- Q4 average monthly cash fixed costs of ~-€260m in line with internal expectations
- Includes impairments triggered by C-19 of €209m and net hedging ineffectiveness of €248m

DEPRECIATION & AMORTISATION

Includes impairments triggered by C-19 of €306m (bringing total impairments in Underlying EBIT to €515m)

ADJUSTMENTS

Consists of restructuring costs mainly relating to Global Realignment Programme and PPA totalling €398m, WACC-driven goodwill & property impairments of €98m, offset by gains on disposal of €476m from Hapag-Lloyd Cruises and €90m from German specialist businesses

NET INTEREST

Increase predominantly reflects utilisation of RCF & new KfW facilities

FY21: Assume net interest charge of between -€400m to -€450m

1 FY20 financials based on a pro-forma calculation according to IAS 17 | 2 FY19 figures adjusted as a result of revised classification of certain expense items to cost of sales and revisions to PPAs, please refer to FY20 Annual Report page 155 for further details

Cash flow – mitigated by immediate cash cost reductions and strict working capital discipline

In €m	FY20 IFRS 16	FY20 IAS 17[1]	FY19 adjusted[2]
EBITDA underlying	**-1,615.0**	**-2,242.6**	**1,359.5**
Adjustments	260.0	242.1	-82.1
EBITDA reported	**-1,355.0**	**-2,000.5**	**1,277.4**
Working capital	-1,351.0	-1,260.5	-25.6
Other cash items[3]	-517.9	-400.7	-202.4
At equity income	193.3	193.3	-297.5
Dividends received from JVs and associates	7.1	7.1	244.6
Operating Cash flow	**-3,023.5**	**-3,461.3**	**996.6**
Net Investments	149.3	149.3	-1,118.4
Free Cash flow	**-2,874.2**	**-3,312.0**	**-121.9**
Dividends	-318.6	-318.6	-475.4
Free Cash flow after Dividends	**-3,192.8**	**-3,630.7**	**-597.3**
Cash flow from financing	2,695.2	3,133.1	-193.4
o/w Payments received from the issue of bonds, commercial paper and drawings from other financial facilities	*3,389.0*	*3,389.0*	*39.0*
o/w Payments made for redemption of loans, commercial paper and other financial liabilities	*-693.8*	*-255.9*	*-232.4*
Total Cash Flow	**-497.6**	**-497.6**	**-790.6**

REPORTED EBITDA

Loss driven predominantly by C-19 business standstill, related impairments and net hedging ineffectiveness

WORKING CAPITAL

Result of refund obligations due to stop/start operations and settlement of trade payables

- Net €0.8bn decrease in customer deposits to €2.1bn[4] at Sep FY20
- Some recovery of prepayments during restart but €0.3bn rollover into S21
- **FY21:** Expect WC position to recover with operational & booking normalisation

NET INVESTMENTS

Significant reduction in H2 to conserve cash

- Reduced from original guidance range of ~€750m-€900m to €497m[5]
- **FY21:** Expect cash inflow of up to €250m for FY21 incl. divestments & PDPs

DIVIDENDS

€319m paid in February 2020, prior to C-19 crisis

FINANCING CASH FLOW

Reflects full utilisation of original RCF and KfW tranche #1

ASSET FINANCING

FY21: Assume increase of between €400m and €500m

1 FY20 financials based on a pro-forma calculation according to IAS 17 | 2 FY19 figures adjusted as a result of revised classification of certain expense items as cost of sales and revisions to PPAs | 3 Other cash items of -€401m (on IAS 17 basis) comprise other cash effects (-€217m including reversal of HLC book gain), tax paid (€56m), cash interest (-€127m) as well as pension contribution & payments (-€113m) | 4 Touristic advance payments received (customer deposits) of €1,770m plus Other Financial Liabilities (deposits relating to cancelled holidays) of €351m | 5 Excluding Hapag-Lloyd €646m divestment but including Pre Delivery Payments (PDPs)

Movement in Net Debt

In €m	FY20 IFRS 16	FY20 IAS 17[1]	FY19
		YoY	
Opening net debt as at 1 October	**-910**	**-910**	**124**
FCF after Dividends	-3,193	-3,631	-597
Asset Finance	-569	-377	-337
Other	265	16	-100
Disposal group - Hapag-Lloyd Cruises	352	345	-
Σ before lease liabilities first time adoption IFRS 16	**-4,055**	**-4,557**	**-910**
Lease liabilities first time adoption IFRS 16	-2,366	-	-
Closing Net Debt IFRS16 per Balance Sheet	**-6,421**		-
Net Debt Swing pro-forma IAS 17		-3,647	-1,034

FY20 C-19 Net Debt & Financing

Net debt increase FY20 (€bn)		Financing utilised (€bn)	
Rep EBITDA	-2.0	RCF	1.5
		KfW #1	1.8
WC outflow	-1.3	Asset finance (HLC sale)	-0.2
Dividend & Other[2] CF, ND items	-0.3	Cash consumption	0.5
TOTAL	**-3.6**	**TOTAL**	**3.6**

1 Based on a pro-forma calculation according to IAS 17 | 2 Other cash flow (see slide 11) as well as net debt influencing items | Net financial position breakdown can be found within Appendix slide 39

Net Financial Position, Pensions and Operating Leases

In €m	12M YoY 30-Sep-20	12M YoY 30-Sep-19	12M YoY YoY Δ	Q3 to Q4 30-Sep-20	Q3 to Q4 30-Jun-20	Q3 to Q4 QoQ Δ
Financial liabilities	**-7,669**	**2,682**	**-4,987**	**-7,669**	**-7,864**	**195**
- Finance leases	-	-1,495	1,495	-	-	-
- Lease liabilities under IFRS16[1]	-3,400	-	-3,400	-3,400	-3,645	245
- Senior Notes	-299	-298	-1	-299	-299	-
- Liabilities to banks	-3,954	-870	-3,084	-3,954	-3,903	-51
- Other liabilities	-16	-20	4	-16	-17	1
Cash & Bank Deposits	**1,248**	**1,772**	**-524**	**1,248**	**1,998**	**-750**
Net debt	**-6,421**	**-910**	**-5,511**	**-6,421**	**-5,866**	**-555**
- Net Pension Obligation	-652	-758	106	-652	-635	17
- Discounted value of operating leases[2]	-	-2,580	2,580	-	-	-

1 Including existing finance leases under IAS 17 (~€1,514m) | 2 At simplified discount rate of 0.9% at 30.09.2019

Liquidity outflow higher than initially expected due to stop/start & continuing restrictions

MONTHLY NET CASH-OUTFLOW (INCL. NET COSTS[1], WC & NET SPECIAL ITEMS)	
FY20 Q4 **(restart)**	**~€-230m** **(thereof WC: €-140m – mostly refunds)**
FY21 Q1e **(travel restrictions)**	**~€-400m to €-450m** **(thereof WC: €-180m -€200m – mostly supplier payments)**
FY21 Q2e **(assumptions)**	• WC depending on vaccine & travel restrictions • Net costs in the range of €-250m to €-300m;

COMMENTS

- FY20 Q4 in line with expectations (incl. disposal proceeds from HLC[2])
- FY21 Q1 higher liquidity outflow than initially expected – renewed travel restrictions and settlement of supplier payments
- Q2 will be driven by C-19 environment

Net debt development reflecting C-19 standstill & restart costs
Q2 21 return to positive WC dependent on vaccine & C-19 travel restrictions

1 All costs & cash-outs including interest & others; | 2 Thereof €0.4bn in Q4

Modelling assumptions

CAPACITY FOR FUTURE SEASONS[1]

W20/21	**20%** (20% reduction since Pre-Close)	Nov 20 – Mar 21
S21	**80%** (no change since Pre-Close)	Apr 21 – Oct 21

OTHER FINANCIAL METRICS (IFRS16 BASIS)

	FY21e	**FY20A**
Adjustments	~-€180m to -€200m	-€70m
Net interest expense	~-€400m to -€450m	-€276m
Net investments	-€400m to -€500m Capex & Finex +€400m to +€500m Divestments +€100m to +€150m PDPs[2] **INFLOW RANGE:** Up to +€250m	-€667m Capex & Finex +€775m Divestments +€42m PDPs[2] **TOTAL INFLOW**: +€149m
Asset financing[3]	~-€400m to -€500m	-€570m

1 Adjusted capacity planning compared to 2019 programme, current assumptions | 2 Pre-Delivery Payments – stage payments relating to delivery of new aircraft | 3 Gross debt position will see limited impact due to offset from repayment of lease liabilities however net debt position will increase from asset financing above

FY20 Full Year Revenue by Segment (excludes Intra-Group Revenue and JVs/associates)*

In €m	FY20 IFRS 16	FY20 IAS 17[1]	FY19 adjusted	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	**402.4**	**402.4**	**660.0**	**-257.6**	**0.1**	**-257.7**
- Riu	272.9	272.9	415.1	-142.2	-2.1	-140.1
- Robinson	57.2	57.2	103.1	-45.9	1.4	-47.3
- Blue Diamond	-	-	-	-	-	-
- Other	72.3	72.3	141.8	-69.5	0.8	-70.3
Cruises	**472.6**	**472.6**	**965.8**	**-493.2**	**8.2**	**-501.4**
- TUI Cruises	-	-	-	-	-	-
- Marella Cruises	287.9	287.9	660.6	-372.7	8.2	-380.9
- Hapag-Lloyd Cruises	184.7	184.7	305.2	-120.5	0.0	-120.5
Destination Experiences	**306.3**	**306.3**	**856.2**	**-549.8**	**2.3**	**-552.2**
Holiday Experiences	**1,181.3**	**1,181.3**	**2,482.0**	**-1,300.7**	**10.6**	**-1,311.3**
- Northern Region	2,462.0	2,466.6	6,355.2	-3,888.6	29.5	-3,918.1
- Central Region	2,859.6	2,861.5	6,416.9	-3,555.4	4.1	-3,559.5
- Western Region	1,345.9	1,348.5	3,237.2	-1,888.7	0.8	-1,889.5
Markets & Airlines	**6,667.5**	**6,676.6**	**16,009.3**	**-9,332.7**	**34.4**	**-9,367.1**
All other segments	94.9	94.9	436.7	-341.8	-0.2	-341.6
TUI Group	**7,943.7**	**7,952.9**	**18,928.1**	**-10,975.2**	**44.8**	**-11,020.0**

* Table contains rounding effects | 1 FY20 financials based on a pro-forma calculation according to IAS 17

FY20 Full Year Underlying EBITDA by Segment*

In €m	FY20 IFRS 16	FY20 IAS 17[1]	FY19 adjusted	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	**-58.0**	**-195.1**	**563.3**	**-758.3**	**-25.8**	**-732.5**
- Riu	118.9	114.1	384.9	-270.8	1.7	-272.4
- Robinson	-21.1	-32.5	80.9	-113.4	1.7	-115.1
- Blue Diamond**	-35.4	-35.4	9.9	-45.3	0.5	-45.8
- Other	-120.3	-241.3	87.5	-328.8	-29.7	-299.2
Cruises	**-82.3**	**-82.9**	**457.6**	**-540.4**	**2.6**	**-543.1**
- TUI Cruises**	-74.2	-74.2	202.6	-276.8	0.0	-276.8
- Marella Cruises	-24.7	-24.8	193.3	-218.1	2.6	-220.7
- Hapag-Lloyd Cruises	16.6	16.1	61.7	-45.6	0.0	-45.6
Destination Experiences	**-87.4**	**-93.9**	**71.2**	**-165.1**	**2.0**	**-167.1**
Holiday Experiences	**-227.7**	**-371.8**	**1,092.1**	**-1,463.9**	**-21.2**	**-1,442.7**
- Northern Region	-593.6	-828.4	163.8	-992.3	9.1	-1,001.4
- Central Region	-435.9	-546.9	146.7	-693.7	1.2	-694.8
- Western Region	-237.2	-369.2	18.1	-387.3	5.0	-392.3
Markets & Airlines	**-1,266.8**	**-1,744.5**	**328.7**	**-2,073.2**	**15.3**	**-2,088.5**
All other segments	-120.6	-126.3	-61.3	-64.9	0.3	-65.2
TUI Group	**-1,615.0**	**-2,242.6**	**1,359.5**	**-3,602.1**	**-5.7**	**-3,596.4**

*Table contains rounding effects | **Equity result | 1 FY20 financials based on a pro-forma calculation according to IAS 17

FY20 Full Year Underlying EBIT by Segment*

In €m	FY20 IFRS 16	FY20 IAS 17[1]	FY19 adjusted	Change vs IAS 17	IAS 17 FX	Change vs IAS 17 ex FX
Hotels & Resorts	**-395.2**	**-399.6**	**451.8**	**-851.4**	**-19.9**	**-831.5**
- Riu	50.1	49.7	326.2	-276.5	3.0	-279.5
- Robinson	-99.1	-102.7	54.7	-157.4	3.7	-161.1
- Blue Diamond**	-35.4	-35.4	9.9	-45.3	0.5	-45.8
- Other	-310.9	-311.2	60.9	-372.1	-27.2	-345.0
Cruises	**-322.3**	**-322.8**	**366.0**	**-688.8**	**4.2**	**-693.0**
- TUI Cruises**	-74.2	-74.2	202.6	-276.8	0.0	-276.8
- Marella Cruises	-254.2	-254.2	120.5	-374.7	4.2	-378.9
- Hapag-Lloyd Cruises	6.1	5.7	43.0	-37.3	0.0	-37.3
Destination Experiences	**-114.0**	**-114.6**	**55.7**	**-170.3**	**2.0**	**-172.3**
Holiday Experiences	**-831.5**	**-837.0**	**873.5**	**-1,710.5**	**-13.7**	**-1,696.8**
- Northern Region	-960.9	-975.1	58.5	-1,033.6	9.3	-1,042.9
- Central Region	-612.5	-619.8	101.9	-721.7	1.0	-722.7
- Western Region	-433.7	-440.8	-28.6	-412.2	4.9	-417.1
Markets & Airlines	**-2,007.1**	**-2,035.7**	**131.8**	**-2,167.5**	**15.1**	**-2,182.6**
All other segments	-158.4	-160.2	-111.8	-48.4	0.6	-49.0
TUI Group	**-2,997.0**	**-3,032.8**	**893.5**	**-3,926.3**	**2.0**	**-3,928.3**

*Table contains rounding effects | **Equity result | 1 FY20 financials based on a pro-forma calculation according to IAS 17

Industry fundamentals from TUI's perspective

MARKETS & AIRLINES

- Leisure travel will return to previous levels with packages remaining important
- Later booking profile expected for duration of crisis
- Long-haul will recover quickly once vaccine available
- Own airline is essential in an end-to-end model
- Oversupply in the airline market for foreseeable future

HOTELS

- Short-term overcapacities expected
- Strong hotel brands will benefit
- Best-in-class sales capabilities key for growth: Focus on brand, product and digital capability

CRUISES

- Market expected to recover strongly when vaccine available
- Old tonnage will leave the market
- Supply shortage to persist

TUI MUSEMENT

- Market will return to growth with experiences remaining important
- Consolidation and digitalisation will accelerate
- Platform strategy will drive growth

Markets & Airlines: Accelerating realignment programme to drive flexibility & digitalisation

EXISTING MARKETS

Traditional model 21m[1]

- 6m
- 7m
- 5m
- 1m
- 1m

TRANSFORMATION

Driving competitiveness

- Cost improvements
  - Purchasing
  - Airline efficiency
  - Mobile distribution
  - Overheads
- Flexibility
- Speed
- Innovation

355 Group Hotels and 78 third party concept hotels[2]

- Accelerating our transformation, reducing costs and driving innovation through centralisation of processes & technology
- Expanding product range to include accommodation only, seat only and dynamic packaging
- Maintaining our competitive offer & market-leading positions
- Flexing our airline & aircraft order book to meet capacity needs
- Divesting / addressing non-profitable activities

With our integrated model and trusted brands we are strongly positioned to benefit from the market recovery

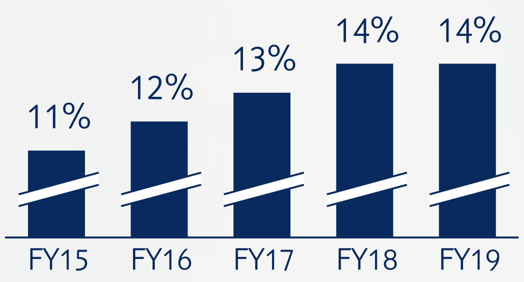
1 FY19 figures - as per breakdown below, plus a further ~1m in Poland and 0.2m in Switzerland | 2 As at end of FY20

Hotels & Cruises: Asset-right strategy, driving returns, benefitting from vertical integration

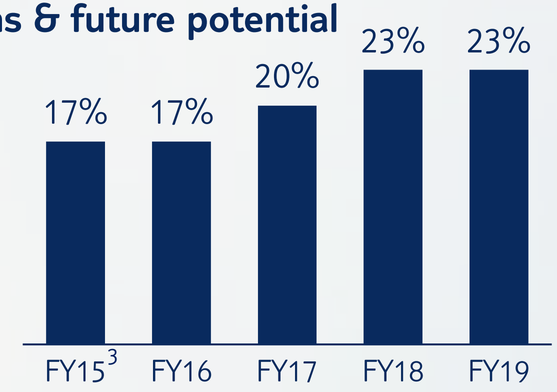
433 Hotels[1]

17 Cruise ships[2]

ROIC – proven returns & future potential



Hotels & Resorts ROIC



Cruises ROIC

RIU HOTELS & RESORTS | TUI BLUE | ROBINSON | TUI CRUISES | HAPAG-LLOYD CRUISES | MARELLA CRUISES

- Sizeable leisure hotel portfolio with premium returns
  - Benefitting from vertical integration & distribution power
  - Portfolio expansion through asset-right strategy
  - TUI BLUE as flagship, asset-light brand

- Consolidating Cruise business with premium returns
  - Leveraging our joint venture structures for growth, as exemplified by the disposal of Hapag-Lloyd to TUI Cruises JV
  - Reduction of capital intensity
  - TUI Cruises as main investment vehicle

With our differentiated product offering, we are strongly positioned to benefit as leisure travel volumes recover

1 Includes group hotels and 3rd party concept hotels as at end of FY20 | 2 As at end of FY20 | 3 Based on former segmentation - Marella Cruises within Markets & Airlines

TUI Musement: Building scale in the "things to do" market & attracting customers to extend TUI's ecosystem

EXISTING CUSTOMER BASE

21m customers - existing markets

3RD PARTY CUSTOMER POTENTIAL

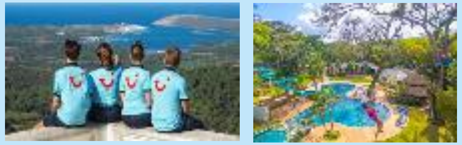
Booking.com

Ctrip

3rd Party customers – global reach

TUI Musement: Open digital platform

CONTROLLED PRODUCTS



3RD PARTY PRODUCTS

168K controlled, curated and long tail products

- Strong strategic position
- €150bn+ market in FY19 & expected to return to sustained growth post C-19[1]
  - Highly fragmented market (~350k suppliers) operating mostly offline
  - Accelerating "digital first" strategy to enable a seamless omni-channel experience

- Extend ecosystem
  - Use scale to maximise consolidation opportunities
  - Take advantage of favourable competitive conditions to acquire market share

- TUI Ecosystem upselling
  - Leverage on TUI's existing customer base
  - Enhance product depth and differentiation
  - Increase the share of own & controlled products

Accelerated platform & "digital first" initiatives to drive customer acquisition and profitable growth

In FY19 TUI Musement generated external revenue of €856m and an Underlying EBIT of €56m | 1 Source: Euromonitor International, Travel 2021 edition.

Sustainability is at the heart of TUI - focus on further driving our sustainable business transformation

TUI GROUP SUSTAINABILITY STRATEGY

We are mindful of the importance of travel and tourism for many countries in the world and people living there. We partner with these countries and help shape their future – in a committed and sustainable manner.

- After having proven a strong performance in FY19, the final year of TUI's current strategy Better Holidays, Better World 2020 was negatively affected by the COVID-19 crisis.

The next strategy is being developed in **active dialogue** with various **external and internal** stakeholders – inclusion of all business units, group functions and committees

- Focus on **the long-term challenges** facing the global tourism sector and TUI's part of driving the **sustainable transformation** in our industry – reflecting EU Green Deal decisions and based on the UN Sustainable Development Goals
- Objective: Consolidation of our position as the **sustainability leader** in our industry

TUI CREDENTIALS (FY 20)

- TUI Group is represented in the sustainability indices **FTSE4Good, Ethibel Sustainability Index (ESI) Excellence Europe.**
- TUI participated again in the **CDP Climate Change** assessment and has been awarded a place on the prestigious CDP Climate Change A List for 2019, recognising us as corporate leaders on climate action.
- TUI signed the **International Tourism Plastic Pledge** to reduce plastic pollution and successfully **removed 250 million pieces of single-use plastics** by spring 2020.

TUI CARE FOUNDATION COVID-19 RELIEF PROGRAMME

- TUI Care Foundation set up a **Corona Relief Fund to empower 100 charitable organisations in holiday destinations** to offer emergency support to local communities.
- Together with the NGO enpact, TUI Care Foundation initiated an **emergency aid programme for tourism businesses in developing and emerging countries** - a total of 150 teams of young businesses will be supported with expert workshops, mentoring and financial support.

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