



# TUI GROUP FACTBOOK

FY22

The background features several overlapping, curved bands of light blue and white, creating a sense of motion and depth. The text is centered and rendered in a bold, dark blue, sans-serif font.

# **BUSINESS OVERVIEW & STRATEGY**



# TUI Group at a glance – normalised levels pre C-19

## TUI GROUP



**21m** Customers<sup>1</sup>



**€18.9bn** Revenue



**€893m** Und. EBIT  
**€1,186m** Und. EBIT excl. MAX<sup>2</sup>



**15.5%** ROIC / excl. MAX **~21%** ROIC<sup>2</sup>



**~71,500** Employees

## HOLIDAY EXPERIENCES (Und. EBIT)



**€452m**

Leading leisure hotel and club brands around the world; investments, operations, ownership



**€366m**

Leading German & UK cruise brands



**€56m**

Tours, activities and service provider in destination

## MARKETS & AIRLINES (Und. EBIT)



**€425m<sup>2</sup>**

Market leaders in packaged distribution, fulfilment, strong market and customer knowledge



# Tourism remains a growth sector - fundamentals remain attractive

## TRAVEL IS A MEGA TREND



Tourism growth above GDP –  
a multi-year growth industry



Favourable demographic  
supported by high disposable  
income and longevity



Experiences  
The new lifestyle & global  
trend in travel

# TUI's strategic priorities

**Grow  
market share**

**New  
products**

**New  
customers**

**Strong focus on quality**

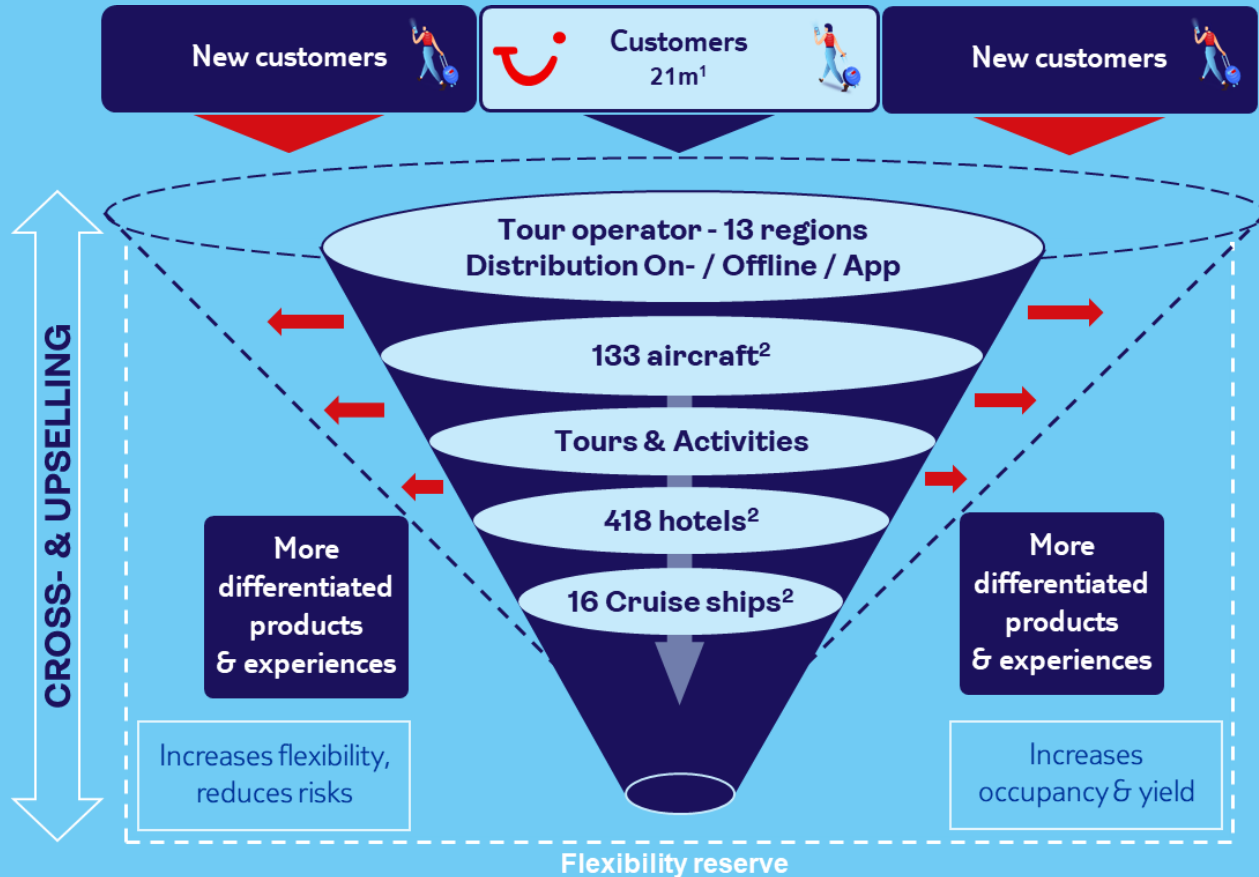
**Sustainability as opportunity**

**Winning team**



# Grow market share – Broadening the TUI funnel

## Attracting existing & new customers with new products...



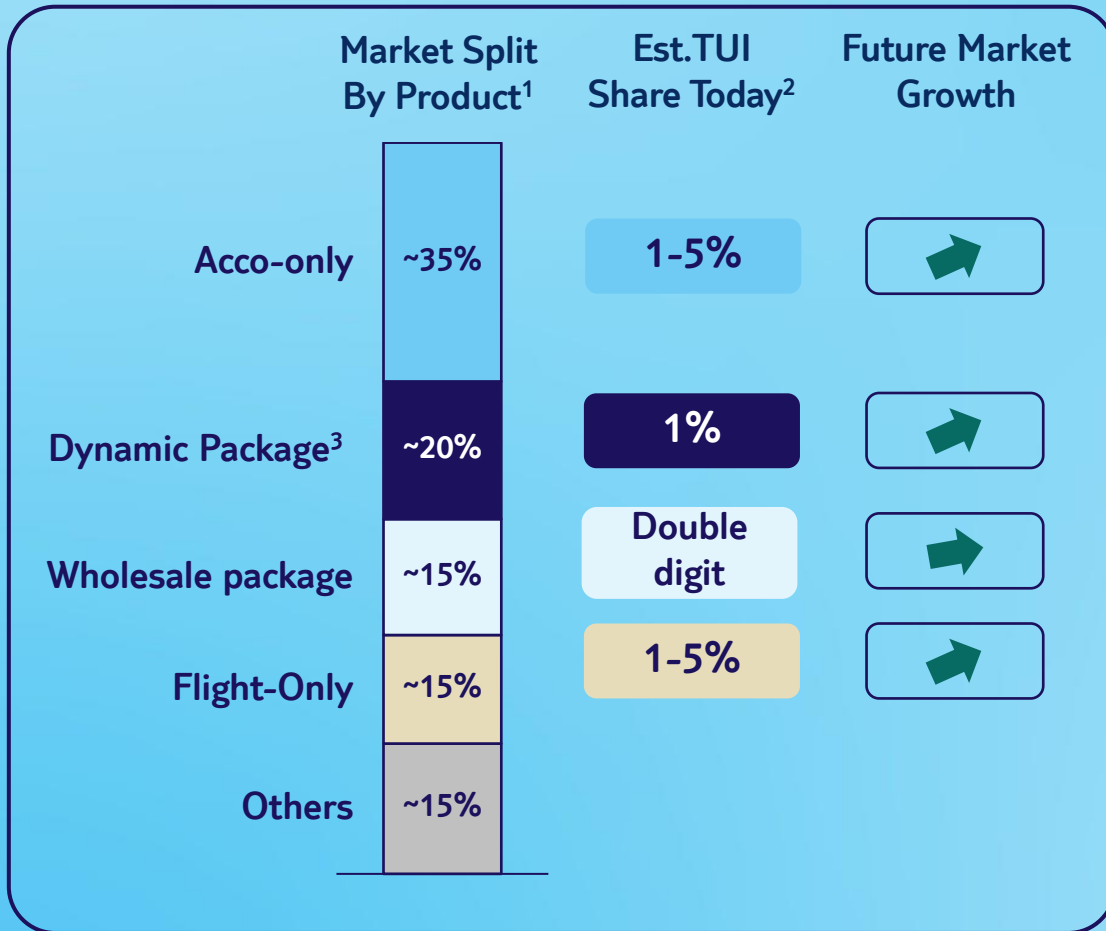
- Integrated business model with differentiated product and service offering along the whole value chain
- Strong brand reputation with double diversification across source markets and destinations
- Customer ownership: digitalised product upselling
- Strong yields and occupancies driven by access to broad customer base
- Pioneering ESG initiatives embedded across operations - enhancing the positive impact of tourism

... driving profitable & de-risked growth as we strengthen occupancies & yields in our assets



# Grow market share – Growth opportunities in Markets & Airlines

## Markets & Airlines



### Our opportunities

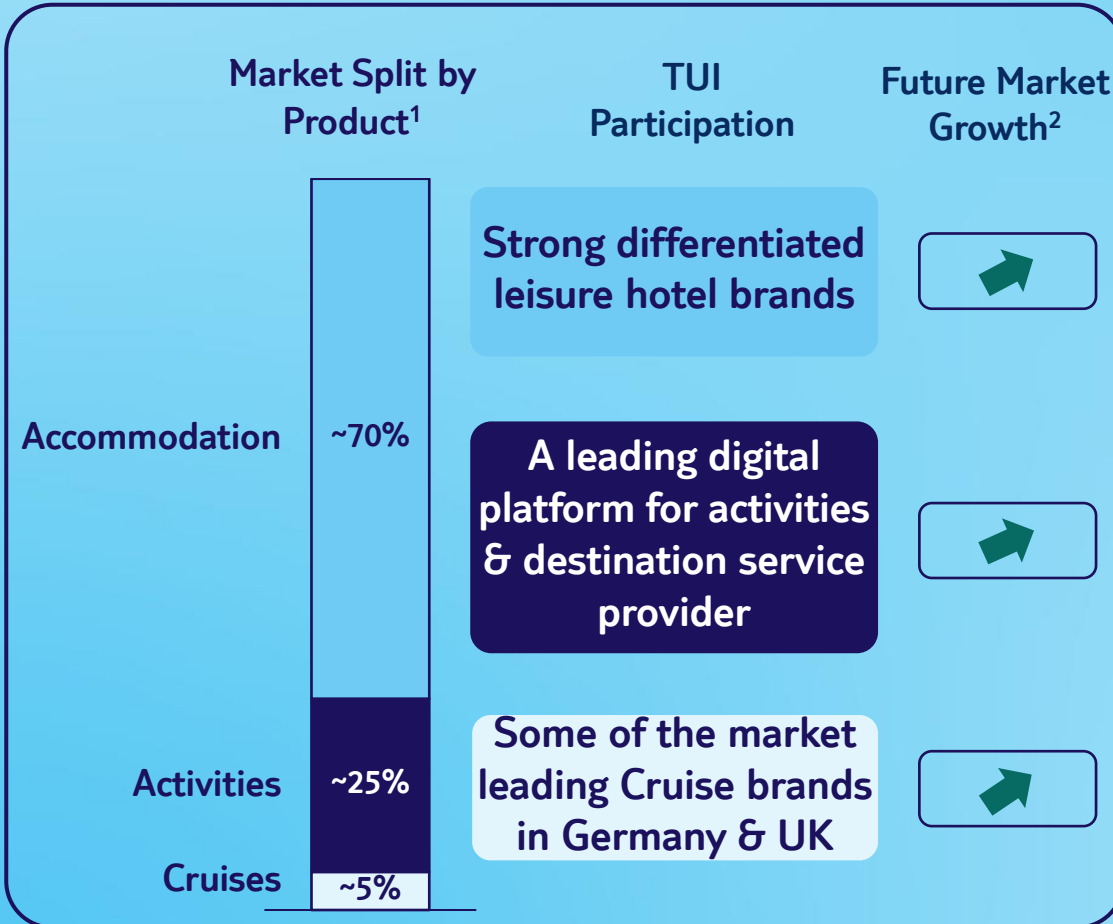
- Grow market share in our traditional Wholesale package market – be more agile & more competitive
- Leverage the TUI brand to grow in additional markets of the Leisure industry
  - Dynamic Packaging
  - Accommodation- & Flight-Only
  - Cars
  - Tours & Experiences
  - Develop new markets & destinations

**Target product led growth in existing & untapped customer segments**



# Grow market share – Growth opportunities in Holiday Experiences

## Holiday Experiences



### Our opportunities

- Developing our strong hotels & cruise brands
- Grow through new differentiated products
- Develop new destinations
- Enhancing the customer experience
- Increase direct distribution
- Grow in the things to do market with our scalable digital platform

**Broadening the funnel by driving asset-right & JV growth to tap existing & new customer segments**





# New products

## TUI's Heartland products & future growth to attract new customers

### SUN & BEACH...

Wholesale package



### ... HOTELS & CRUISES...



### ...DYNAMIC PACKAGING...



### ...EXPERIENCES & TICKETS...



### ...WEEKEND TRIPS ...

Accommodation- & Flight-only



### ... TOURS



■ TUI Heartland products

■ TUI Future growth



# New customers – extending TUI’s appeal in existing & untapped customer segments with new products

## TUI Heartland



### Smart tanners

Deal-driven, families and couples mostly looking for sun & beach



### Home & Away

Safety-driven, looking for familiarity and service. Often young families



### Senior Service

Service and advice seeking older couples. Strong affinity to retail stores

## TUI Future



### Energized Adventurers

Older, confident, more affluent and adventurous. Into culture & exploration



### Travelistas

Younger, independent and adventurous. Lower expenditure, higher frequency

- TUI has a **strong market share** in the traditional **Heartland** segments
- The traditional Heartland products form a smaller proportion of the total leisure market

## Our ambition

- Attract **existing and new customers** with **new products** to participate in the **larger & higher growth segments** of the leisure market, e.g.
  - Dynamic Packaging
  - Accommodation- & Flight-Only
  - Cars
  - Ancillaries
  - Tours & Experiences

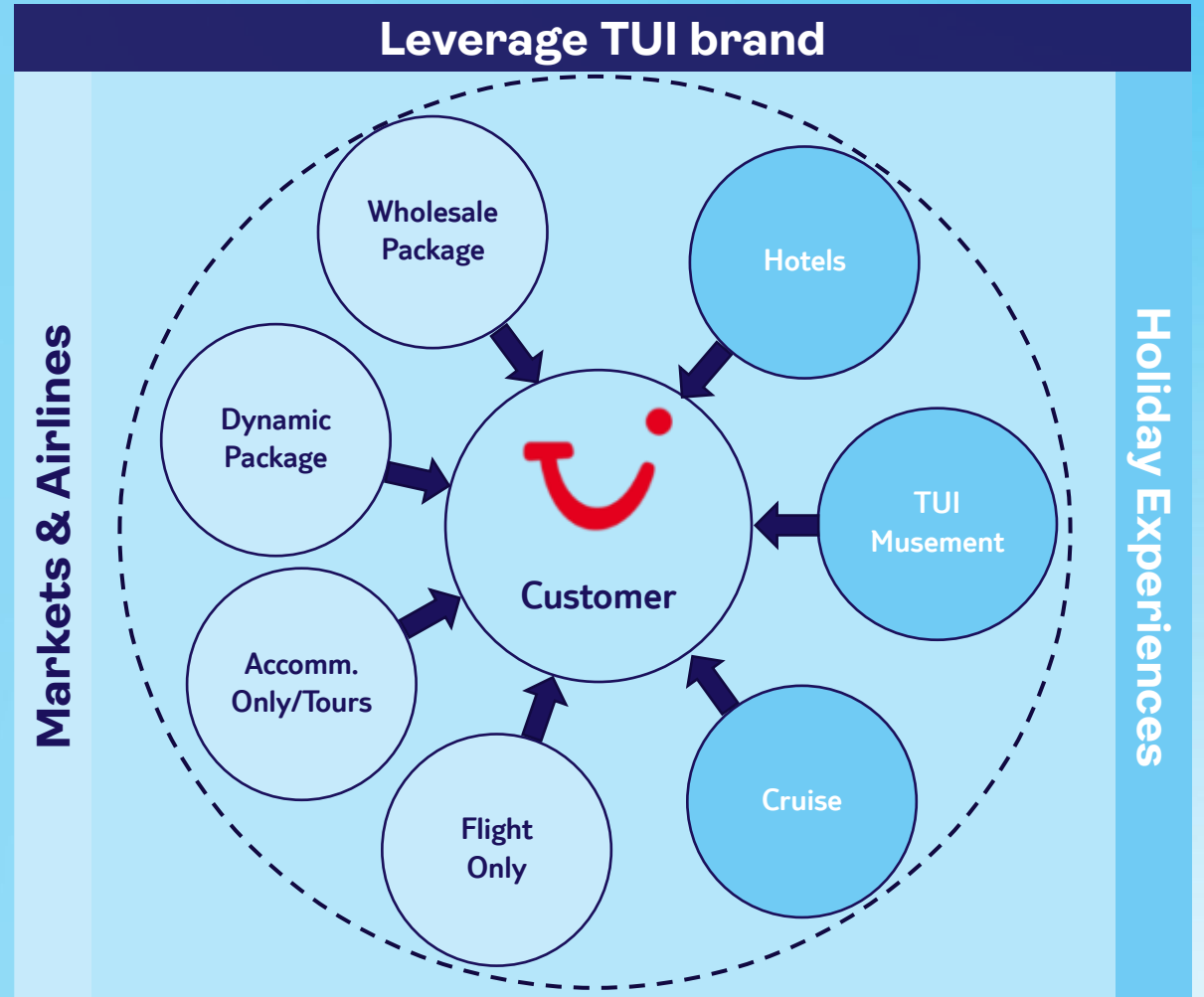
# Bring more customers into TUI's central customer ecosystem



**App-centric**

**CRM**

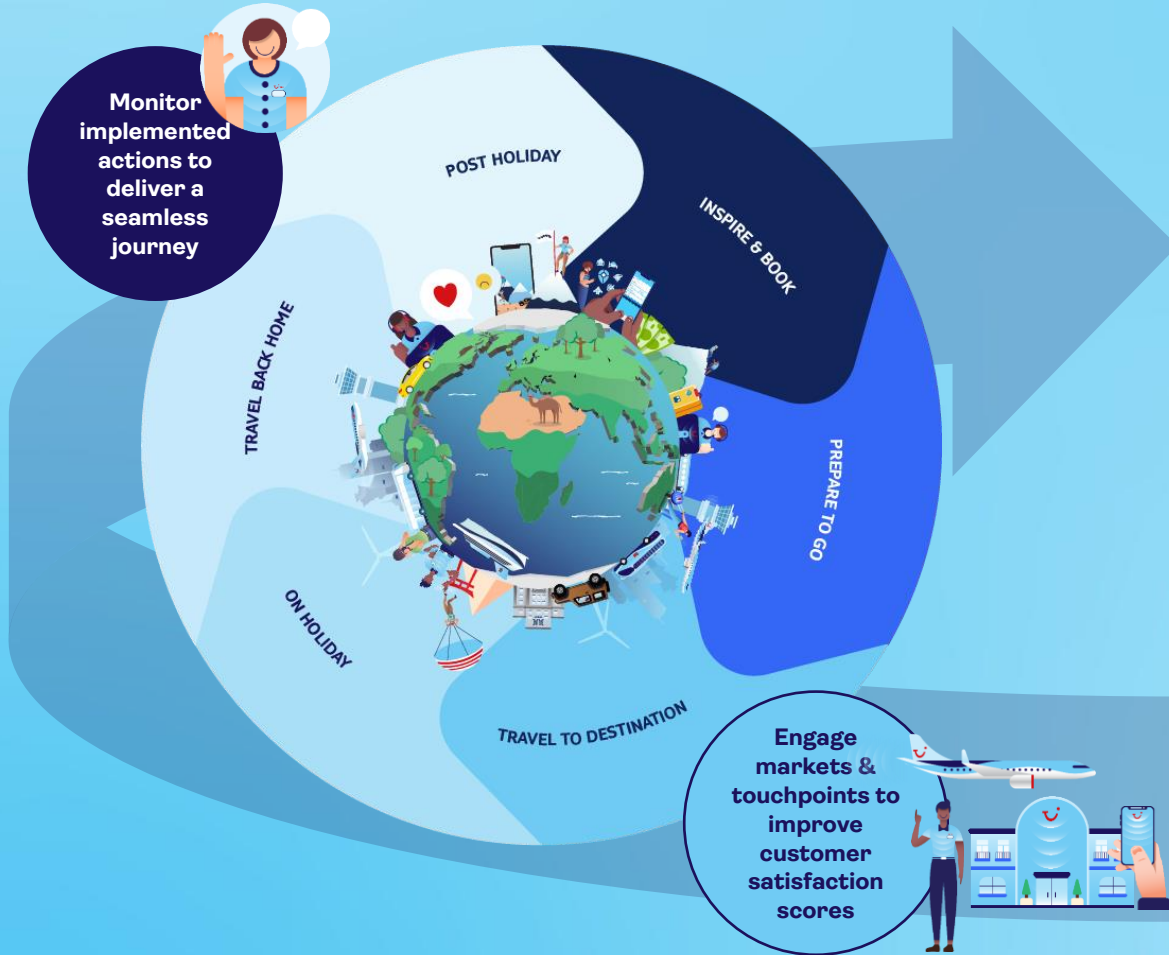
**One customer account, loyalty programme**  
(+ further initiatives)



# Strong focus on quality - Customer happiness is at our core

## Our ambition is to improve NPS 46<sup>1</sup> & CSAT 8.4<sup>2</sup> further

### TUI's continuous improvement cycle



### Live Happy - Delivering on our customer promise

Measured through NPS



### Makers of Happy – our people

Engaged & knowledgeable  
Accountable and empowered  
Effective Leadership



Process ownership  
Effort in our delivery  
Continuously improve

### With continuous customer satisfaction monitoring

Voice of the Customer

Feedback

Contacts

Reasons

Complaints

Social Media

Topics



# Sustainability as opportunity - Our ambition is to be industry-leading in achieving net-zero & we aim for this well before 2050

## People

- Boost positive impacts of our industry
- Empower a generation of sustainability changemakers.
- Ensuring that tourism & local supply chains benefit local people & communities.

## Planet

- Commitment to achieve net-zero emissions well before 2050 (EU Green Deal).
- Our ambition: to be faster and remain leader in sustainable tourism.

## Progress

- Enabling 20m customers/year to make sustainable holiday choices by 2030
- Co-creating sustainable future for destinations with partners:  
Destination Co-Lab: Rhodes.

## Empower to drive development



- From 2024: €10m annually to fund TUI Care Foundation destination programmes
- Focus: education, community empowerment, marine conservation & landscape restoration

## Reduce our footprint



- **TUI joined Science Based Targets initiative**
- Committing to emission reductions in line with latest climate science by 2030 for airlines, cruises and hotels.

## Accelerate the transformation



- Goal: Establish Rhodes as global centre for sustainable destination model development.

**TUI's ambitious sustainable transformation roadmap is the prerequisite for our profitable growth of the future**



People



Planet



Progress



# Sustainability as opportunity



## New Sustainability Agenda

- Commitment to achieve **net-zero emissions well before 2050**
- **2030 Science-based targets validated** by the SBTi for our Airline, Cruise and Hotel & Resorts

**- 24%**



Reduce airline CO<sub>2</sub>e per revenue passenger km by 24% by 2030 <sup>1</sup>

(Baseline 2019)

**-27.5%**



Reduce absolute CO<sub>2</sub>e from our own cruise operations by 27.5% by 2030 <sup>1</sup>

(Baseline 2019)

**- 46.2%**



Reduce absolute CO<sub>2</sub>e from TUI Hotels & Resorts own operations by 46.2% by 2030 <sup>2</sup>

(Baseline 2019)

- **The world's first ocean cruise companies with science-based targets**
- **TUI Airline - one of the world's first airlines with science-based targets**
- **Among the first leisure hotel companies with science-based targets**



# Winning team: Let's TUI it – let's do it the TUI way!



**Talent acquisition & talent attraction**

**Upskilling** programmes & **irresistible** employer **brand**

**Diversity, equity, inclusion strategy & wellbeing initiatives**

Global **all-inclusive culture**

**Leadership**

Strong focus on **execution, entrepreneurship & employee engagement**

**Employee experience**

Continuous **employee listening & unique moments that matter**

# CEO Priorities - Summary

- **Grow Market Share:** We will drive profitable growth by doing things better and by building on our strengths.
- **New Products:** By growing our product range – Acco-Only, Flight-Only, Tours, Dynamic Packaging, Cars, Ancillaries – and increasing choice and flexibility, our customers will buy more from us as we expand the central customer ecosystem
- **New Customers:** Our diversified product portfolio is enabling us to target existing & new customers, beyond the segments in which we are already the market leader
- **Strong Focus on Quality:** We do many things very well, but there are always opportunities for improvement, ways we can make the customer even happier
- **Sustainability as Opportunity:** We have the opportunity to lead change, leveraging cutting edge technology and making the right choices to drive our sustainability agenda. It is the right thing to do
- **Winning Team:** Crucial to our success is having winning teams in all areas of our business, colleagues that support each other's weaknesses and enable each other's strengths – *Entrepreneurial Spirit, Clear Leadership & Accountability, Fast Decision Making, Resource Support, Focus on Execution*

**"We're playing to win."**

Sebastian Ebel





# Clear mid-term strategy to capture future market growth potential

## - Grow market share, New products & New customers



### Accelerate profitable growth

With new customer segments & more product sales

### Improve profitability and margin

### Focus on Cash Flow

### Strengthen Balance Sheet

## OUR FY23 ASSUMPTIONS

- Revenue<sup>1</sup> expected to further increase strongly
- Und. EBIT<sup>1</sup> expected to increase significantly

## OUR 2025/26 MID-TERM AMBITIONS

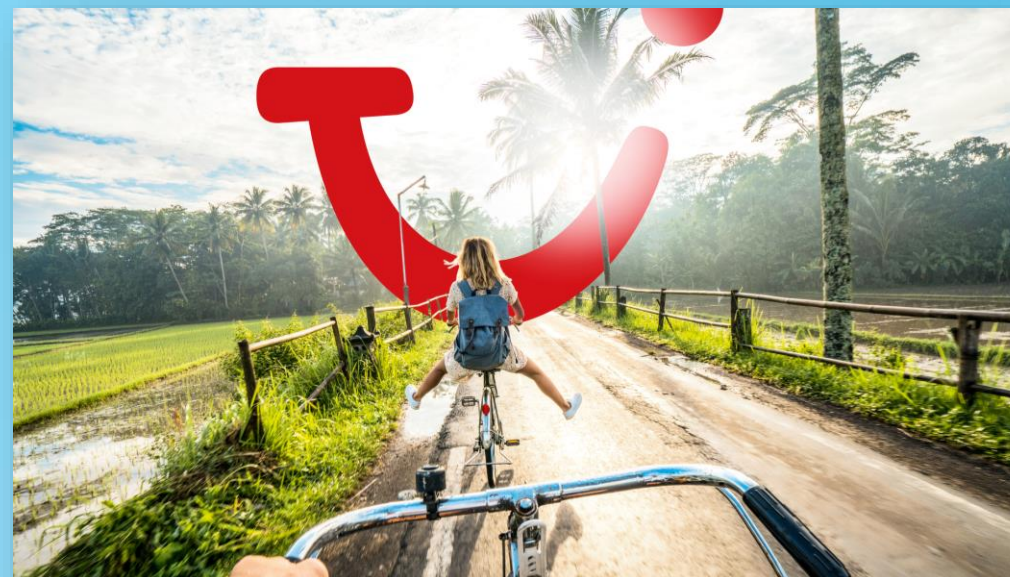
- Und. EBIT to significantly build on €1.2bn<sup>2</sup>
- Return to a gross leverage ratio of well below 3.0x<sup>3</sup>

## CREATING SHAREHOLDER VALUE

# **GROUP FINANCIALS**

# Income Statement – Key Figures

In €m (IFRS 16)	FY22 IFRS 16	FY21 IFRS 16	FY19 IAS 17
Revenue	16,545	4,732	18,928
<b>Underlying EBITDA</b>	<b>1,225</b>	<b>-1,145</b>	<b>1,360</b>
Depreciation & Amortisation	-816	-930	-466
<b>Underlying EBIT</b>	<b>409</b>	<b>-2,075</b>	<b>893</b>
Adjustments (SDI's and PPA)	Excl. disruption +€542m -89	63	Excl. Boeing MAX cost impact +€1,186m -125
<b>EBIT</b>	<b>320</b>	<b>-2,013</b>	<b>768</b>
Net interest expense*	-466	-449	-77
<b>EBT</b>	<b>-146</b>	<b>-2,462</b>	<b>692</b>
Income taxes	-67	-19	-160
<b>Group result cont. operations</b>	<b>-213</b>	<b>-2,481</b>	<b>532</b>
Minority interest	-65	14	-116
<b>Group result after minorities</b>	<b>-277</b>	<b>-2,467</b>	<b>416</b>
<b>Basic EPS (€)</b>	<b>-0.17</b>	<b>-2.59</b>	<b>0.71</b>
<b>Underlying EPS (€)</b>	<b>-0.07</b>	<b>-2.28</b>	<b>0.89</b>



- FY19 was the last normal trading year pre-pandemic. The measures to contain Covid-19 and the resulting travelling restriction, had a significant impact on our business in particular in FY20, FY21 and the first half of FY22 with a more normalised trading environment only returning in Q4 FY22.
- FY22 Und. EBIT improved by €2.5bn y-o-y, with all segments achieving significantly improved results due to increased levels of operations; result impacted by -€133m of additional flight disruption costs

# Cash Flow & Movement in Net Debt

In €m (IFRS 16)	FY22 IFRS 16	FY21 IFRS 16	FY19 IAS 17
Underlying EBITDA	1,225	-1,145	1,360
Adjustments	-21	145	-82
<b>Reported EBITDA</b>	<b>1,203</b>	<b>-1,000</b>	<b>1,277</b>
Working capital	1,073	823	-26
Other cash effects	202	-108	138
At equity income	-101	233	-297
Dividends received (JV's, associates)	0	14	245
Tax paid	-131	-9	-117
Interest (cash)	-373	-398	-80
Pension contribution & payments	-181	-110	-143
<b>Operating Cash flow</b>	<b>1,692</b>	<b>-556</b>	<b>997</b>
Net Investments	-316	699	-1,118
<b>Free Cash flow</b>	<b>1,376</b>	<b>143</b>	<b>-122</b>
WSF SP2 coupon payment	-51	0	-475
<b>Free Cash flow after Dividends</b>	<b>1,325</b>	<b>143</b>	<b>-598</b>
Cash flow from financing	-1,187	177	-193
<i>o/w inflow from fin. Instruments<sup>1</sup></i>	<i>961</i>	<i>2,599</i>	<i>39</i>
<i>o/w outflow from fin. Instruments<sup>2</sup></i>	<i>-2,148</i>	<i>-2,423</i>	<i>-232</i>
<b>Total Cash Flow</b>	<b>139</b>	<b>320</b>	<b>-791</b>

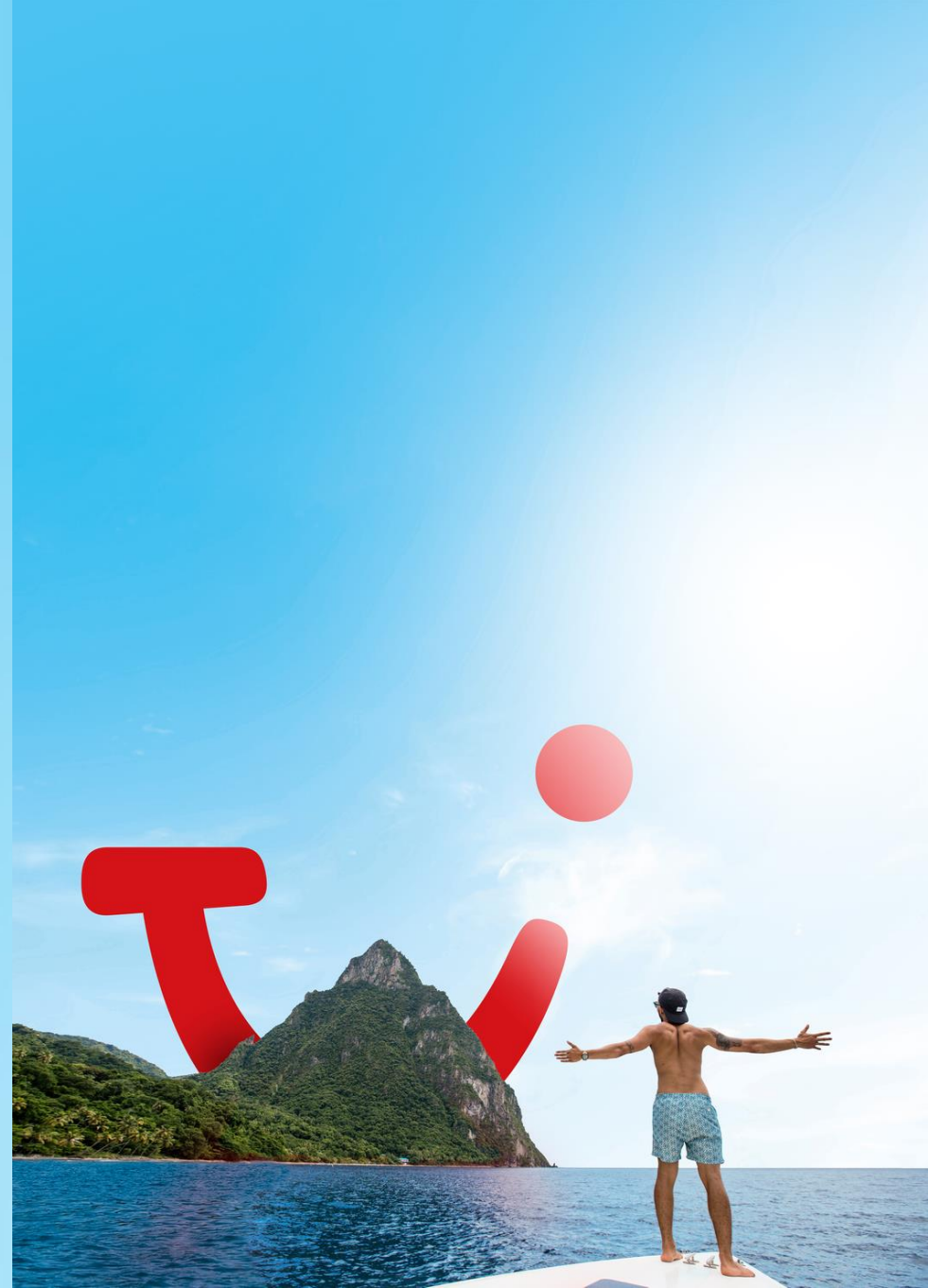


In €m	FY22 IFRS 16	FY21 IFRS 16	FY19 IAS 17
<b>Opening net debt as at 1 October</b>	<b>-4,954</b>	<b>-6,421</b>	<b>124</b>
FCF after Dividends	1,325	143	-598
Non cash additions <sup>3</sup>	-257	-451	-337
Capital Increase <sup>4</sup>	852	1,744	-
Other	-404	13	-100
Discontinued operations - Nordotel	2	18	-
<b>Closing Net Debt</b>	<b>-3,436</b>	<b>-4,954</b>	<b>-910<sup>5</sup></b>



# Balance Sheet

In €m	30 Sep 22 IFRS 16	30 Sep 21 IFRS 16	30 Sep 19 IAS 17 adj.
Non-current assets	11,352	11,222	11,948
Current assets	3,904	2,933	4,270
<b>Assets</b>	<b>15,256</b>	<b>14,156</b>	<b>16,218</b>
Subscribed capital	1,785	1,099	1,506
Capital and revenue reserves	-2,347	-3,276	1,948
Silent Participation	420	1,091	-
Non-controlling interest	787	667	711
<b>Equity</b>	<b>646</b>	<b>-418</b>	<b>4,166</b>
Non-current provisions	1323	1,666	1,811
Current provisions	574	573	394
<b>Provisions</b>	<b>1,897</b>	<b>2,238</b>	<b>2,205</b>
Non-current financial liabilities	1,731	3,036	2,458
Current financial liabilities	320	285	225
<b>Financial liabilities</b>	<b>2,051</b>	<b>3,321</b>	<b>2,682</b>
Non-current lease liabilities	2,509	2,606	-
Current lease liabilities	699	623	-
<b>Lease liabilities</b>	<b>3,208</b>	<b>3,229</b>	-
Other non-current liabilities	304	403	473
Other current liabilities	7,150	5,332	6,590
<b>Other liabilities</b>	<b>7,453</b>	<b>5,735</b>	<b>7,062</b>
Liabilities related to assets held for sale	-	51	103
<b>Liabilities</b>	<b>14,610</b>	<b>14,574</b>	<b>12,053</b>
<b>Equity and Liabilities</b>	<b>15,256</b>	<b>14,156</b>	<b>16,218</b>



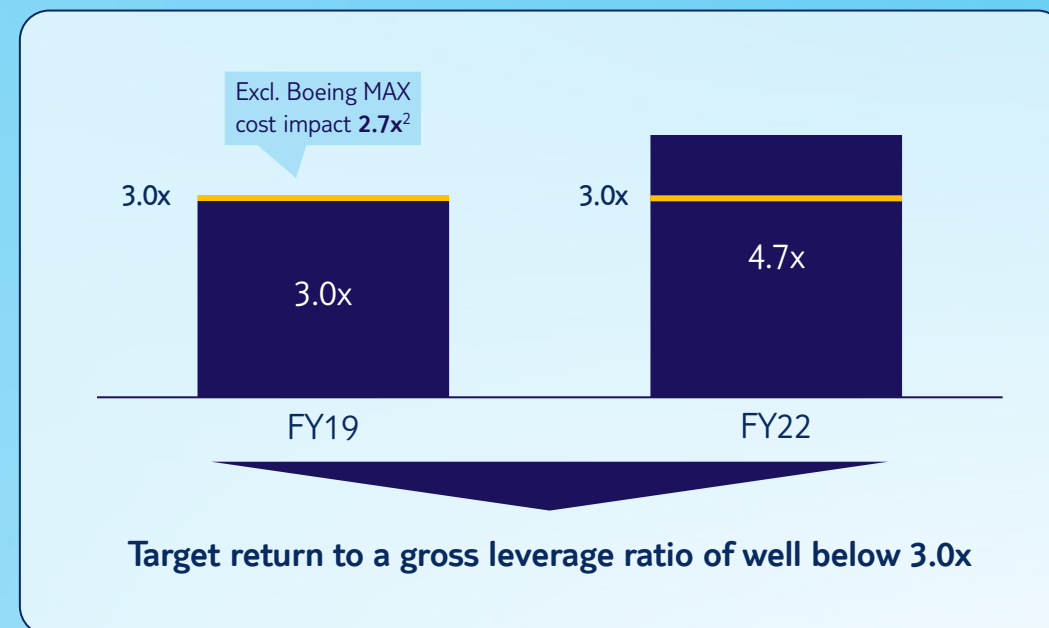
# Gross Leverage Ratio

## LEVERAGE RATIO

€m	FY22 IFRS 16	FY21 IFRS 16	FY19 IAS 17
Financial liabilities	5,259	6,550	2,682
to Bonds	580	641	298
to Liabilities to banks	1,383	2,612	870
to Lease liabilities (IFRS16)	3,208	3,229	-
to Finance Lease	-	-	1,495
to Other financial liabilities	88	67	20
Pensions	438	798	758
Discounted value of operating leases <sup>1</sup>	-	-	2,580
Gross Debt	5,697	7,347	6,020
Reported EBITDA (IFRS16) / EBITDAR (IAS17)	1,203	-1,000	1,990
<b>Gross Leverage Ratio<sup>3</sup></b>	<b>4.7x</b>	<b>n.m</b>	<b>3.0x</b>

Excl. Boeing MAX  
cost impact 2.7x<sup>2</sup>

## TARGET LEVERAGE RATIO



**Strengthen balance sheet – target return to a gross leverage ratio<sup>3</sup> of well below 3.0x**



# Financing facilities and support packages overview per 30 Sep 2022

	Instrument	Support package #	Facility €m	Utilisation €m	Debt/equity	Maturity date
<b>Bank facilities</b>	RCF (unsecured)	-	1,454	562m drawn	Debt	July 2024
		-	190	guarantee line	-	
		1 & 2	2,100	Fully undrawn	Debt	
	Schuldschein	-	425	-	Debt	July 2023/25/28
<b>Bonds</b>	Bond with warrant WSF	2	59	-	Equity-Linked	Warrant-Sept 2030
	Convertible bonds (incl. tap issue)	-	590	-	Debt / Equity-Linked	April 2028
<b>Silent participations</b>	Silent Participation I WSF	3	420	-	Hybrid with equity credit	-
<b>Lease liabilities</b>	Lease liabilities	-	3,208 <sup>2</sup>	-	Debt	Various



# Chronological overview on state aid and capital measures

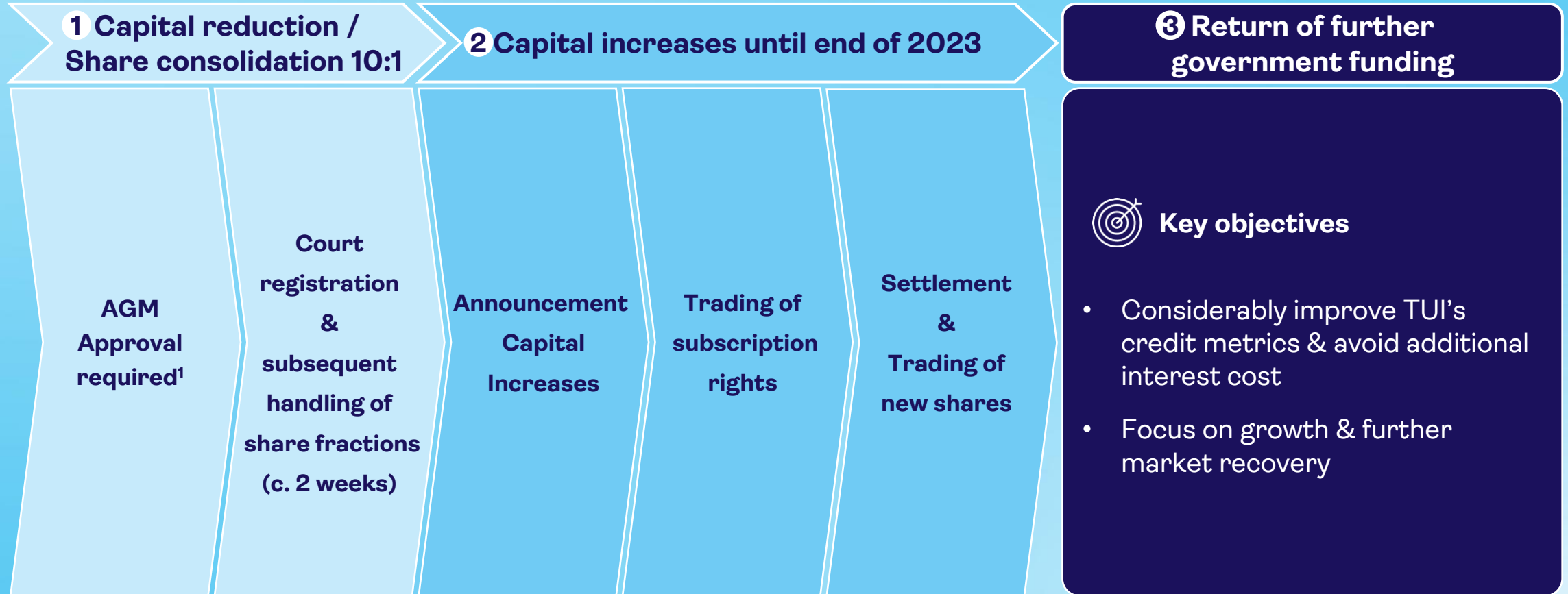


**Total of €2.6bn (€0.5bn WSF & €2.1bn KfW RCF) government support currently – Agreement reached to pay back WSF funding at market value and further target to address winter drawing of KfW RCF**





# Agreement to pay back €0.5bn WSF funding at market value (today: ~€0.9bn) – further target to address winter drawing of KfW RCF



# Selected summary details to planned rights-issue

## One joint offering – ✔ Use of existing capital authorisations

- **Authorised Capital 2022/I** to be used exclusively for **full repayment to WSF**
- **Authorised Capital 2022/II** to be used predominantly for a **substantial reduction of KfW RCF**
- Executive Board commits to **limit use of existing authorisations** to the outlined uses above

## 📈 Volume

- **WSF repayment price<sup>1</sup> of €730m<sup>2</sup> to max. €957m<sup>3</sup>**, subject to share price development until capital increase announcement
- Target of **substantial KfW RCF redemption** to address winter drawings
- Final refinancing capital increase, volume **depending on market conditions**

## 🕒 Timing

- Windows for capital increase post share consolidation process until end of December 2023 (standstill of the government up to that date)
- Subject to **positive assessment of market conditions**

## ✍ Underwriting

- Traditional rights issue structure expected

## ⊗ Sanctioned Shareholder

- Cannot receive/exercise, sell or otherwise transfer subscription rights / shares
- Sanctions preclude participation in any capital increase

<sup>1</sup> Repayment price excludes accrued interest payable | <sup>2</sup> 15-day VWAP before signing date (1.6816€) less discount of 9.30% multiplied with 479m (SP I + Warrant Bond) | <sup>3</sup> 15-day VWAP before announcement, capped at €2 post discount

# Global Realignment Programme ~€400m p.a. cost reduction target fully implemented

## PILLARS

 **REDUCE COSTS**

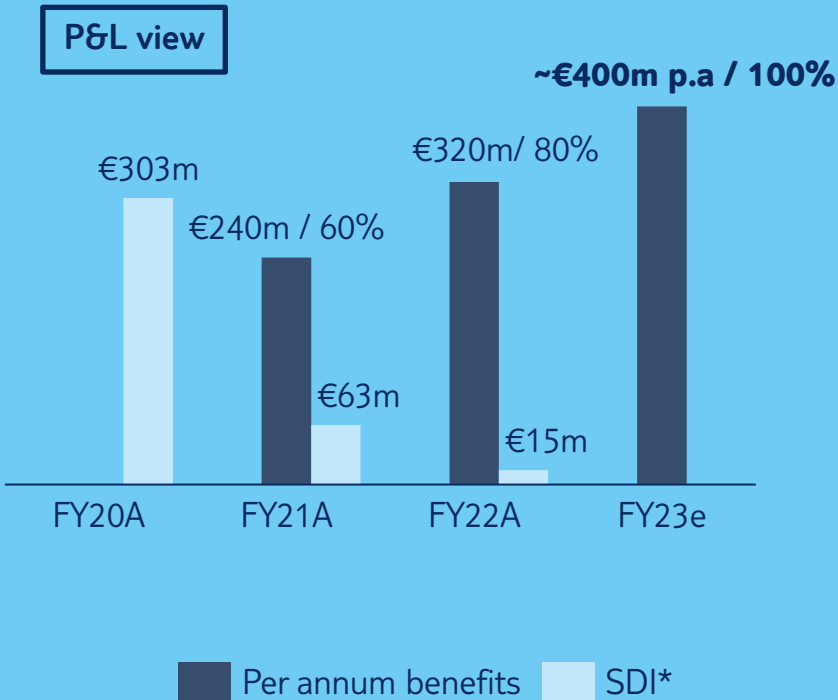
 **REDUCE CAPITAL INTENSITY**

 **DRIVE DIGITALISATION**

## RECENT PROGRESS

- Programme now **successfully implemented** with 7k FTE roles reduced
- **Majority of savings** sit in **Markets & Airlines** and are driven by **airline rightsizing** and **reduction of our distribution costs** with 121 net retail closures (81 in Central Region and 40 in Northern Region)
- During the pandemic TUI Musement successfully transformed into a **Digital Platform business**. Focus is now moving to growing this platform.

## PHASING



**80% benefit delivered by FY22**



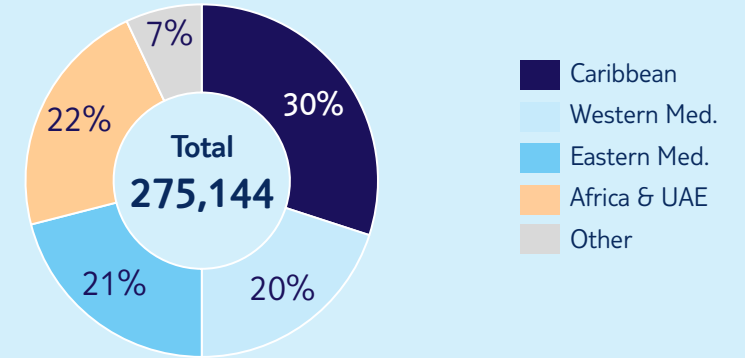
# **HOTELS & RESORTS**

# Hotels & Resorts

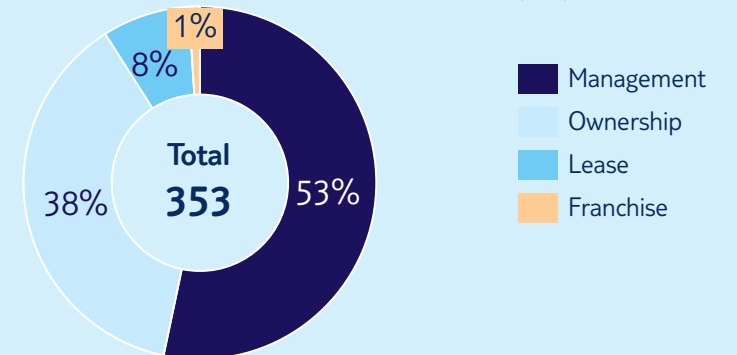
## Summary

Key figures	FY22 IFRS 16 (C-19)	FY21 IFRS 16 (C-19)	FY19 IAS 17
Total Revenue (€m)	1,500	667	1,512
o/w External Revenue (€m)	806	440	660
Underlying EBITDA (€m)	651	63	563
Underlying EBIT (€m)	481	-153	452
o/w Equity result (€m)	94	-45	97
Number of hotels <sup>1</sup>	418	414	411
Number of beds <sup>2</sup>	275,144	275,773	262,644
Capacity ('000) <sup>3</sup>	37,761	27,070	42,094
Occupancy (%) <sup>4</sup>	76	53	82
Revenue/bed (€) <sup>5</sup>	77	70	66

HOTEL BEDS BY REGION (%)



FINANCING STRUCTURE HOTELS (%)






Plus 65 3<sup>rd</sup> party concept hotels = 418 total hotels






# Hotels & Resorts

## Summary by brand FY21 & FY22

Key figures FY22 IFRS 16 (C-19)				Total
External Revenue (€m) <sup>1</sup>	587.0	111.8	-	806.2
Underlying EBIT (€m)	304.1	54.0	49.8	480.6
Number of hotels	98	26	34	353
Number of beds	106,059	16,016	32,270	275,144
Capacity (k) <sup>2</sup>	13,490	3,582	5,432	37,761
Average occupancy <sup>3</sup> %	82	66	79	76
Average revenue per bed <sup>4</sup> €	69	103	137	77




  

Key figures FY21 IFRS 16 (C-19)				Total
External Revenue (€m) <sup>1</sup>	286.3	67.4	-	440.5
Underlying EBIT (€m)	-42.5	-6.2	-32.6	-152.7
Number of hotels	101	26	34	359
Number of beds	105,435	16,015	32,270	275,773
Capacity (k) <sup>2</sup>	10,604	2,289	4,671	27,070
Average occupancy <sup>3</sup> %	55	58	51	53
Average revenue per bed <sup>4</sup> €	59	103	104	70



# Hotels & Resorts

## Summary by brand FY19

Key figures FY19 IAS 17	 RIU HOTELS & RESORTS	 ROBINSON	 Blue Diamond HOTELS & RESORTS	Total
External Revenue (€m) <sup>1</sup>	415.1	103.1	-	660.0
Underlying EBIT (€m)	326.2	54.7	9.9	451.8
Number of hotels	99	23	32	354
Number of beds	90,460	13,927	30,080	262,644
Capacity (k) <sup>2</sup>	18,056	3,333	4,379	42,094
Average occupancy <sup>3</sup> %	88	73	77	82
Average revenue per bed <sup>4</sup> €	64	93	118	66



# Hotels & Resorts

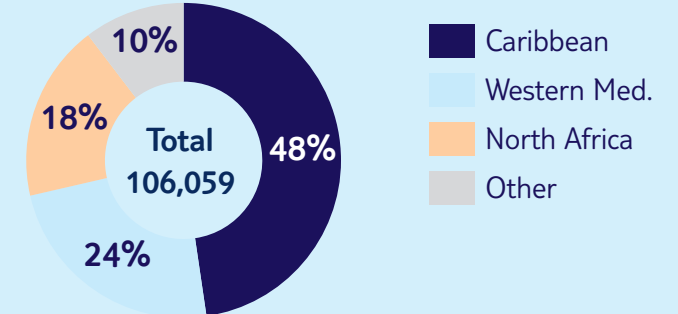
## RIU – Key figures FY22 & FY21

FY22 RIU 100% view <sup>1</sup> In €m	Total IFRS 16 (C-19)	o/w RIUSA II (fully consolidated)	o/w Riu Hotels (consolidated at equity)	Riu in TUI accounts IFRS 16
Total Revenue	916	916	-	916
Underlying EBIT	304	304	-	304
<i>EBIT Margin</i>	33%	33%	-	33%
<b>EAT</b>	<b>128</b>	<b>128</b>	-	
o/w EAT to TUI	64	64	-	64
ROIC (incl. Goodwill)	17%			
ROIC (excl. Goodwill)	21%			

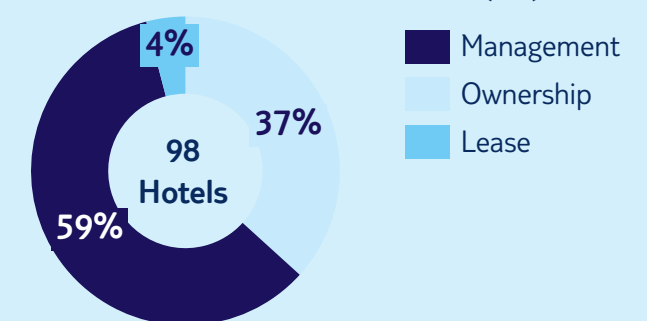
Riu Hotels disposed to RIUSA II in 2021

FY21 RIU 100% view <sup>1</sup> In €m	Total IFRS 16 (C-19)	o/w RIUSA II (fully consolidated)	o/w Riu Hotels (consolidated at equity)	Riu in TUI accounts IFRS 16
Total Revenue	443	344	99	344
Underlying EBIT	-65	-27	-38	-42
<i>EBIT Margin</i>	<i>n.m</i>	<i>n.m</i>	<i>n.m</i>	<i>n.m</i>
<b>EAT<sup>2</sup></b>	<b>-54</b>	<b>-21</b>	<b>-33</b>	
o/w EAT to TUI <sup>2</sup>	-26	-11	-16	-26
ROIC (incl. Goodwill)	n.m			
ROIC (excl. Goodwill)	n.m			

### FY22 HOTEL BEDS BY REGION (%)



### FY22 FINANCING STRUCTURE (%)



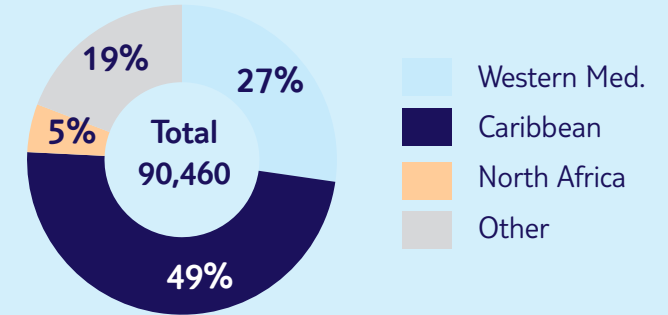


# Hotels & Resorts

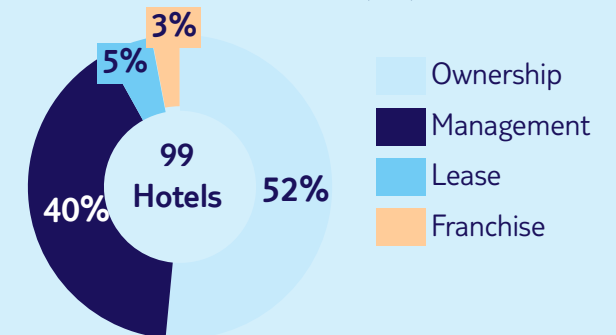
## RIU – Key figures FY19

FY19 RIU 100% view <sup>1</sup> In €m	Total IAS 17	o/w RIUSA II (fully consolidated)	o/w Riu Hotels (consolidated at equity)	Riu in TUI accounts IAS 17
Total Revenue	1,169	850	319	850
Underlying EBIT	397	283	114	326
EBITA Margin	34%	33%		
<b>EAT</b>	<b>315</b>	<b>226</b>	<b>89</b>	
o/w EAT to TUI	156	113	43	156
ROIC (incl. Goodwill)	17%			
ROIC (excl. Goodwill)	20%			

### HOTEL BEDS BY REGION (%)



### FINANCING STRUCTURE (%)

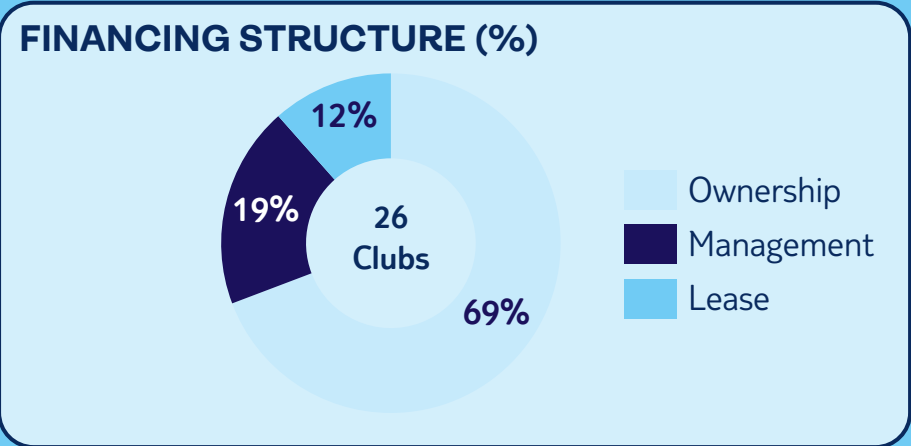
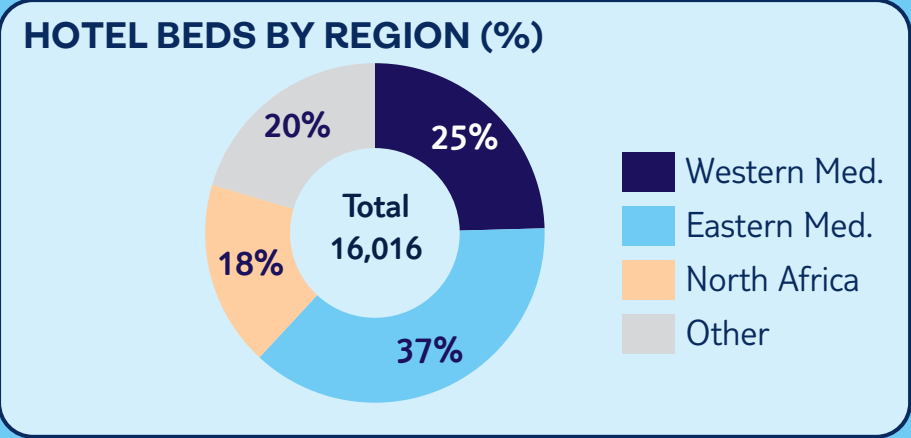


# Hotels & Resorts

## Robinson – Key figures



Robinson In TUI accounts <sup>1</sup> In €m	FY22 IFRS 16 (C-19)	FY21 IFRS 16 (C-19)	FY19 IAS 17
Total Revenue	293	168	257
Underlying EBIT	54	-6	55
<i>EBIT Margin</i>	18%	<i>n.m</i>	21%
ROIC	9%	<i>n.m</i>	11%

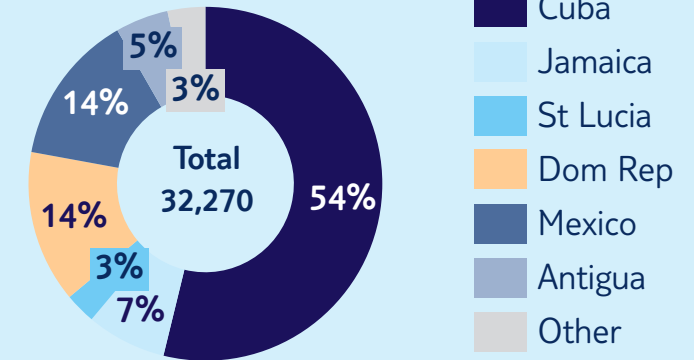


# Hotels & Resorts

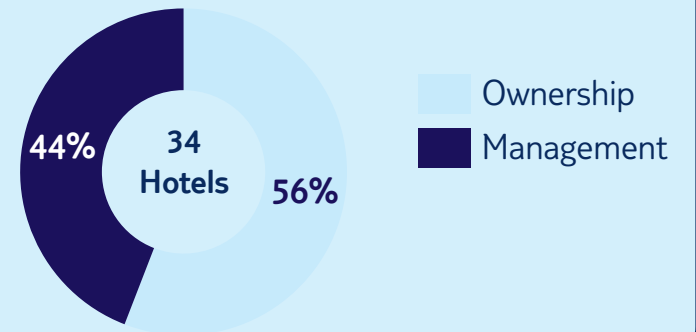
## Blue Diamond – Key figures

Blue Diamond 100% view <sup>1</sup> In €m	FY22 IFRS 16 (C-19)	FY21 IFRS 16 (C-19)	FY19 IAS 17
Total Revenue	644	274	456
EBIT	128	-30	73
EBIT Margin	20%	<i>n.m</i>	16%
EAT	101	-67	19
o/w EAT to TUI (49%)	50	-33	9

### HOTEL BEDS BY LOCATION (%)



### FINANCING STRUCTURE (%)



# **CRUISES**

# Cruises

## Summary by brand FY21 & FY22


Key figures FY22 IFRS 16 (C-19)	<i>Mein Schiff.</i>	HAPAG LLOYD CRUISES	MARELLA CRUISES
Revenue (€m) <sup>1</sup>	-	-	331.5
Underlying EBIT (€m)	41.4	-	-40.7
Passengers (k)	444	27	175
Fleet Size <sup>2</sup> (Group Total 16)	7	5	4
Total Berths <sup>3</sup>	17,780	1,614	7,410
Occupancy %	69	58	70
Av Daily Rate (€ for TC/HLC and £ for Marella)	178	653	164 <sup>4</sup>

Key figures FY21 IFRS 16 (C-19)	<i>Mein Schiff.</i>	HAPAG LLOYD CRUISES	MARELLA CRUISES
Revenue (€m) <sup>1</sup>	-	-	27.0
Underlying EBIT (€m)	-146.7	-	-130.8
Passengers (k)	177	14	23
Fleet Size <sup>2</sup> (Group Total 16)	7	5	4
Total Berths <sup>3</sup>	17,780	1,614	7,410
Occupancy %	41	45	39
Av Daily Rate (€ for TC/HLC and £ for Marella)	132	514	124 <sup>4</sup>



# Cruises

## Summary by brand FY19

Key figures FY19 IAS 17	<i>Mein Schiff.</i>	 HAPAG-LLOYD CRUISES	MARELLA CRUISES
Revenue (€m) <sup>1</sup>	-	305.2	660.6
Underlying EBIT (€m)	202.6	43.0	120.5
Passengers (k)	663	25	338
Fleet Size <sup>2</sup> (Group Total 18)	7	4	6
Total Berths <sup>3</sup>	17,780	1,318	10,195
Occupancy %	101	79	100
Av Daily Rate (€ for TC/HP and £ for Marella)	174	641	149 <sup>4</sup>



# Cruises

## TUI Cruises – Key figures – 100% View

TUI Cruises 100% <sup>1</sup>	FY22 IFRS 16 (C-19)	FY21 IFRS 16 (C-19)	FY19 IAS 17
Revenue	1,238	319	1,445
Underlying EBIT	193	-187	465
<i>EBIT Margin</i>	16%	<i>n.m</i>	32%
EAT (100% TUI)	83	-294	405
o/w TUI EAT (50%)	41	-147	203
ROIC	5%	<i>n.m</i>	18%
ROE	13%	<i>n.m</i>	56%

- As of July 2020 (FY20 Q4) TUI Cruises JV entity includes the result of Hapag-Lloyd Cruises



# TUI's cruise fleet development

Capacity growth financed off-balance sheet (JV)

## BRAND / OWNERSHIP

**Off-balance sheet:  
TUI Cruises JV**

*Mein Schiff.*



**On balance sheet**

MARELLA  
CRUISES

## FLEET DEVELOPMENT

**Current fleet:**



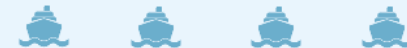
**Deliveries:**



**Current fleet:**



**Current fleet:**



**Deliveries:**



## OFF-BALANCE SHEET FINANCING AS PREFERRED OPTION

- Funded by JV
- No CAPEX requirements for TUI

- Past acquisitions funded by disposal proceeds





# Cruises

## Mein Schiff Fleet

*Mein Schiff.*

Mein Schiff Herz (Prev MS2)	Mein Schiff 1	Mein Schiff 2	Mein Schiff 3	Mein Schiff 4	Mein Schiff 5	Mein Schiff 6	Mein Schiff 7	New Build 2	New Build 3
									
1,912 BERTHS	2,894 BERTHS	2,894 BERTHS	2,506 BERTHS	2,506 BERTHS	2,534 BERTHS	2,534 BERTHS	2,894 BERTHS	~4,000 BERTHS	~4,000 BERTHS
Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL
1997 CONSTRUCTION	May 2018 CONSTRUCTION	Feb 2019 CONSTRUCTION	June 2014 CONSTRUCTION	June 2015 CONSTRUCTION	July 2016 CONSTRUCTION	June 2017 CONSTRUCTION	New build 2023 delivery delayed to 2024 CONSTRUCTION	New build 2024 CONSTRUCTION	New build 2026 CONSTRUCTION
FY23 SALE OR CHARTER TO MARELLA									



# Cruises

## Hapag-Lloyd Cruises Fleet

Europa	Europa 2	Hanseatic nature	Hanseatic inspiration	Hanseatic spirit
				
408 <sup>1</sup> BERTHS	516 <sup>1</sup> BERTHS	230 BERTHS	230 BERTHS	230 BERTHS
Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL
1999 CONSTRUCTION	2013 CONSTRUCTION	New build May 2019 CONSTRUCTION	New build October 2019 CONSTRUCTION	New build August 2021 CONSTRUCTION

# Cruises

## Marella Cruises Fleet

MARELLA  
CRUISES

Marella Discovery	Marella Discovery 2	Marella Explorer	Marella Explorer 2	Marella Voyager (Currently MS Herz)
				
1,836 BERTHS	1,836 BERTHS	1,924 BERTHS	1,814 BERTHS	1,912 BERTHS
Finance Lease exp. 2026 OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Wholly owned OPERATING MODEL	Finance lease or Charter - tbc OPERATING MODEL
1995 CONSTRUCTION	1994 CONSTRUCTION	1996 CONSTRUCTION	1995 CONSTRUCTION	1997 CONSTRUCTION
		May 2018 LAUNCH	April 2019 LAUNCH	Summer 2023 LAUNCH



**TUI MUSEMENT**



# TUI Musement is a leading provider of experiences, transfers, and tours across the world

KEY FIGURES	FY22 IFRS 16 (C-19)	FY21 IFRS 16 (C-19)	FY19 IAS 17
Revenue (€m)	517	117	856
Underlying EBIT (€m)	23	-105	56
No of guests	>11m	>3.7m	>16m
No of excursions sold	7.0m	1.5m	9.7m
No of operated destinations	124	124	122
Online distribution %	34	34	-

Tours & Activities market is growing & still unconsolidated, representing the next big opportunity in travel

TUI MM is a pioneer in digitalisation in a mostly offline industry

Positioned for growth with a scalable digital platform model and in-destination service



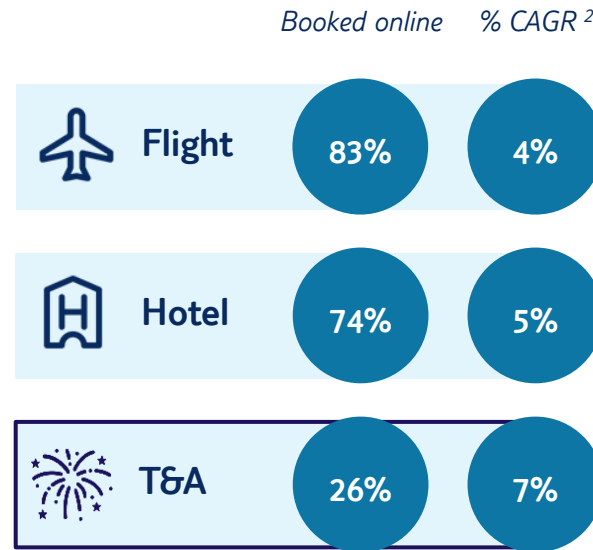
# Tours & Activities market

Fastest growing market in travel fueled by digitalisation

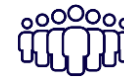
## Large & growing market<sup>1</sup>



## Next big opportunity in travel



## Experiences - Unique characteristics



### Fragmented supply

Unstandardized sector where intermediation plays a critical role



### On the spot market

In-destination presence is still very relevant as 2/3 book on holiday



### Driver of leisure travel

Increasing importance of experiences as key factor for travel decision



### Promoting loyalty

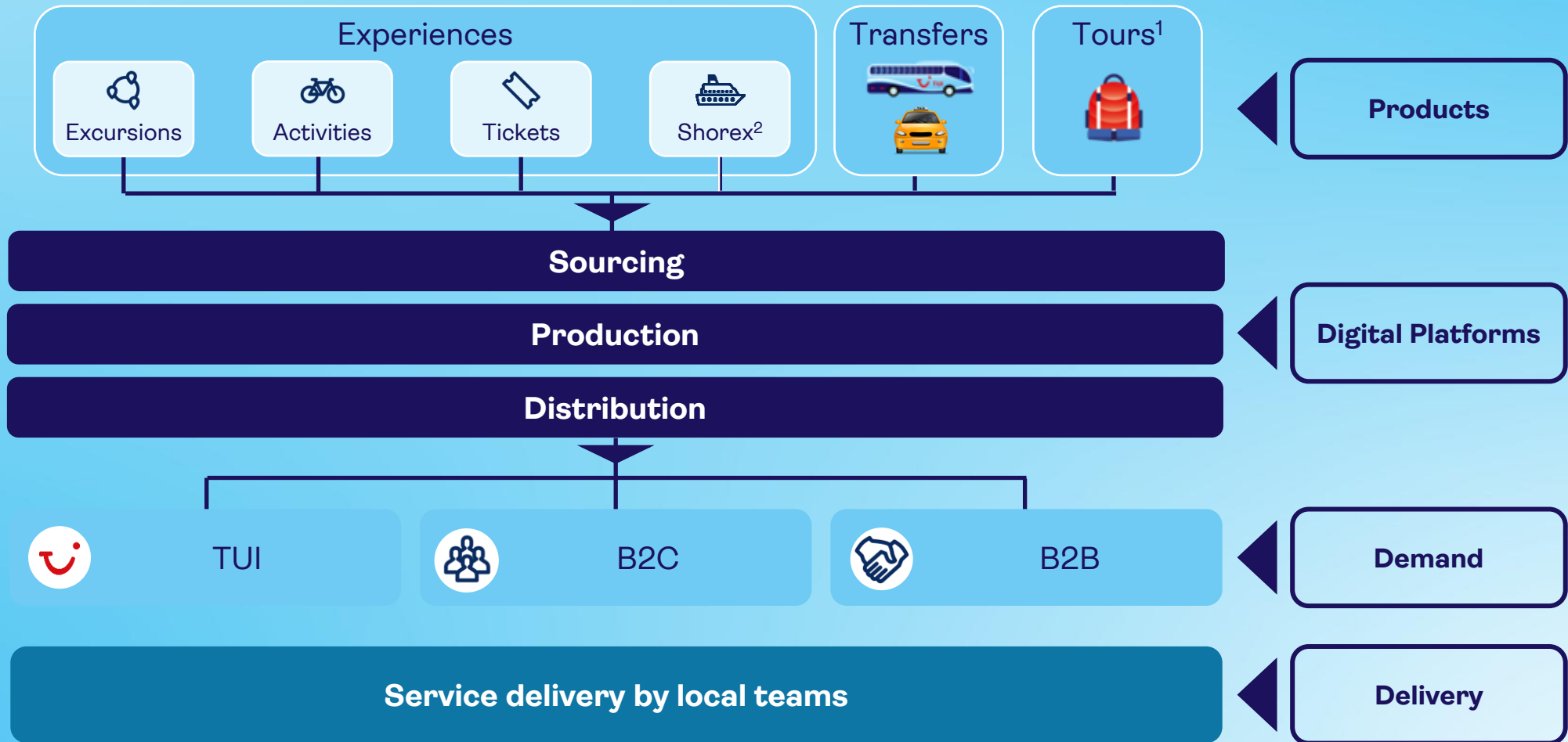
Enhance customer satisfaction metrics with higher Net Promoter Score

**TUI Musement's addressable market remains sizeable and will exceed pre-Covid levels in 2024 powered by the importance of tours & activities as a driver for travel and leisure**



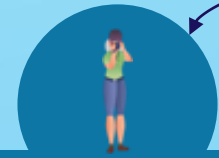
# A unique business model

End-2-end model enabled by state-of-the-art digital platforms



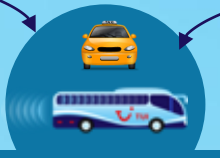
# TUI MM product categories

Driving digitalisation in our 3 complementary product categories



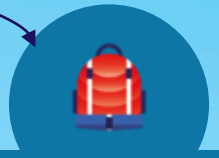
## Experiences

Extensive portfolio of the **most relevant excursions, activities, attraction tickets and shore excursions** around the world



## Transfers

**Shared and private transfers** between airports, ports & hotels

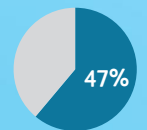


## Tours

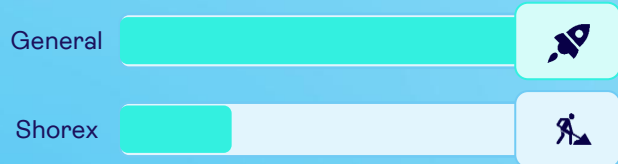
**Pre-defined & custom-made multi-day itineraries** encompassing accommodation, transfers, excursions and guides

Cross-selling between 3 categories

**Current Total Revenue share <sup>1</sup>**



**Readiness to scale**



**Potential growth**





# TUI Musement Summary & Highlights

TUI Musement has a unique position in a high growth market, developing at c.7%<sup>1</sup> p.a. within the travel industry

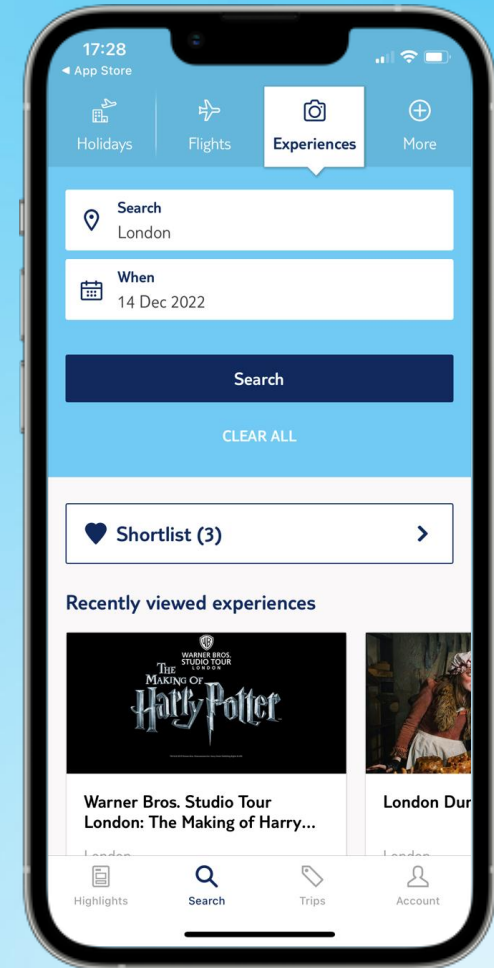
Profitable player positioned for growth combining a digital platform model with in-destination delivery

Differentiated value propositions within 3 distinct product categories: Experiences, Transfers & Tours – maximizing cross-selling between categories

Leveraging TUI Musement's attractive product portfolio to sell to TUI, B2C, and B2B customers

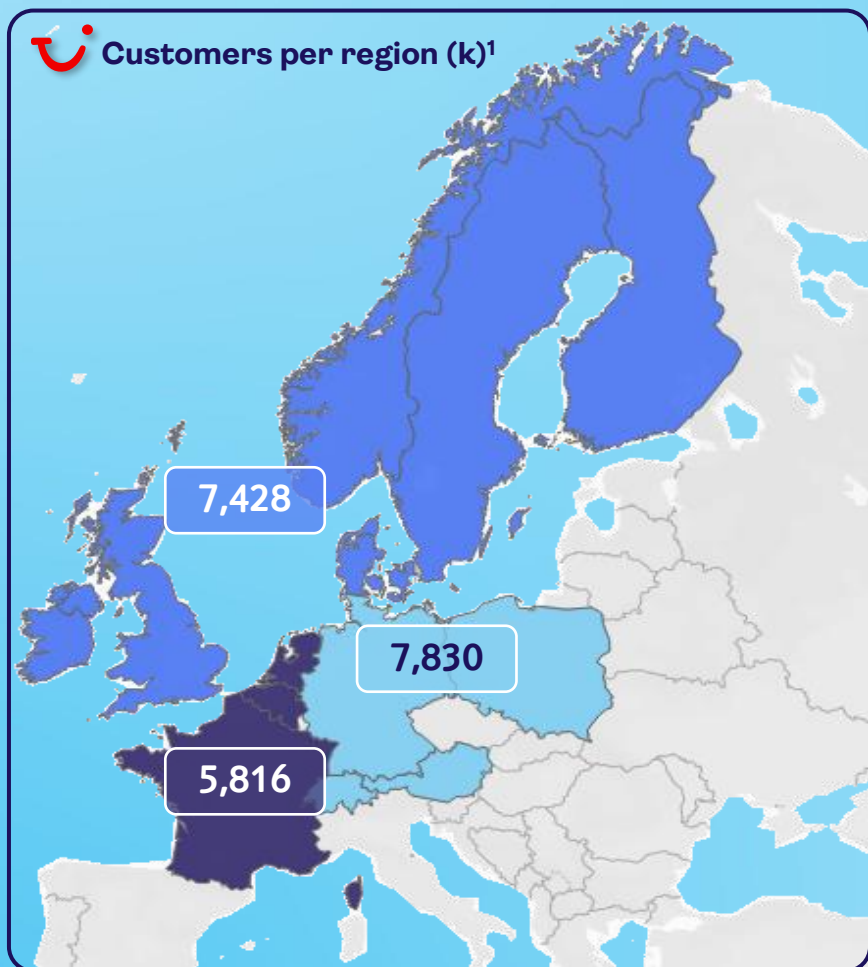
Growth, driven by further digitalisation, will be generated organically & through selected bold-on M&A opportunities

**Our ambition is to outperform growth of the T&A market whilst maintaining our profitability**



# **MARKETS & AIRLINES**

# Markets & Airlines – Market leader in package distribution, fulfilment, strong market and customer knowledge



## Leading brand

21m customers<sup>1</sup>

## NPS<sup>1</sup> of 54

Premium quality products & service

## 13 Markets

Leader in European tourism



## Omni-channel

App, web, travel agencies distribution

## One of the first airlines with SBTis



## 77%

Controlled distribution



# Markets & Airlines

## Key figures by Markets FY22 & FY21

Key figures FY22 (IFRS 16) (C-19)	Northern Region	Central Region	Western Region	Total Markets & Airlines
Customers (k)	6,475	5,873	4,383	16,730
External Revenue (€m)	6,320	5,774	2,713	14,806
Underlying EBIT (€m)	-102	88	-32	-45
EBIT margin (%)	n.m.	1.5	n.m.	n.m.
Direct Distribution Mix (%)	94	57	80	77
Online Mix (%)	71	30	60	54
Number of aircraft	71	22	40	133

Key figures FY21 (IFRS 16) (C-19)	Northern Region	Central Region	Western Region	Total Markets & Airlines
Customers (k)	826	2,673	1,862	5,361
External Revenue (€m)	808	2,323	976	4,107
Underlying EBIT (€m)	-966	-329	-177	-1,471
EBIT margin (%)	n.m	n.m	n.m	n.m
Direct Distribution Mix (%)	94	61	81	73
Online Mix (%)	74	34	63	50
Number of aircraft	69	26	41	136



# Markets & Airlines

## Key figures by Markets FY19

Key figures FY19 (IAS 17)	Northern Region	Central Region	Western Region	Total Markets & Airlines
Customers (k) <sup>1</sup>	7,428	7,830	5,816	21,075
External Revenue (€m)	6,355	6,417	3,237	16,009
Underlying EBIT <sup>2</sup> (€m)	59	102	-29	132
EBIT margin (%)	0.9	1.6	n/a	0.8
Direct Distribution Mix (%)	94	53	76	74
Online Mix (%)	67	23	57	48
Number of aircraft	68	37	43	148

FY19 includes impact of MAX grounding of -€293m



# Aircraft Commitments by Financing Type

	Operating Lease	Finance Lease	Owned	Held for Sale	Total
<b>As at 30 September 2021</b>	111	24	2	-	<b>137</b>
Order book financing	6	4	-	-	<b>10</b>
External Lessor deliveries	-	-	-	-	-
External Lessor returns	(13)	-	-	-	<b>(13)</b>
Disposals	-	-	-	-	-
Reclassified	-1	-1	2	-	-
<b>As at 30 September 2022</b>	<b>103</b>	<b>27</b>	<b>4</b>	<b>-</b>	<b>134</b>

IRFS16 has removed the accounting distinction between Operating and Finance Leases. However, in the above table, in case of an Operating Lease the aircraft will be returned to the lessor at the end of the lease period while in case of a Finance Lease TUI would expect to take ownership of the aircraft at the end of the lease period



# Aircraft order book deliveries – FY23 to FY27

	FY23	FY24	FY25	FY26	FY27
B737-MAX	5	16*	19*	-	-

Supplementary to the above firm orders, TUI Group has further aircraft options:

	FY23	FY24	FY25	FY26	FY27
B737-MAX	-	-	3	16	17

