

2020

FINANCIAL STATEMENTS TUI AG

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ANNUAL FINANCIAL STATEMENTS

Balance sheet of the TUI AG as at Sep 2020

€ '000	Notes	30 Sep 2020	30 Sep 2019
Assets			
Fixed assets	(1)		
Intangible assets		6,039	9,641
Property, plant and equipment		38,411	39,681
Investments			
Shares in Group companies		7,012,937	7,602,828
Other investments		1,031,142	993,317
		8,044,079	8,596,145
		8,088,529	8,645,467
Current assets			
Receivables and other assets	(2)	694,900	1,554,133
Cash in hand and bank balances	(3)	343,331	155,117
		1,038,231	1,709,250
Prepaid expenses	(4)	412	445
		9,127,172	10,355,162
Equity			
Shareholders' equity			
Subscribed capital	(5)	1,509,372	1,505,807
Conditional capital		150,000	150,000
Capital reserves	(6)	1,224,194	1,220,690
Revenue reserves	(7)	–	1,287,470
Profit available for distribution	(8)	190,874	1,494,119
of which retained earnings brought forward		1,176,048	1,374,121
		2,924,440	5,508,086
Special non-taxed items	(9)	69	70
Provisions			
Provisions for pensions and similar obligations	(10)	151,619	151,769
Other provisions	(11)	145,448	137,916
		297,067	289,685
Liabilities	(12)		
Bonds		300,000	300,000
Liabilities to banks		3,746,298	426,380
Trade accounts payable		5,542	4,859
Other liabilities		1,853,756	3,826,082
		5,905,596	4,557,321
Deferred income	(13)	–	–
		9,127,172	10,355,162

Profit and Loss Statement of TUI AG for the Period from 1 Oct 2019 to 30 Sep 2020
(previous year from 1 Oct 2018 to 30 Sep 2019)

€ '000	Notes		2020	2019
Revenue	(16)	39,059		140,984
Other operating income	(17)	750,273		249,428
			789,332	390,412
Cost of materials	(18)	13,796		8,691
Personnel costs	(19)	45,312		46,509
Depreciation / amortisation	(20)	3,086		2,002
Other operating expenses	(21)	455,717		488,970
			-517,911	-546,172
Net income from investments	(22)		-984,742	237,688
Write-downs of investments	(23)		1,556,800	40,602
Interest result	(24)		1,301	-173
Taxes on income and profit Expenses (+) / Income (-)	(25)		1,768	-73,722
Profit after taxes			-2,270,588	114,875
Other taxes Expenses (+) / Income (-)	(25)		2,056	-5,123
Net profit of the year			-2,272,644	119,998
Retained earnings brought forward			1,176,048	1,374,121
Withdrawal from revenue reserves			1,287,470	-
Profit available for distribution	(8)		+190,874	+1,494,119

NOTES

Notes of TUI AG for financial year 2020

As at 30 September 2020, TUI AG, Berlin and Hanover, is a large corporation as defined by Section 267 of the German Commercial Code (HGB). The Company is registered in the commercial registers of the district courts of Berlin-Charlottenburg (HRB 321) and Hanover (HRB 6580).

The annual financial statements are prepared in accordance with the accounting rules for large corporations of the German Commercial Code (HGB), taking account of the German Stock Corporation Act (AktG).

The income statement is prepared in accordance with the nature of expense method pursuant to Section 275 (2) of the German Commercial Code.

Individual items in the statement of financial position and income statement of TUI AG are grouped together in the interests of clear presentation. These items are reported separately in the Notes, together with the necessary explanations.

The financial year of TUI AG comprises the period from 1 October of any one year until 30 September of the subsequent year.

In the completed financial year 2020, the travel restrictions due to the COVID-19 pandemic caused a suspension of a large part of TUI Group's tour operation, aviation, hotel and cruise businesses from mid-March 2020, which significantly impacted the development of the Group's earnings and liquidity position. On 27 March 2020, TUI AG was granted German government approval for a bridge loan totalling €1.8bn in the framework of the state-supported COVID-19 programmes. The goal of the loan was to cushion the impact of the COVID-19-pandemic until normal business operations could be resumed. In addition, TUI AG and KfW Bank concluded an agreement on 12 August 2020 to increase the KfW tranche of the existing revolving credit facility (RCF), granted in April 2020, by €1,050.0m to €2,850.0m. TUI AG uses the facility to cover the daily working capital requirements of its subsidiaries. The measures outlined above such as the use of state support and a significant reduction in fixed costs within TUI Group serve to bridge the effects of the COVID-19 pandemic on TUI Group's liquidity. Further measures have been initiated to secure TUI AG's solvency. Detailed information is provided in the section Risk Report in the combined Management Report, which sets out risks that could threaten the existence of the Company. Due to the measures launched to preserve solvency, the going concern basis of accounting was adopted in preparing the financial statements of TUI AG.

Accounting and measurement

The accounting and measurement methods and the classification applied in the previous year were retained in the financial year under review.

Purchased intangible assets are measured at cost and amortised on a straight-line basis over the expected useful life of up to five years, for trademark rights up to fifteen years. Self-generated intangible assets are not capitalised.

Property, plant and equipment are measured at cost to purchase or cost to produce and depreciated over their expected useful life. For additions effected since financial year 2009/10, depreciation is calculated on a straight-line basis.

From 1 January 2018, movable depreciable assets with costs to purchase of €250 to €800 are fully depreciated in the year in which they are purchased. Movable depreciable assets with costs to purchase of €150 to €450 purchased between 1 January 2017 and 31 December 2017 are fully depreciated in the year in which they are purchased. Until financial year 2015/16, movable depreciable assets with costs to purchase of €150 to €1,000 had been grouped into collective annual items and depreciated over a period of five years in line with Section 6 (2a) of the German Income Tax Act (EStG).

The economic useful lives underlying scheduled depreciation are based on tax depreciation tables.

If the fair value of fixed assets is less than their carrying amount on the balance sheet date and the reduction in the value is expected to be permanent, they are impaired accordingly.

Shares in Group companies and participating interests as well as other investments are carried at the lower of cost or market value. Impairments are only recognised where losses are permanent.

The requirement to reinstate original values is met by means of write-ups.

Receivables and other assets are recognised at the lower of nominal or fair value as at the balance sheet date. Non-interest bearing non-current receivables are carried at their present value. For these items, all identifiable individual risks are accounted for by means of appropriate value adjustments. Bad debt is written off.

Cash and bank balances are carried at nominal values.

Current unhedged currency items are recognised at the average spot exchange rate at the balance sheet date. Non-current unhedged currency receivables and liabilities are translated at the average spot exchange rate at the date of the transaction or the closing rate, if lower, in the case of receivables and the closing rate, if higher, in the case of liabilities.

Where liabilities from pension schemes or part-time working schemes for employees approaching retirement are covered by insolvency-protected reinsurance policies or fund investments so that they are not accessible to other creditors, the fair values of the cover assets are eliminated against the fair values of the related liabilities. If liabilities exceed assets, the difference is shown under Provisions. Investments in reinsurance policies are measured at fair value, which corresponds to amortised cost.

Subscribed capital is carried at nominal value.

The special non-taxed item carried is based on the option to transfer book profits, used in prior financial years before the conversion to the German Accounting Law Modernisation Act (BilMoG), and thus includes differences between tax-based and commercial-law depreciation in accordance with Section 6b of the German Income Tax Act (EStG).

Provisions for pensions and similar obligations are measured on the basis of actuarial calculations in accordance with the projected unit credit method, taking account of Prof. Klaus Heubeck's 2018 G reference tables dated 20 July 2018, and discounted at an interest rate of 2.41 % (previous year 2.83 %). Discounting of the pension obligation is no longer based on the seven-year average market interest rate (1.71 %) published by the German Central Bank, but on the discount interest rate for the past ten years stipulated in Section 253 (2) of the German Commercial Code (HGB), which was 2.41 % for 2020. In determining the provisions for pensions and similar obligations, annual salary increases of 2.5 % (previous year 2.5 %) and pension increases of 5.25 % every three years (previous year 5.25 %) were assumed; moreover, an age- and gender-specific fluctuation of 0.0 % to 8.0 % p.a. (previous year 0.0 % to 8.0 %) was applied. In calculating the interest rate, use was made of the option to assume a remaining term of 15 years.

Provisions for taxes and other provisions are calculated on the basis of prudent business judgement principles and reflect all identifiable risks and doubtful obligations. They are measured at the repayable amounts, taking account of expected cost and price increases. Provisions with a remaining term of more than one year are always discounted at the average market interest rate for the past seven financial years corresponding to their remaining term.

Provisions for anniversary bonuses are determined based on a discount rate of 1.71 % p.a. (previous year 2.06 %), an age- and gender-specific fluctuation rate of 0.0 % to 8.0 % p.a. (previous year 0.0 % to 8.0 %) and an annual salary increase of 2.5 % (previous year 2.5 %).

Provisions for liabilities from part-time working schemes for employees approaching retirement are formed in accordance with the block model. The provisions are measured based on a discount rate of 0.60 % p.a. (previous year 0.77 %) and in accordance with actuarial principles founded on Prof. Klaus Heubeck's 2018 G reference tables and an annual salary increase of 2.5 % (previous year 2.5 %). The provisions for liabilities from part-time working schemes for employees approaching retirement were formed for part-time working schemes for employees reaching retirement already concluded at the balance sheet date and potential future part-time early retirement schemes. They comprise top-up payments and settlement obligations accrued until the balance sheet date by the Company.

Liabilities are carried at the repayable amounts.

Deferred taxes at TUI AG include deferred taxes of Group subsidiaries with which it forms a fiscal unity for income tax determination. The corporate income tax rate applied in measuring deferred taxes is 31.5 % (previous year 31.5 %) and embraces corporation tax, trade tax and the solidarity surcharge. Deferred tax assets are netted against deferred tax liabilities. The Company does not make use of the capitalisation option pursuant to Section 274 (1) sentence 2 of the German Commercial Code for the resulting net deferred tax asset.

Provisions are formed for negative fair values of derivative financial instruments.

The determination of the fair values for optional derivative financial instruments is based on the Black & Scholes model. Measurement of fixed-price transactions is based on the discounted cash flow of the transactions. Measurement of derivatives takes account of interest, price and volatility curves with matching maturities as at the balance sheet date.

Recognised IT systems are used to support measurement of the financial instruments. For quality assurance purposes, the amounts determined for externally concluded transactions are compared and reconciled with figures provided by external counterparties as at the balance sheet date.

All derivative financial instruments are fixed-price or optional over-the-counter (OTC) transactions for which a stock market price cannot be determined. The derivative fuel hedges are performed by means of cash compensation for the difference between the market value and the hedge price. The underlying items are not physically delivered.

Notes to the statement of financial position

(1) Fixed assets

Changes in the individual fixed asset items are shown in the statement of changes in assets, indicating depreciation and amortisation for the financial year under review. The statement of changes in assets is annexed to the Notes.

INVESTMENTS

In the financial year under review, investments declined by a total of €552.1 m.

Additions of shares in Group companies result from capital increases in subsidiaries. Along-side other capital increases, a capital increase worth €1,000.2 m in TUI Travel Ltd., London, in particular, resulted in an increase in shares in Group companies. An opposite effect was driven by payments of €144.4 m made for the repayment of capital in TUI Beteiligungsgesellschaft mbH.

In the financial year under review, write-downs of financial investments of €1,556.8 m were effected, exceeding additions and resulting in an overall decline in shares in Group companies. The total amount included write-downs of shares in Group companies worth €1,476.1 m.

In the financial year under review, loans to Group companies rose only slightly. New loans totalling €347.2 m were issued. This effect was nearly fully offset by redemptions totalling €373.6 m and write-downs of loans worth €36.9 m.

Securities held as fixed assets include an amount of €0.4 m (previous year €0.5 m) for the statutory protection of the obligations from part-time early retirement schemes of two subsidiaries.

(2) Receivables and other assets

Receivables and other assets

€ '000	30 Sep 2020	30 Sep 2019
Trade accounts receivable	1,856	1,639
of which with a remaining term of more than 1 year	–	–
Receivables from Group companies	520,980	1,413,335
of which with a remaining term of more than 1 year	19,558	–
Receivables from companies in which shareholdings are held	115,494	7,799
of which with a remaining term of more than 1 year	–	–
Other assets	56,570	131,360
of which with a remaining term of more than 1 year	34,331	45,765
	694,900	1,554,133

Receivables from Group companies and companies in which shareholdings are held include minor trade receivables at the respective balance sheet date.

Receivables from Group companies decreased in the financial year under review. This is mainly attributable to the results from profit and loss transfer agreements taken over in the financial year under review and the conversion into loan receivables from subsidiaries.

The increase in receivables from companies in which shareholdings are held is mainly attributable to the issuance of current loans and purchase price payments not yet due relating to the divestment of Hapag-Lloyd Kreuzfahrten GmbH.

Investments in reinsurance policies with the purpose of hedging pension obligations, pledged to the beneficiary without other creditors having right to access, are offset against the underlying obligations at an amount of €50.5 m (previous year €46.2 m).

The decrease in Other assets mainly results from a significant year-on-year decline in refund claims.

(3) Cash in hand and bank balances

This item consists almost exclusively of bank balances, invested primarily in the form of time deposits and overnight money.

Bank balances rose by €188.2 m year-on-year. While inflows were generated from the increase in the syndicated credit facility, outflows related to the issuance of non-current loans to Group companies and the short-term funding of Group companies. Additional outflows were attributable to dividend payments in the period under review. Bank balances include an amount of €52.1 m pledged as security for pension plans in the UK.

(4) Prepaid expenses

Prepaid expenses	30 Sep 2020	30 Sep 2019
€ '000		
Other prepaid expenses	412	445

Other prepaid expenses mainly comprise prepaid insurance premiums for the period from 2021 to 2026. To a minor extent, prepaid expenses also include prepaid services.

(5) Subscribed capital

TUI AG's subscribed capital consists of no-par value shares, each representing an identical share in the capital stock. The proportionate share in the capital stock attributable to each individual share is around €2.56. As the capital stock is divided into registered shares, the shareholder data is listed in a share register.

The subscribed capital of TUI AG is registered in the commercial registers of the district courts of Berlin-Charlottenburg and Hanover. In the financial year under review, 1,394,512 employee shares were issued. As a result, subscribed capital consisted of 590,415,100 shares at the end of the financial year. It increased by €3.6 m to €1,509.4 m.

The Annual General Meeting on 11 February 2020 authorised the Executive Board of TUI AG to acquire own shares of up to 5% of the capital stock. This authorisation will expire on 10 August 2021. To date, the option to acquire own shares has not been used.

In accordance with Section 71 (1) no. 2 of the German Stock Corporation Act, TUI AG acquired 102,293 own shares to be issued to employees in the framework of the employee share plan. The volume of acquired shares totalled €1.0 m. At the balance sheet date TUI AG did not hold any own shares.

CONDITIONAL CAPITAL

The Annual General Meeting on 9 February 2016 resolved to create conditional capital of €150.0m for the issue of bonds. The issue of bonds with conversion options or warrants, profit-sharing rights and income bonds (with or without fixed terms) is limited to a total nominal volume of €2.0bn under this authorisation, which will expire on 8 February 2021. This authorisation was fully utilised with the issuance of a bond with warrants worth €150m to the Economic Stabilisation Fund in October 2020.

As at 30 September 2020, TUI AG had total conditional capital of €150.0m.

AUTHORISED CAPITAL

The Annual General Meeting on 13 February 2018 resolved authorised capital for the issue of employee shares worth €30.0m. The Executive Board of TUI AG has been authorised to use this capital in one or several transactions to issue employee shares against cash contribution by 12 February 2023. 1,394,512 new employee shares were issued in the completed financial year, so that authorised capital totalled around €22.3m at the balance sheet date.

The Annual General Meeting on 9 February 2016 resolved to authorise the issue of new registered shares against cash contribution of up to a maximum of €150.0m. This authorisation will expire on 8 February 2021.

The Annual General Meeting on 9 February 2016 also resolved to create authorised capital for the issue of new shares against cash or non-cash contribution of €570.0m. The issue of new shares against non-cash contribution is limited to €300.0m. The authorisation for this capital will expire on 8 February 2021.

Unused authorised capital thus totals around €742.3m (previous year around €745.8m) as at the balance sheet date.

(6) Capital reserves

Capital reserves include transfers from share premiums. They also comprise amounts from conversion options and warrants for the purchase of shares in TUI AG generated by bond issues. In addition, premiums from the exercise of conversion options and warrants were transferred to the capital reserves. In the financial year under review, capital reserves rose by a total of €3.5m due to the issue of employee shares and share-based compensation.

(7) Revenue reserves

Revenue reserves solely consist of Other revenue reserves. There are no provisions in the Articles of Association on the formation of reserves. The revenue reserves were fully released.

(8) Profit available for distribution

The net loss for the year totals €2,272.6m. Taking account of profit carried forward of €1,176.0m and the reduction in revenue reserves of €1,287.5m, profit available for distribution shown in the statement of financial position amounts to €190.9m. A proposal will be submitted to the Annual General Meeting to carry the profit available for distribution for the financial year under review forward on new account.

(9) Special non-taxed item

The special non-taxed item of €0.1 m (previous year €0.1 m) includes tax-related depreciation of fixed assets effected in previous years in accordance with Section 6b of the German Income Tax Act.

(10) Pension provisions

The fair value of the plan assets, corresponding to the cost to purchase, totals €50.5 m (previous year €46.2 m). Elimination of the assets from reinsurance policies against the gross value of the pension provisions of €202.1 m (previous year €198.0 m) results in a liability of €151.6 m (previous year €151.8 m) as at the balance sheet date.

(11) Other provisions

Other provisions	30 Sep 2020	30 Sep 2019
€ '000		
Tax provisions	35,548	34,887
Other provisions	109,900	103,029
	145,448	137,916

Tax provisions exist for corporate income and sales taxes in Germany.

The increase in Other provisions mainly results from the formation of a provision for guarantee obligations and additions to provisions for outstanding supplier invoices. An opposite effect was driven by reversals of provisions for the Executive Board and reversals of provisions for onerous losses from the valuation of forward exchange transactions. Pending transactions are carried in Other provisions at the negative fair values shown in the table "Provisions for negative fair values in other provisions".

This item also includes provisions for staff costs, for operational risks and investment risks as well as hedges on behalf of tourism companies at the balance sheet date.

Insolvency-protected non-current investments with a fair value of €0.1 m (previous year €0.2 m) for securing part-time working scheme credits for employees approaching retirement were eliminated against corresponding provisions of €0.6 m (previous year €0.6 m).

An amount of €47.0 m (previous year €47.7 m) of Other provisions has a remaining term of up to one year, €68.7 m (previous year €58.5 m) a remaining term of one to five years and €29.7 m (previous year €31.7 m) a remaining term of more than five years.

(12) Liabilities

€ '000	30 Sep 2020		30 Sep 2019	
	Remaining items	Total	Remaining items	Total
Liabilities				
Bonds		300,000		300,000
up to 1 year	–	–	–	–
1 – 5 years	300,000	–	300,000	–
more than 5 years	–	–	–	–
of which convertible	–	–	–	–
up to 1 year	–	–	–	–
1 – 5 years	–	–	–	–
Liabilities to banks		3,746,298		426,380
up to 1 year	3,321,298	–	1,380	–
1 – 5 years	392,500	–	183,000	–
more than 5 years	32,500	–	242,000	–
Trade accounts payable (exclusively up to 1 year)		5,542		4,859
Other liabilities		1,853,756		3,826,082
up to 1 year	1,838,756	–	3,826,082	–
1 – 5 years	15,000	–	–	–
more than 5 years	–	–	–	–
of which liabilities to Group companies	–	1,825,404	–	3,797,915
up to 1 year	1,825,404	–	3,797,915	–
1 – 5 years	–	–	–	–
more than 5 years	–	–	–	–
of which liabilities to companies in which shareholdings are held (exclusively up to 1 year)	–	7	–	7
of which Other liabilities	–	28,345	–	28,160
up to 1 year	13,345	–	28,160	–
1 – 5 years	15,000	–	–	–
more than 5 years	–	–	–	–
of which from taxes	–	1,738	–	1,416
of which relating to social security	–	113	–	170
		5,905,596		4,557,321

In October 2016, TUI AG issued Senior Notes worth €300.0m maturing in October 2021. The interest coupon is 2.125 % per annum.

Liabilities to banks include liabilities from an unsecured Schuldschein with banks worth €425.0m, issued in July 2018. The proceeds from the issuance of this Schuldschein are used for general corporate financing purposes. The Schuldschein has different tenors of five to ten years including floating (based on EURIBOR) and fixed rate tranches.

Liabilities to Group companies and companies in which interests are held include minor trade payables as at the respective balance sheet date.

TUI AG's syndicated revolving credit facility previously totalling €1.75 bn (including a tranche of €215.0m for a letter of credit facility) was increased by €1.8 bn to €3.55 bn in April 2020 due to the impact of the COVID-19 pandemic. In August 2020, this facility was increased by a further €1.05 bn to €4.6 bn. This second increase was subject to two conditions: the holders of TUI AG's €300 m Senior Notes would have to grant their consent to an amendment to certain terms and conditions of the Senior Notes, and TUI AG would have to issue a bond with warrants totalling €150.0 m to the Economic Stabilisation Fund. The second of these two conditions was fulfilled in October 2020.

The credit facility is available to TUI AG for general corporate financing purposes until July 2022. The additional tranches totalling €2.85 bn will already mature in October 2021 provided the €300 m Senior Notes due in October 2021 are not refinanced prior to the end of July 2021.

For cash drawdowns, the facility carries a floating interest rate based on the short-term interest rate level (EURIBOR or LIBOR) and TUI's credit rating plus a margin.

As at the balance sheet date, cash drawdowns from this credit facility totalled €3,315.9 m.

As in the previous year, the liabilities shown were not secured by rights of lien or similar rights.

(13) Contingent liabilities

Contingent liabilities	30 Sep 2020	30 Sep 2019
€ '000		
Liabilities under guarantees	5,734,353	6,947,175
Liabilities under warranties	22	23
	5,734,375	6,947,198
of which in favour of Group companies	5,636,885	6,890,707

TUI AG has taken over guarantees and warranties on behalf of subsidiaries and third parties, mainly serving the settlement of ongoing business transactions and the collateralisation of loans. The decrease in guarantee commitments by TUI AG to Group companies mainly results from the reduction in a guarantee for pensions in the UK and the decline in liabilities from aircraft contracts.

Due to the economic situation of the companies for which TUI AG has issued guarantees and warranties, we assume that these companies will be able to meet their payment obligations. Therefore the guarantees and warranties taken over by TUI AG are not expected to be used.

(14) Other financial commitments**Other financial commitments**

€ '000	30 Sep 2020	30 Sep 2019
Lease, rental and leasing	34,900	34,965
up to 1 year	3,437	3,534
1 – 5 years	13,226	12,623
more than 5 years	18,237	18,808

The commitments from lease, rental and leasing contracts mainly comprise future rent payments for the administrative building.

(15) Derivative financial instruments**Derivative financial instruments as at 30 Sep 2020**

€ '000	Nominal volume	Fair values	
		positive	negative
Currency hedges	311,989	8,316	7,524
of which with Group companies	33,419	2,503	975
Commodity hedges	88,975	10,565	10,565
of which with Group companies	–	–	–
Interest rate hedges	246,000	851	5,763
of which with Group companies	46,000	–	1,454

The fuel hedges relate to bunker requirements for cruise ships.

Provisions for negative market values in other provisions

€ '000	30 Sep 2020	30 Sep 2019
Currency hedges	7,524	25,809
Commodity hedges	10,565	–
Interest rate hedges	5,763	10,637
	23,852	36,446

Due to the divestment of Hapag-Lloyd Kreuzfahrten GmbH, the valuation unit for fuel hedges was dissolved.

Notes to the income statement

(16) Revenue by geographical region

Geographical breakdown of revenue

€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Germany	22,514	64,455
of which with Group companies	18,404	59,649
EU (excl. Germany)	15,111	71,977
of which with Group companies	14,950	71,761
other countries	1,434	4,552
	39,059	140,984

The decrease in revenue is mainly driven by lower revenue from license fees.

(17) Other operating income

Other operating income

€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Reversal of special non-taxed item	1	1
Miscellaneous other operating income	750,272	249,427
	750,273	249,428

The increase in other operating income mainly results from the income from the sale of investments. In July 2020, the stake in Hapag-Lloyd Kreuzfahrten GmbH was sold to TUI Cruises GmbH.

Miscellaneous other operating income mainly includes gains on exchange of €180.5 m (previous year €81.0 m), which went hand in hand with losses on exchange of €178.3 m (previous year €83.9 m) carried under Other operating expenses.

This item also includes income from the intercompany rebilling of expenses of €46.1 m (previous year €110.1 m).

Other operating income also includes income from the reversal of provisions no longer required, income from the sale of investments, refund claims and write-backs of financial investments.

(18) Cost of material

Cost of materials		
€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Cost of purchased services	13,796	8,691

(19) Personnel costs

Personnel costs		
€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Wages and salaries	35,292	35,481
Social security contributions, pension costs and benefits	10,020	11,028
of which pension costs	5,831	7,119
	45,312	46,509

Pension costs decreased mainly due to changes in pension provisions. Wages and salaries are flat year-on-year.

(20) Depreciation/ amortisation

Depreciation/ amortisation		
€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Amortisation of intangible assets and depreciation of property, plant and equipment	3,086	2,002

(21) Other operating expenses

Other operating expenses		
€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Miscellaneous other operating expenses	455,717	488,970

This item comprises in particular expenses for exchange losses of €178.3 m (previous year €83.9 m), carried alongside exchange gains of €180.5 m (previous year €81.0 m) shown under Other operating income.

This item also includes expenses for the intercompany elimination of services of €22.8 m (previous year €85.3 m), which went hand in hand with income from the rebilling of expenses to other Group companies, carried under Other operating income.

The decrease in Other operating expenses is partly driven by the decline in write-downs of receivables from Group companies totalling €109.0 m (previous year €202.6 m).

Further expenses were above all incurred for financial and monetary transactions, fees, charges, service fees and other administrative costs.

(22) Income from investments

Net income from investments		
€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Income from participations	3,432	198,559
of which from Group companies	–	8,082
Income from profit transfer agreements	75,822	132,912
of which from Group companies	75,822	132,912
Expenses relating to losses taken over	–1,063,996	–93,783
of which from Group companies	–1,063,996	–93,783
	–984,742	237,688

The decrease in net income from investments was mainly driven by a decline in income from investments, which went hand in hand with an increase in expenses for losses taken over. The income from profit and loss transfer agreements includes transfers from companies allocable to Central Operations. The expenses for losses taken over mainly relate to Leibniz-Service GmbH as well as hotel companies and companies allocable to Central Operations.

(23) Write-downs of investments

In the financial year under review, write-downs of investments worth €1,556.8 m were effected (previous year €40.6 m), including write-downs of shares in Group companies of €1,476.1 m. The write-downs primarily relate to subsidiaries in tour operation and, to a lesser extent, shares in hotel companies.

(24) Interest result**Interest result**

€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Income from other securities and long-term loans	20,776	14,679
of which from Group companies	20,776	14,679
Other interest and similar income	96,544	41,524
of which from Group companies	93,978	38,813
Interest and similar expenses	–116,019	–56,376
of which to Group companies	–5,155	–12,534
	1,301	–173

The interest result rose year-on-year. The increase in interest and similar expenses results from the increase in TUI AG's syndicated credit facility, which was nearly fully offset by the increase in interest and similar income and in income from other securities and long-term loans in the interest result.

Interest expenses include expenses for the compounding of provisions for pensions and other non-current provisions totalling € 15.4 m (previous year € 18.6 m) after elimination of interest income of € 2.5 m (previous year € 2.1 m) from the reinsurance policies serving as cover assets.

(25) Taxes**Taxes**

€ '000	1 Oct 2019 – 30 Sep 2020	1 Oct 2018 – 30 Sep 2019
Taxes on income	1,768	–73,722
Other taxes	2,056	–5,123
	3,824	–78,845

Taxes on income and other taxes mainly result from the regular reassessment of provisions and subsequent tax payments for income and transfer taxes in Germany for prior periods.

Taxes on income do not include any deferred taxes. Receivables and intangible assets initially result in a deferred tax liability, which, however, is fully netted against deferred taxes from other provisions and pension provisions. Deferred tax assets exceeding the netted tax assets and liabilities are not recognised in accordance with the capitalisation option pursuant to Section 274 (1) sentence 2 of the German Commercial Code (HGB).

EXPENSES AND INCOME ATTRIBUTABLE TO PRIOR PERIODS

Income of € 520.1 m and expenses of € 71.6 m are attributable to prior financial years and included in Other operating income and expenses.

Income attributable to prior periods relates in particular to income from the disposal of investments, income from intercompany elimination of services for prior years and income from the reversal of provisions no longer required and reversals of write-downs of financial investments.

Expenses attributable to prior periods mainly relate to impairments of receivables and subsequent charges for intercompany elimination of services and taxes.

Other Notes

Events after the balance sheet date

TUI AG has agreed with Unifirm Ltd., a syndicate of underwriting banks, KfW and the Economic Support Fund (Wirtschaftsstabilisierungsfonds – WSF) on a further financing package of € 1.8bn for TUI. A corresponding termsheet was signed on December 2, 2020. The corresponding contracts for the individual components of the termsheet had not yet been signed at the time of publication of this report. Official EU approvals for parts of this package are still awaited. The package includes both the provision of financial liability and of equity. For further information we refer to the section Risk Report in the combined Management Report.

Difference according to Section 253 (6) of the German Commercial Code (HGB)

The difference according to Section 253 (6) of the German Commercial Code that is subject to a payout block amounts to €15.3 m in the financial year under review (previous year €15.7 m).

Related persons

In the financial year under review, all material transactions with related parties were concluded on an arm's length basis.

Employees

The average headcount for the financial year under review is 295 (previous year 295), including 24 executives (previous year 24). Trainees are not included in this figure.

Remuneration for former Executive Board members and their surviving dependants

Remuneration for former Executive Board members and their surviving dependants totalled €6.1 m (previous year €6.0 m) in the financial year under review. Provisions for pension obligations for former Executive Board members and their surviving dependants amounted to €69.7 m (previous year €70.8 m).

Disclosures of the relevant amounts for individual Board members and further details on the remuneration system are provided in the Remuneration Report included in the Management Report.

Total auditors' fees

The annual financial statements of TUI AG are audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft. The expenses incurred for the services delivered by the auditors in financial year 2020 break down as follows:

Services of the auditors of the consolidated financial statements

€ million	2020	2019
Audit fees for TUI AG and subsidiaries in Germany	3.3	3.2
Audit fees	3.3	3.2
Review of interim financial statements	0.8	1.6
Other certification services (mainly in connection with comfort letters)	0.5	0.1
Other certification services	1.3	1.7
Total	4.6	4.9

Group affiliation

TUI AG, the parent company of the TUI AG Group, prepares the consolidated financial statements for the largest and smallest group of companies in accordance with international financial accounting standards (IFRS), as required by Section 315a of the German Commercial Code. TUI AG's consolidated financial statements and Group management report are electronically submitted to the operator of the federal gazette in line with Section 325 of German Commercial Code and released to the general public. They are available on the Internet at www.bundesanzeiger.de and at www.unternehmensregister.de under the key words TUI AG/TUI Aktiengesellschaft. They are also published at www.tui-group.com/de.

Shareholder structure

In financial year 2020 and in prior years, TUI AG was notified of changes in shareholdings held by third parties pursuant to Section 33 (1) of the German Securities Trading Act (WpHG), published these notifications pursuant to Section 40 (1) sentence 1 of the German Securities Trading Act and communicated them to the business register. Notifications still applicable as at 30 September 2020 are listed below in short form.

→ More detailed information is available on the Company's website (www.tuigroup.com).

KN-HOLDING LIMITED LIABILITY COMPANY / UNIFIRM LIMITED

KN-Holding Limited Liability Company, Cherepovets, Russia, notified us that the voting rights in TUI AG attributable to them exceeded the 20 % threshold on 20 June 2019 and amounted to 24.99 % of the voting rights in TUI AG (146,963,612 voting rights) as at that date. All voting rights were attributable to them via Unifirm Limited, Nicosia, Cyprus, in line with Section 34 of the German Securities Trading Act. In this context, Alexei A. Mordashov, Russia, notified us that the voting rights in TUI AG attributable to him fell below the 20 % threshold on 20 June 2019 and amounted to 0.00 % (0 voting rights) as at that date.

LUIS RIU AND CARMEN RIU

Luis Riu and Carmen Riu, Spain, notified us that their shareholding in TUI AG fell below the threshold of 5 % of the voting rights on 11 December 2014 for each of them and now total 3.72 % (19,854,616 voting rights) for each of them. These 3.72 % are attributable to each of them due to the joint exercise of control over RIU HOTELS S.A. and SARANJA S.L., each located at Playa de Palma, Mallorca, Spain, pursuant to Section 34 of the German Securities Trading Act (the voting rights attributable to them relate to the same shareholding).

DH DEUTSCHE HOLDINGS LIMITED

DH Deutsche Holdings Limited notified us that its shareholding in TUI AG exceeded the threshold of 5 % of the voting rights on 7 April 2020 and amounted to 5.1 % (30,040,050 voting rights) as at that date. All voting rights were attributable to the company pursuant to Section 34 of the German Securities Trading Act.

DH Deutsche Holdings Limited is indirectly controlled by Hamed El Chiaty via Lawson International Investments Ltd.

STANDARD LIFE ABERDEEN PLC

Standard Life Aberdeen Plc, Edinburgh, United Kingdom (UK), notified us that its shareholding in TUI AG fell below the threshold of 3 % of the voting rights on 7 April 2020 and amounted to 2.95 % (17,350,687 voting rights) as at that date. All voting rights were attributable to Standard Life Aberdeen Plc pursuant to Section 34 of the German Securities Trading Act. Standard Life Aberdeen Plc, also notified us on 7 April 2020 that it owned instruments (securities lending) pursuant to section 38 (1) no. 1 of the German Securities Trading Act for voting rights of 0.05 % (300,000 voting rights). In total, the company thus notified us of voting rights of 2.995 %.

BLACKROCK INC.

BlackRock Inc., Wilmington, DE, US, notified us that its shareholding in TUI AG amounted to 0.78 % (4,593,264 voting rights) of the voting rights on 29 May 2020. All voting rights were attributable to BlackRock Inc. pursuant to Section 34 of the German Securities Trading Act. BlackRock, Inc., also notified us that it owned instruments (securities lending) pursuant to Section 38 (1) no. 1 of the German Securities Trading Act for voting rights of 3.21 % (18,910,048 voting rights) and instruments (contract for difference) pursuant to Section 38 (1) no. 2 of the German Securities Trading Act for voting rights of 0.004 % (25,042 voting rights) on 29 May 2020. In total, the company thus notified us of voting rights of 3.99 %.

➔ *More detailed information is available on the TUI AG's website (www.tuigroup.com).*

List of shareholdings of TUI AG pursuant to section 285 (11), (11a) and (11b) of the German Commercial Code

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
Consolidated related companies				
Tourism				
Absolut Holding Limited, Qormi	Malta	99.9	6,257.9	6,005 EUR
Acampora Travel S.r.l., Sorrent	Italy	100	3,112.4	1,620.3 EUR
Adehy Limited, Dublin	Ireland	100	2,133.4	-40.5 EUR
Advent Insurance PCC Limited (Absolut Cell), Qormi	Malta	100	12,689.8	1,427.5 EUR
Africa Focus Tours Namibia (Proprietary) Limited, Windhuk	Namibia	100	9,451.9	6,179.1 NAD
Antwun S.A., Clémency	Luxembourg	100	3,478.5	-33.9 EUR
ATC African Travel Concept Proprietary Limited, Kapstadt	South Africa	50.1	39,543.5	23,461.8 ZAR
ATC-Meetings and Conferences Proprietary Limited, Kapstadt	South Africa	100	26.9	41 ZAR
B.D.S Destination Services Tours, Kairo	Egypt	100	-116.4	0 EGP
BU RIUSA II EOOD, Sofia	Bulgaria	100	15	0 BGN
Cabotel-Hotelaria e Turismo Lda., Santiago	Cape Verde	100	29,202,077	3,438,655 CVE
Cassata Travel s.r.l., Cefalù (Palermo)	Italy	66	287.9	167.5 EUR
Cel Obert SL, Sant Joan de Caselles	Andorra	100	2,636	178 EUR
Chaves Hotel & Investimentos S.A., Sal-Rei, Boa Vista Island	Cape Verde	100	2,054,220.2	0 CVE
Citirama Ltd., Quatre Bornes	Mauritius	100	28,554.4	7,253.6 MUR
Club Hotel CV SA, Santa Maria	Cape Verde	100	619,338.4	-530,611.8 CVE
Club Hôtel Management Tunisia SARL, Djerba	Tunisia	100	-8,054.1	-3,279.4 TND
Cruisetour AG, Zürich	Switzerland	100	2,076.9	903.7 CHF
Crystal Holidays, Inc, Wilmington (Delaware)	United States	100	134.4	-0.8 USD
Daidalos Hotel- und Touristikunternehmen A.E., Athen	Greece	89.8	14,769.1	1,938.6 EUR
Darecko S.A., Clémency	Luxembourg	100	5,847.6	-49.3 EUR
Destination Services Morocco SA, Agadir	Morocco	100	13,449.4	-1,021.3 MAD
Destination Services Singapore Pte Limited, Singapur	Singapore	100	29,292.8	-118.7 SGD
Egyptian Germany Co. for Hotels Limited, Kairo	Egypt	66.6	556.5	481.5 EGP
Elena SL, Palma de Mallorca	Spain	100	5,096.4	0 EUR
Entreprises Hotelières et Touristiques PALADIEN Lena Mary A.E., Argolis	Greece	100	9,166.3	103.4 EUR
ETA Turizm Yatirim ve Isletmeleri A.S., Ankara ⁴	Turkey	100	173,668.7	19,858.5 TRY
Evre Grup Turizm Yatirim A.Ş., Ankara	Turkey	100	17,517.2	-24 TRY
Explorers Travel Club Limited, Luton	United Kingdom	100	1,884.2	-105.3 GBP
Faberest S.r.l., Verona ⁴	Italy	100	134.4	59.7 EUR
First Choice (Turkey) Limited, Luton	United Kingdom	100	5,048	22.6 EUR
First Choice Holiday Hypermarkets Limited, Luton	United Kingdom	100	0	0 GBP
First Choice Holidays & Flights Limited, Luton	United Kingdom	100	490	485 GBP
First Choice Land (Ireland) Limited, Dublin	Ireland	100	0	0 EUR
First Choice Travel Shops Limited, Luton	United Kingdom	100	0	0 GBP
FIRST Reisebüro Güttler GmbH & Co. KG, Dormagen	Germany	75.1	51.1	² EUR
FIRST Travel GmbH, Hannover ¹	Germany	100	25.6	0 EUR
flyloco GmbH, Rastatt ¹	Germany	100	102.3	0 EUR
Follow Coordinate Hotels Portugal Unipessoal Lda, Albufeira	Portugal	100	2,811.9	768.2 EUR
Fritidsresor Tours & Travels India Pvt Ltd, Bardez, Goa	India	100	-215.6	-66.4 INR
GBH Turizm Sanayi Isletmecilik ve Ticaret A.Ş., Istanbul	Turkey	100	23,877.8	14,795 TRY
GEAFOND Número Dos Fuerteventura S.A., Las Palmas, Gran Canaria	Spain	100	1,392.5	-2.2 EUR

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
GEAFOND Número Uno Lanzarote S.A., Las Palmas, Gran Canaria	Spain	100	3,467	220 EUR
Gemma Limited, Unguja	Tanzania	100	14,039,710	-361,845 TZS
German Tur Turizm Ticaret A.Ş., Izmir	Turkey	100	-55,433.8	-47,542.9 TRY
Groupement Touristique International SAS, Lille	France	100	2,154.3	-394.2 EUR
Gulliver Travel d.o.o., Dubrovnik	Croatia	100	34,038	10,342 HRK
Hannibal Tourisme et Culture SA, Tunis	Tunisia	100	99.3	105.3 TND
Hapag-Lloyd Reisebüro Hagen GmbH & Co. KG, Hannover	Germany	70	100	² EUR
Hellenic EFS Hotel Management E.P.E., Athen	Greece	100	6,303.9	1,776.5 EUR
Holiday Center S.A., Cala Serena/Cala d'Or	Spain	100	22,080	3,162.6 EUR
Holidays Services S.A., Agadir	Morocco	100	29,727.2	6,689.9 MAD
Iberotel International A.S., Antalya	Turkey	100	17,999.2	-25,074.9 TRY
Iberotel Otelcilik A.Ş., Istanbul	Turkey	100	22,384.2	-5,639.3 TRY
Inter Hotel SARL, Tunis	Tunisia	100	-60,293.4	0 TND
Intercruises Shoreside & Port Services Canada, Inc., Quebec	Canada	100	4,716.8	-170 CAD
Intercruises Shoreside & Port Services Pty Limited, Sydney	Australia	100	6,345.5	1,139 AUD
Intercruises Shoreside & Port Services Sam, Monaco	Monaco	100	273.8	82.6 EUR
Intercruises Shoreside & Port Services SARL, Paris	France	100	683.6	11.3 EUR
Intercruises Shoreside & Port Services, Inc., State of Delaware	United States	100	823	-1,710.8 USD
Itaria Limited, Nikosia	Cyprus	100	-368.8	-43.4 EUR
Jandia Playa S.A., Morro Jable/Fuerteventura	Spain	100	79,036.5	6,870.1 EUR
Kurt Safari Proprietary Limited, White River – Mpumalanga	South Africa	51	6,443.9	3,488.5 ZAR
Kybele Turizm Yatırım San. Ve Tic. A.Ş., Istanbul ⁷	Turkey	100		
Label Tour EURL, Levallois Perret	France	100	1,240.1	84.9 EUR
Last-Minute-Restplatzreisen GmbH, Rastatt ¹	Germany	100	27.4	0 EUR
Le Passage to India Tours and Travels Pvt Ltd, New Delhi	India	91	226,820.8	38,976.3 INR
Lima Tours S.A.C., Lima	Peru	100	71,318	-1,315 PEN
Lodges & Mountain Hotels SARL, Notre Dame de Bellecombe, Savoie	France	100	-5,248.1	-444.7 EUR
l'tur GmbH, Rastatt ¹	Germany	100	758.5	0 EUR
L'TUR Suisse AG, Dübendorf/ZH	Switzerland	99.5	268.1	113.3 CHF
Lunn Poly Limited, Luton	United Kingdom	100	0	0 GBP
Luso Ds – Agência de Viagens Unipessoal Lda, Faro	Portugal	100	2,659	254.7 EUR
Magic Hotels SA, Tunis	Tunisia	100	-16,880.5	-9,195.7 TND
MAGIC LIFE Assets GmbH, Wien	Austria	100	9,583.4	9,754.5 EUR
Magic Life Egypt for Hotels LLC, Sharm el Sheikh	Egypt	100	-211,730.7	-96,167.3 EGP
Magic Tourism International S.A., Tunis	Tunisia	100	40.1	-3.4 TND
Manahe Ltd., Quatre Bornes	Mauritius	51	102,803.5	26,188.9 MUR
Marella Cruises Limited, Luton ⁷	United Kingdom	100		
Medico Flugreisen GmbH, Rastatt ¹	Germany	100	127.8	0 EUR
Meetings & Events International Limited, Luton	United Kingdom	100	2,571.5	-438.7 GBP
Meetings & Events Spain S.L.U., Palma de Mallorca	Spain	100	-68	-352 EUR
Meetings & Events UK Limited, Luton	United Kingdom	100	-1,574.1	348.4 GBP
Morvik EURL, Bourg Saint Maurice ⁵	France	100	-1,701.7	-88 EUR
Musement S.p.A., Mailand ⁴	Italy	100	-4,444.2	-10,210.3 EUR
MX RIUSA II S.A. de C.V., Cabo San Lucas	Mexico	100	7,420,339.3	862,961.8 MXN
Nazar Nordic AB, Malmö	Sweden	100	61,061.7	-154.9 SEK
Nordotel S.A., San Bartolomé de Tirajana	Spain	100	93,600.5	1,524.9 EUR

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
Nouvelles Frontières Senegal S.R.L., Dakar	Senegal	100	930,536.3	124,900.8 XOF
Nungwi Limited, Sansibar	Tanzania	100	60,209,232.9	763,808.9 TZS
Ocean College LLC, Sharm el Sheikh	Egypt	100	10,334.3	-2,694.8 EGP
Ocean Ventures for Hotels and Tourism Services SAE, Sharm el Sheikh	Egypt	98	-6,045.4	0 EGP
Pacific World (Beijing) Travel Agency Co., Ltd., Peking	China	100	-1,856.1	-913 CNY
Pacific World (Shanghai) Travel Agency Co. Limited, Shanghai	China	100	14,376.2	1,419.6 CNY
Pacific World Destination East Sdn. Bhd., Penang	Malaysia	65	48,013.7	2,617.5 MYR
Pacific World Meetings & Events (Thailand) Limited, Bangkok ⁶	Thailand	49	-21,088.5	-21,120 THB
Pacific World Meetings & Events Hellas Travel Limited, Athen	Greece	100	-9.6	-5.9 EUR
Pacific World Meetings & Events Hong Kong, Limited, Hongkong	Hong Kong	100	8,427.6	-1,131.3 HKD
Pacific World Meetings & Events SAM, Monaco	Monaco	100	99.6	-257.3 EUR
Pacific World Meetings & Events Singapore Pte. Ltd, Singapur	Singapore	100	4,966	-103.7 SGD
Pacific World Meetings and Events France SARL, Nizza	France	100	232.9	-238.4 EUR
Pacific World Travel Services Company Limited, Ho Chi Minh City	Vietnam	90	22,932,926.5	9,678,630.4 VND
Papirüs Otelcilik Yatırım Turizm Seyahat İnşaat Ticaret A.Ş., Antalya	Turkey	100	22,712.1	2,455.8 EUR
Paradise Hotel Management Company LLC, Kairo	Egypt	100	641.1	54.3 EGP
PATS N.V., Oostende	Belgium	100	832.2	1.3 EUR
Professor Kohts Vei 108 AS, Stabekk	Norway	100	23,502.1	25,279.2 NOK
Promociones y Edificaciones Chiclana S.A., Palma de Mallorca	Spain	100	2,727	112.3 EUR
PT. Pacific World Nusantara, Bali	Indonesia	100	17,695,395	-1,022,621.1 IDR
RC Clubhotel Cyprus Limited, Limassol	Cyprus	100	-2.8	-4.1 EUR
RCHM S.A.S., Agadir	Morocco	100	7,449.6	16,962.9 MAD
Rideway Investments Limited, London	United Kingdom	100	-6.3	0 GBP
Riu Jamaicotel Ltd., Negril	Jamaica	100	21,772,687.3	4,675,644.7 JMD
Riu Le Morne Ltd, Port Louis	Mauritius	100	2,107,689.8	103,410.1 JMD
RIUSA II S.A., Palma de Mallorca ⁶	Spain	50	928,248	148,233 EUR
RIUSA NED B.V., Amsterdam	Netherlands	100	179,567.4	648.8 USD
Robinson Austria Clubhotel GmbH, Villach-Landskron	Austria	100	12,737.2	319.4 EUR
Robinson Club GmbH, Hannover ¹	Germany	100	30,658.5	0 EUR
Robinson Club Italia S.p.A., Marina di Ugento	Italy	100	20,162.9	1,032.3 EUR
Robinson Club Maldives Private Limited, Malé	Maldives	100	-19,358.4	-5,093.9 USD
Robinson Clubhotel Turizm Ltd. Sti., Istanbul	Turkey	100	104,649.4	37,587.5 TRY
Robinson Hoteles España S.A., Cala d'Or	Spain	100	3,183.5	399.4 EUR
Robinson Hotels Portugal S.A., Vila Nova de Cacela	Portugal	67	12,293.4	1,507.2 EUR
Robinson Otelcilik A.Ş., Istanbul	Turkey	100	50,469.2	17,316.2 TRY
Santa Maria Hotels SA, Santa Maria	Cape Verde	100	0	CVE
SERAC Travel GmbH, Zermatt	Switzerland	100	46.2	-3.1 CHF
Silversun Monitor Proprietary Limited, Kapstadt	South Africa	85	-83.4	-1,227.5 ZAR
Skymead Leasing Limited, Luton	United Kingdom	100	0	0 GBP
Société d'Exploitation du Paladien Marrakech SA, Marrakesch	Morocco	100	-111.8	0 EUR
Société d'Investissement Aérien S.A., Casablanca	Morocco	100	37,896.4	59,319.9 MAD
Société d'Investissement et d'Exploration du Paladien de Calcatoggio (SIEPAC), Montreuil	France	100	3,514.5	179.5 EUR
Société d'investissement hotelier Almoravides S.A., Marrakesch	Morocco	100	-62,158.6	-19,195.1 MAD

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
Société Marocaine pour le Developpement des Transports Touristiques S.A., Agadir	Morocco	100	18,641	3,820.8 MAD
Sons of South Sinai for Tourism Services and Supplies SAE, Sharm el Sheikh	Egypt	84.1	-1,684.6	0 EGP
Specialist Holidays, Inc., Mississauga, Ontario	Canada	100	745.8	-142.4 CAD
Stella Polaris Creta A.E., Heraklion	Greece	100	13,655.7	-108.4 EUR
STIVA RII Ltd., Dublin	Ireland	100	10,836.9	1,427.4 USD
Summer Times International Ltd., Quatre Bornes	Mauritius	100	0	0 MUR
Summer Times Ltd., Quatre Bornes	Mauritius	100	1,591.9	1,237.1 MUR
Sunshine Cruises Limited, Luton	United Kingdom	100	3,978	-113 GBP
Tantur Turizm Seyahat A.Ş., Istanbul	Turkey	100	207,665.1	72,192.1 TRY
TdC Agricoltura Società agricola a r.l., Florenz	Italy	100	228.7	-698.2 EUR
Tec4Jets NV, Zaventem	Belgium	100	7,996.4	139.4 EUR
Tenuta di Castelfalfi S.p.A., Florenz	Italy	100	27,365.6	-9,491.6 EUR
Thomson Reisen GmbH, St. Johann	Austria	100	-1,169.6	29.1 EUR
Thomson Travel Group (Holdings) Limited, Luton	United Kingdom	100	11,068	-111 GBP
TICS GmbH Touristische Internet und Call Center Services, Rastatt ¹	Germany	100	25	0 EUR
TLT Reisebüro GmbH, Hannover ⁴	Germany	100	10,513.3	-6.3 EUR
TLT Urlaubsreisen GmbH, Hannover ¹	Germany	100	27.1	0 EUR
Transfar – Agencia de Viagens e Turismo Lda., Faro	Portugal	100	25,231.7	647.9 EUR
Travel Choice Limited, Luton	United Kingdom	100	33,538.7	0 GBP
Travel Guide With Offline Maps B.V., Amsterdam	Netherlands	100	1,280.4	-89.1 EUR
TT Hotels Italia S.R.L., Rom	Italy	100	-598.4	-413.2 EUR
TT Hotels Turkey Otel Hizmetleri Turizm ve ticaret A.Ş., Antalya	Turkey	100	801,292.5	31,690.2 TRY
TUI (Suisse) AG, Zürich	Switzerland	100	31,371.7	7,060.5 CHF
TUI 4 U GmbH, Bremen ¹	Germany	100	153.4	0 EUR
TUI Airlines Belgium N.V., Oostende	Belgium	100	-31,164.9	-74,559.5 EUR
TUI Airlines Nederland B.V., Rijswijk	Netherlands	100	31,423	-12,192 EUR
TUI Airways Limited, Luton	United Kingdom	100	766,000	-5,000 GBP
TUI aqtv GmbH, Hannover ¹	Germany	100	197.7	0 EUR
TUI Austria Holding GmbH, Wien	Austria	100	56,657.2	1,480.3 EUR
TUI Belgium NV, Oostende	Belgium	100	320,365.3	15,694.6 EUR
TUI Belgium Real Estate N.V., Brüssel	Belgium	100	8,477.5	838.4 EUR
TUI Belgium Retail N.V., Zaventem	Belgium	100	38,682.3	8,673.1 EUR
TUI BLUE AT GmbH, Schladming	Austria	100	11,715.9	-375.8 EUR
TUI Bulgaria EOOD, Varna	Bulgaria	100	7,296	-380 BGN
TUI Curaçao N.V., Curaçao	Country of Curaçao	100	1,160.8	269.5 ANG
TUI Customer Operations GmbH, Hannover ¹	Germany	100	85.2	0 EUR
TUI Cyprus Limited, Nikosia	Cyprus	100	10,638.5	-3,098 EUR
TUI Danmark A/S, Kopenhagen	Denmark	100	85,222	-3,806 DKK
TUI Destination Experiences Costa Rica SA, San José	Costa Rica	100	1,839,479.3	323,473.6 CRC
TUI Destination Services Cyprus, Nikosia	Cyprus	100	1,203.8	² EUR
TUI Deutschland GmbH, Hannover ¹	Germany	100	66,643.3	0 EUR
TUI Dominicana SAS, Higüey	Dominican Republic	100	302,785.2	102,611.3 DOP
TUI DS USA, Inc, Wilmington (Delaware)	United States	100	152.9	139.7 USD

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
TUI España Turismo SL, Palma de Mallorca	Spain	100	77,162,000	5,320 EUR
TUI Finland Oy Ab, Helsinki	Finland	100	12,381.2	621.7 EUR
TUI France SA, Nanterre	France	100	-269,101.4	-115,368.7 EUR
TUI Hellas Travel Tourism and Airlines A.E., Athen	Greece	100	10,582.3	-1,172.1 EUR
TUI Holding Spain S.L., Palma de Mallorca	Spain	100	78,701	6,236 EUR
TUI Hotel Betriebsgesellschaft mbH, Hannover ¹	Germany	100	25	0 EUR
TUI Ireland Limited, Luton	United Kingdom	100	19,463	3,548 GBP
TUI Italia S.r.l., Fidenza	Italy	100	799.5	-4,689.4 EUR
TUI Jamaica Limited, Montego Bay	Jamaica	100	470.8	196.1 USD
TUI Magic Life GmbH, Hannover ¹	Germany	100	25	0 EUR
TUI Malta Limited, Pietà	Malta	100	297.7	-240.2 EUR
TUI Mexicana SA de CV, Mexico	Mexico	100	160,179.8	52,443.1 MXN
TUI Nederland Holding N.V., Rijswijk	Netherlands	100	121,672	-7,458 EUR
TUI Nederland N.V., Rijswijk	Netherlands	100	72,498	4,601 EUR
TUI Nordic Holding AB, Stockholm	Sweden	100	4,068,196	3 SEK
TUI Norge AS, Stabekk	Norway	100	123,580	14,378.8 NOK
TUI Northern Europe Limited, Luton	United Kingdom	100	25,000	12,000 GBP
TUI Norway Holding AS, Stabekk	Norway	100	812,890.3	13,938.5 NOK
TUI Österreich GmbH, Wien	Austria	100	14,083	1,598.2 EUR
TUI Pension Scheme (UK) Limited, Luton	United Kingdom	100	0	0 GBP
TUI Poland Dystrybucja Sp. z o.o., Warschau	Poland	100	30,846.8	22,737.9 PLN
TUI Poland Sp. z o.o., Warschau	Poland	100	36,169.6	11,441.1 PLN
TUI PORTUGAL – Agencia de Viagens e Turismo S.A., Faro	Portugal	100	40,988.2	3,810.2 EUR
TUI Reisecenter Austria Business Travel GmbH, Wien	Austria	74.9	3,935.4	516.8 EUR
TUI Service AG, Altendorf	Switzerland	100	10,393.8	1,627.8 CHF
TUI Suisse Retail AG, Zürich	Switzerland	100	11,381.5	1,036.7 CHF
TUI Sverige AB, Stockholm	Sweden	100	1,819,989	-137,477 SEK
TUI Technology NV, Zaventem	Belgium	100	16,254.1	2,359.9 EUR
TUI Travel Distribution N.V., Oostende	Belgium	100	869.7	104.9 EUR
TUI UK Italia Srl, Turin	Italy	100	1,985	34.2 EUR
TUI UK Limited, Luton	United Kingdom	100	797,000	132,000 GBP
TUI UK Retail Limited, Luton	United Kingdom	100	186,000	-27,000 GBP
TUI UK Transport Limited, Luton	United Kingdom	100	62,359	131,782 GBP
TUIfly GmbH, Langenhagen ¹	Germany	100	89,144.1	0 EUR
TUIfly Nordic AB, Stockholm	Sweden	100	157,149	75,917 SEK
TUIfly Vermarktungs GmbH, Hannover ¹	Germany	100	40.9	0 EUR
Tunisie Investment Services Holding S.A., Tunis	Tunisia	100	-3,817.1	71.4 TND
Tunisie Voyages S.A., Tunis	Tunisia	100	-3,513.3	9,354.3 TND
Tunisotel S.A.R.L., Tunis	Tunisia	100	257.8	-58.3 TND
Turcotel Turizm A.Ş., Istanbul	Turkey	100	72,405.5	-84,198.7 TRY
Turkuaz Insaat Turizm A.Ş., Ankara	Turkey	100	18,979	-49,765.5 TRY
Ultramar Express Transport S.A., Palma de Mallorca	Spain	100	32,049	8,719 EUR
WOT Hotels Adriatic Management d.o.o., Zagreb	Croatia	51	154	219.1 HRK
Zanzibar Beach Village Limited, Sansibar	Tanzania	100	86,746,949.2	7,588,230.2 TZS

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
All other segments				
Absolut Insurance Limited, St. Peter Port	Guernsey	100	10,904	4,111.2 GBP
Canadian Pacific (UK) Limited, Luton	United Kingdom	100	-410	0 GBP
Cast Agencies Europe Limited, Luton	United Kingdom	100	-20,310	0 USD
CP Ships (Bermuda) Ltd., Hamilton	Bermuda	100	10,936	-654 USD
CP Ships (UK) Limited, Luton	United Kingdom	100	46,912	8,215 USD
CP Ships Ltd., Saint John	Canada	100	0.6	-95.1 CAD
DEFAG Beteiligungsverwaltungs GmbH I, Hannover ¹	Germany	100	525,025	0 EUR
DEFAG Beteiligungsverwaltungs GmbH III, Hannover ¹	Germany	100	250,025	0 EUR
Europa 2 Ltd, Valletta	Malta	100	19.1	3.2 EUR
First Choice Holidays Finance Limited, Luton	United Kingdom	100	55,038	32,436 GBP
First Choice Holidays Limited, Luton	United Kingdom	100	14,321	70 GBP
First Choice Olympic Limited, Luton	United Kingdom	100	-451	0 GBP
Hapag-Lloyd (Bahamas) Limited, Nassau	Bahamas	100	6,187.7	126.8 EUR
Jetset Group Holding (Brazil) Limited, Luton	United Kingdom	100	0	0 GBP
Jetset Group Holding Limited, Luton	United Kingdom	100	0	0 GBP
Leibniz-Service GmbH, Hannover ¹	Germany	100	27	0 EUR
Mala Pronta Viagens e Turismo Ltda., Curitiba	Brazil	100	6,909.4	-983 BRL
Manufacturer's Serialnumber 852 Limited, Dublin	Ireland	100	686.6	-5.2 USD
MSN 1359 GmbH, Hannover ¹	Germany	100	25	0 EUR
PM Peiner Maschinen GmbH, Hannover	Germany	100	2,707.2	-741.1 EUR
Preussag Beteiligungsverwaltungs GmbH IX, Hannover ¹	Germany	100	105,025	0 EUR
Sovereign Tour Operations Limited, Luton	United Kingdom	100	0	0 GBP
Thomson Airways Trustee Limited, Luton	United Kingdom	100	0	0 GBP
travel-Ba.Sys GmbH & Co KG, Mülheim an der Ruhr	Germany	83.5	1,499.8	² EUR
TUI Ambassador Tours Unipessoal Lda, Lissabon	Portugal	100	816.8	-1,007.3 EUR
TUI Aviation GmbH, Hannover ¹	Germany	100	25	0 EUR
TUI Aviation Holding GmbH, Hannover ¹	Germany	100	25	0 EUR
TUI Aviation Services Limited, Luton ⁷	United Kingdom	100		
TUI Beteiligungs GmbH, Hannover ¹	Germany	100	202,012.3	0 EUR
TUI Brasil Operadora e Agencia de Viagens LTDA, Curitiba	Brazil	100	-404.2	-6,083.3 BRL
TUI Business Services GmbH, Hannover ¹	Germany	100	25	0 EUR
TUI Canada Holdings, Inc, Toronto	Canada	100	397,355.4	3,128.7 CAD
TUI Chile Operador y Agencia de Viajes SpA, Santiago	Chile	100	6,503.5	-48,931.8 CLP
TUI China Travel CO. Ltd., Peking	China	75	9,031.2	13,898.8 CNY
TUI Colombia Operadora y Agencia de Viajes SAS, Bogota	Colombia	100	-1,161,830.6	-150,259.3 COP
TUI Group Fleet Finance Limited, Luton	United Kingdom	100	44,571	26,136 EUR
TUI Group Services GmbH, Hannover ¹	Germany	100	18,146.3	0 EUR
TUI Group UK Healthcare Limited, Luton	United Kingdom	100	0	0 GBP
TUI Group UK Trustee Limited, Luton	United Kingdom	100	0	0 GBP
TUI Immobilien Services GmbH, Hannover ¹	Germany	100	73,958.2	0 EUR
TUI India Private Limited, New Delhi	India	100	-378,003.8	-227,699.5 INR
TUI InfoTec GmbH, Hannover ¹	Germany	100	12,863.3	0 EUR
TUI Insurance Services GmbH, Hannover ¹	Germany	100	30.9	0 EUR

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
TUI International Holiday (Malaysia) Sdn. Bhd., Kuala Lumpur	Malaysia	100	-2,898.6	-4,398.6 MYR
TUI Leisure Travel Service GmbH, Neuss ¹	Germany	100	103	0 EUR
TUI LTE Viajes S.A de C.V, Mexico City	Mexico	100	2,284.9	4,948.1 MXN
TUI Spain, SLU, Madrid	Spain	100	13,739.4	-18,864.9 EUR
TUI Travel Amber E&W LLP, Luton	United Kingdom	100	0	0 GBP
TUI Travel Aviation Finance Limited, Luton	United Kingdom	100	160,285	50,215 USD
TUI Travel Common Investment Fund Trustee Limited, Luton	United Kingdom	100	0	0 GBP
TUI Travel Group Management Services Limited, Luton	United Kingdom	100	0	0 GBP
TUI Travel Group Solutions Limited, Luton	United Kingdom	100	93,688	-1,817 GBP
TUI Travel Holdings Limited, Luton	United Kingdom	100	724,173	159,481 GBP
TUI Travel Limited, Luton	United Kingdom	100	601,169	-12,708 GBP
TUI Travel Overseas Holdings Limited, Luton	United Kingdom	100	151,957	-1,276 GBP
TUI-Hapag Beteiligungs GmbH, Hannover ¹	Germany	100	25	0 EUR
Non-consolidated Group companies				
Tourism				
"Schwerin Plus" Touristik-Service GmbH, Schwerin ¹	Germany	80	33.4	0 EUR
Ambassador Tours S.A., Barcelona	Spain	100	-1,036	-1 EUR
FIRST Reisebüro Güttler Verwaltungs GmbH, Hannover	Germany	75	28.3	-1.6 EUR
Gebeco Verwaltungsgesellschaft mbH, Kiel	Germany	50.2	40.9	6.9 EUR
Hapag-Lloyd Reisebüro Hagen Verwaltungs GmbH, Hannover	Germany	70	17.1	-1.4 EUR
HV Finance SAS, Levallois Perret	France	100	-191.4	-6 EUR
L'TUR Polska Sp.z o.o., Stettin	Poland	100	289.2	15.1 PLN
L'TUR SARL, Schiltigheim	France	100	46.7	11.7 EUR
New Eden S.A., Marrakesch	Morocco	100	38.5	-38.7 MAD
Società Consortile a r.l. Tutela dei Viaggiatori TUI Italia, Fidenza (Pr)	Italy	100	9.6	0 EUR
Société de Gestion du resort Al Baraka, Marrakesch	Morocco	100	-26,611.7	-10,187.2 MAD
T-Développement SAS, Levallois Perret ³	France	100	8.7	-3.2 EUR
Triposo GmbH i.L., Berlin	Germany	100	190	12.7 EUR
TUI 4 U Poland sp.zo.o., Warschau	Poland	100	1,686.7	220.5 PLN
TUI BLUE DE GmbH, Hannover	Germany	100	0	0 EUR
TUI d.o.o., Maribor	Slovenia	100	15.9	-0.5 EUR
TUI Magyarország Utazasi Iroda Kft., Budapest	Hungary	100	29,392	9,016 HUF
TUI Reisecenter GmbH, Salzburg	Austria	100	27.3	-3.8 EUR
TUI ReiseCenter Slovensko s.r.o., Bratislava	Slovakia (Slovak Republic)	100	102.3	21.8 EUR
TUI Travel Cyprus Limited, Nikosia	Cyprus	100	0	0 EUR
TUIFly Academy Brussels, Zaventem	Belgium	100	553	-13.4 EUR
All other segments				
Bergbau Goslar GmbH, Goslar	Germany	100	3,190.2	101.7 EUR
travel-Ba.Sys Beteiligungs GmbH, Mülheim an der Ruhr	Germany	83.5	42.9	-0.1 EUR

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
Companies measured at equity				
Tourism				
Abou Soma for Hotels S.A.E., Giza	Egypt	16.7	14,056.8	2,030.4 EGP
Ahungalla Resorts Limited, Colombo	Sri Lanka	40	3,391,988.8	-351,392.1 LKR
Aitken Spence Travels (Private) Limited, Colombo	Sri Lanka	50	1,794,776	867,646.8 LKR
Alpha Tourism and Marketing Services Ltd., Port Louis	Mauritius	25	8,748.3	5,505.5 USD
ARP Africa Travel Limited, Harrow	United Kingdom	25	2,243.9	1,446 GBP
Atlantica Hellas A.E., Rhodos	Greece	50	66,848.3	3,969.7 EUR
Atlantica Hotels and Resorts Limited, Lemesos	Cyprus	49.9	36,956.6	10,353.6 EUR
Bartu Turizm Yatirimlari Anonim Sirketi, Istanbul	Turkey	50	-61,696.9	-226,768 TRY
Clubhotel Kleinarl GmbH & Co KG, Flachau	Austria	24	8,954.2	² EUR
Corsair SA, Rungis	France	25	-7,293.7	-45,837.3 EUR
Daktari Travel & Tours Ltd., Limassol	Cyprus	33.3	776.4	283.6 EUR
DER Reisecenter TUI GmbH, Dresden	Germany	50	1,937.1	72.2 EUR
Diamondale Limited, Dublin	Ireland	27	0	0 EUR
ENC for touristic Projects Company S.A.E., Sharm el Sheikh	Egypt	50	72,500.1	24,500.1 EGP
Etapex, S.A., Agadir	Morocco	35	232,221.4	48,890.3 MAD
Fanara Residence for Hotels S.A.E., Sharm el Sheikh	Egypt	50	3,360.8	-5,109.2 EGP
Gebeco Gesellschaft für internationale Begegnung und Cooperation mbH & Co. KG, Kiel	Germany	50.1	5,856.8	² EUR
GRUPOTEL DOS S.A., Can Picafort	Spain	50	90,858.2	14,399.9 EUR
Ha Minh Ngan Company Limited, Hanoi	Vietnam	50	898,697,244.6	-1,055,551 VND
Holiday Travel (Israel) Limited, Airport City	Israel	50	10,367	350 ILS
Hydrant Refuelling System NV, Brüssel	Belgium	25	2,809.6	1,104.5 EUR
InteRes Gesellschaft für Informationstechnologie mbH, Darmstadt	Germany	25.2	656.8	-326.3 EUR
Interyachting Limited, Limassol	Cyprus	45	-457.3	-35.3 EUR
Jaz Hospitality Services DMCC, Dubai	United Arab Emirates	50	2,564.1	552.1 EUR
Jaz Hotels & Resorts S.A.E., Kairo	Egypt	51	58,465.6	53,647 EGP
Kamarayat Nabq Company for Hotels S.A.E., Sharm el Sheikh	Egypt	50	73,445.9	14,045.9 EGP
Karisma Hotels Adriatic d.o.o., Zagreb	Croatia	33.3	104,080	-4,396 HRK
Karisma Hotels Caribbean S.A., Panama	Panama	50	41,469.4	2,684.3 USD
Pollman's Tours and Safaris Limited, Mombasa	Kenya	25	583,772.1	168,297.2 KES
Raiffeisen-Tours RT-Reisen GmbH, Burghausen	Germany	25.1	4,011.7	2,535.3 EUR
Ranger Safaris Ltd., Arusha	Tanzania	25	7,149,854	1,781,529 TZS
Riu Hotels S.A., Palma de Mallorca	Spain	49	563,082	56,373 EUR
Sharm El Maya Touristic Hotels Co. S.A.E., Kairo	Egypt	50	97,409.9	12,512.8 EGP
Südwest Presse + Hapag-Lloyd Reisebüro GmbH & Co.KG, Ulm	Germany	50	100	² EUR
Sun Oasis for Hotels Company S.A.E., Hurghada	Egypt	50	476,630.9	258,275.2 AED
Sunwing Travel Group, Inc, Toronto	Canada	49	477,504.8	-59,220.3 CAD
Teckcenter Reisebüro GmbH, Kirchheim unter Teck	Germany	50	772.6	260.7 EUR
Tikida Bay S.A., Agadir	Morocco	34	174,570.4	9,511.2 MAD
TIKIDA DUNES S.A., Agadir	Morocco	30	360,656.2	16,256.1 MAD

Company	Country	Capital Share in %	Equity in '000	Result for the year currency in '000
Tikida Palmeraie S.A., Marrakesch	Morocco	33.3	145,293.6	4,702.5 MAD
Togebi Holdings Limited, Nikosia	Cyprus	10	-195,902.9	-107,694.4 USD
Travco Group Holding S.A.E., Kairo	Egypt	50	77,063.9	60,563.9 EGP
TRAVELStar GmbH, Hannover	Germany	50	1,203.7	703.7 EUR
TRAVELStar Touristik GmbH & Co. OHG, Wien	Austria	50	81.6	² EUR
TUI Cruises GmbH, Hamburg	Germany	50	734,505.1	434,285.1 EUR
UK Hotel Holdings FZC L.L.C., Fujairah	United Arab Emirates	50	130,103	3,502 AED
Vitya Holding Co. Ltd., Takua, Phang Nga Province	Thailand	47.5	-389,503	-16,865.8 THB
WOT Hotels Adriatic Asset Company d.o.o., Tučepi	Croatia	50	169,011	-1,238 HRK
All other segments				
.BOSYS SOFTWARE GMBH, Hamburg	Germany	25.2	310.7	373.2 EUR
Other companies				
Tourism				
Belgian Travel Network cvba, Sint-Martens-Latem	Belgium	50	405.3	133.9 EUR
Bonitos Verwaltungs GmbH, Frankfurt am Main	Germany	50	770.9	-14.7 EUR
Clubhotel Kleinarl GmbH, Flachau	Austria	24	58.8	3.1 EUR
Südwest Presse + Hapag-Lloyd Reisebüro Verwaltungs GmbH, Ulm	Germany	50	21.3	-0.1 EUR
All other segments				
Elevator-Gesellschaft mit beschränkter Haftung, Hannover	Germany	50	96.7	-13.9 EUR

¹ Profit and loss transfer agreement with parent company.

² Result for the year is attributable to the shareholder accounts.

³ Short financial year 1 November 2018 – 30 Sep 2019

⁴ Short financial year 1 Jan – 30 Sep 2019

⁵ Short financial year 1 December 2018 – 30 Sep 2019

⁶ Entrepreneurial management.

⁷ Data not available.

27 companies are not included in the list of shareholdings according to section 286 (3) sentence 1 of the German Commercial Code.

Disclosure pursuant to Section 285 (11a) of the German Commercial Code of participations in partnerships as general partner in the TUI Group as of 30 September 2020

NAME AND DOMICILE OF COMPANY

Clubhotel Kleinarl GmbH & Co KG, Flachau
 FIRST Reisebüro Güttler GmbH & Co. KG, Dormagen
 Gebeco Gesellschaft für internationale Begegnung und Cooperation mbH & Co. KG, Kiel
 Hapag-Lloyd Reisebüro Hagen GmbH & Co. KG, Hannover
 Südwest Presse + Hapag-Lloyd Reisebüro GmbH & Co.KG, Ulm
 travel-Ba.Sys GmbH & Co KG, Mülheim an der Ruhr

NAME AND DOMICILE OF GENERAL PARTNERS

Clubhotel Kleinarl GmbH, Flachau
 FIRST Reisebüro Güttler Verwaltungs GmbH, Hannover
 Gebeco Verwaltungsgesellschaft mbH, Kiel
 Hapag-Lloyd Reisebüro Hagen Verwaltungs GmbH, Hannover
 Südwest Presse + Hapag-Lloyd Reisebüro Verwaltungs GmbH, Ulm
 travel-Ba.Sys Beteiligungs GmbH, Mülheim an der Ruhr

Exchange rates

Exchange rates		
Currency	ISO Code	Euro average exchange rate 1 Euro =
United Arab Emirates Dirham	AED	4.31
Afghanistan Afghani	AFN	90.29
Albanian Lek	ALL	124.85
Armenian Dram	AMD	575.49
Netherlands Antillean Guilder	ANG	2.11
Angolan Kwanza	AOA	749.50
Argentine Peso	ARS	89.65
Australian Dollar	AUD	1.65
Aruba Guilder	AWG	2.13
Azerbaijani New Manat	AZN	2.00
Barbadian Dollar	BBD	2.35
Bangladesh Taka	BDT	99.24
Bulgarian Lev	BGN	1.96
Bahraini Dinar	BHD	0.44
Burundi Franc	BIF	2,297.12
Bermudian Dollar	BMD	1.17
Brunei Dollar	BND	1.61
Bolivian Boliviano	BOB	8.11
Brazilian Real	BRL	6.62
Bahamas Dollar	BSD	1.17
Botswanan Pula	BWP	13.60
Belizean Dollar	BZD	2.37
Canadian Dollar	CAD	1.57
Congolese Franc	CDF	2,312.03
Swiss Franc	CHF	1.08
Chilean Peso	CLP	924.72
Chinese Yuan Renminbi	CNY	8.01
Colombian Peso	COP	4,564.31
Costa Rican Colon	CRC	707.47
Serbian Dinar	CSD	116.18
Convertible Cuban Peso	CUC	1.17
Cuban Peso	CUP	31.12
Cape Verde Escudo	CVE	110.27
Czech Crown	CZK	27.17
Djiboutian Franc	DJF	209.71
Danish Krone	DKK	7.45
Dominican Republic Peso	DOP	68.52
Algerian Dinar	DZD	151.72
Egyptian Pound	EGP	18.51
Ethiopian Birr	ETB	43.41
Euro	EUR	1.00
Fijian Dollar	FJD	2.51
British Pound Sterling	GBP	0.91
Georgian Lari	GEL	3.76
Ghana Cedi	GHC	68,666.48
Gibraltar Pound	GIP	0.91
Gambian Dalasi	GMD	61.66
Guinean Franc	GNF	11,538.46
Guatemalan Quetzal	GTQ	9.14

Exchange rates

Currency	ISO Code	Euro average exchange rate 1 Euro =
Guyanese Dollar	GYD	246.98
Hong Kong Dollar	HKD	9.10
Honduras Lempira	HNL	29.21
Croatian Kuna	HRK	7.55
Haitian Gourde	HTG	79.04
Hungarian Forint	HUF	364.72
Indonesian Rupiah	IDR	17,491.78
Israel Shekel	ILS	4.05
Indian Rupee	INR	86.62
Iraqi Dinar	IQD	1,389.16
Iranian Rial	IRR	49,501.79
Iceland Krona	ISK	161.99
Jamaican Dollar	JMD	166.11
Jordanian Dinar	JOD	0.83
Japanese Yen	JPY	124.14
Kenyan Shilling	KES	127.38
Kyrgyzstan Som	KGS	94.54
South Korean Won	KRW	1,372.66
Kuwaiti Dinar	KWD	0.36
Kazakhstan Tenge	KZT	508.51
Laotian Kip	LAK	10,872.58
Lebanese Pound	LBP	1,775.92
Sri Lanka Rupee	LKR	217.48
Liberian Dollar	LRD	235.95
Libyan Dinar	LYD	1.63
Moroccan Dirham	MAD	10.86
Moldovan Leu	MDL	19.81
Madagascar Ariary	MGA	4,584.76
Macedonian Denar	MKD	61.70
Myanmar Kyat	MMK	1,562.47
Mongolian Tugrik	MNT	3,362.71
Macau Pataca	MOP	9.37
Mauritanian Ouguiya	MRO	421.61
Mauritius Rupee	MUR	46.79
Maldives Rufiyaa	MVR	18.15
Malawian Kwacha	MWK	897.24
Mexican Peso	MXN	26.41
Malaysian Ringgit	MYR	4.88
Mozambique New Metical	MZM	85,742.81
Namibia Dollar	NAD	19.84
Nigerian Naira	NGN	447.56
Nicaraguan Cordoba	NIO	41.05
Norwegian Kroner	NOK	11.06
Nepalese Rupee	NPR	138.82
New Zealand Dollar	NZD	1.78
Omani Rial	OMR	0.45
Panamanian Balboa	PAB	1.17
Peruvian New Sol	PEN	4.23
Papua New Guinea Kina	PGK	4.16

Exchange rates

Currency	ISO Code	Euro average exchange rate 1 Euro =
Philippines Peso	PHP	56.82
Pakistani Rupee	PKR	195.17
Polish Zloty	PLN	4.53
Paraguay Guarani	PYG	8,208.46
Qatari Rial	QAR	4.28
Romania New Leu	RON	4.87
Russian Rouble	RUB	92.91
Rwandan Franc	RWF	1,146.21
Saudi Riyal	SAR	4.40
Seychelles Rupee	SCR	21.11
Swedish Krona	SEK	10.53
Singapore Dollar	SGD	1.61
Sierra Leone Leone	SLL	11,615.91
Somali Shilling	SOS	690.55
Sao Tome & Principe Dobra	STD	24.54
El Salvador Colon	SVC	10.28
Soloman Island Dollars	SBD	9.43
Syrian Pound	SYP	601.48
Thai Baht	THB	37.12
Tunisian Dinnar	TND	3.23
Tonga Pa'anga	TOP	2.71
Turkish New Lira	TRY	9.18
Trinidad & Tobago Dollar	TTD	8.01
Taiwan Dollar	TWD	34.07
Tanzanian Shilling	TZS	2,724.82
Ukrainian Hryvnia	UAH	33.28
Ugandan Shilling	UGX	4,367.00
United States Dollar	USD	1.17
Uruguayan Peso	UYU	49.91
Uzbekistani Soum	UZS	12,124.39
Venezuelan Bolivar Fuerte	VEF	11.73
Vietnamese Dong	VND	27,235.47
Vanuatu Vatu	VUV	133.30
Samoa Tala	WST	3.08
CFA Franc BEAC	XAF	665.91
East Caribbean Dollar	XCD	3.18
IMF Special Drawing Rights	XDR	0.83
CFA Franc BCEAO	XOF	655.96
French Pacific Franc	XPF	122.06
Yemeni Rial	YER	294.86
South African Rand	ZAR	19.91
Zambian Kwacha	ZMK	23.55
Zimbabwean Dollar	ZWD	425.01

Supervisory Board and Executive Board

TUI AG Supervisory Board

Name	Function / Occupation	Location
Dr. Dieter Zetsche	Chairman of the Supervisory Board of TUI AG	Stuttgart
Frank Jakobi¹	Deputy Chairman of the Supervisory Board of TUI AG Travel Agent	Hamburg
Peter Long	Deputy Chairman of the Supervisory Board of TUI AG Chairman Countrywide PLC	Kent
Ingrid-Helen Arnold	President, SAP Business Data Network	Walldorf
Andreas Barczewski¹	Aircraft Captain	Hanover
Peter Bremme¹	Regional Head of the Special Service Division of ver.di – Vereinte Dienstleistungsgewerkschaft	Hamburg
Prof. Dr. Edgar Ernst	President of Deutsche Prüfstelle für Rechnungslegung DPR e.V.	Bonn
Wolfgang Flintermann¹	Group Director Financial Accounting & Reporting, TUI AG	Großburgwedel
María Garaña Corces	Vice President Professional Services, Europe, Middle East and Africa, Adobe Inc.	London
Angelika Gifford	Vice President Central Region, Facebook Inc.	Berlin
Valerie Gooding	Member of supervisory bodies in different companies	London
Stefan Heinemann¹	Product Owner Disposition & Maintenance, IMSD Aviation, TUI InfoTec GmbH	Hanover
Dr. Dierk Hirschel¹	Business unit manager of the trade union ver.di – Vereinte Dienstleistungsgewerkschaft	Berlin
Janis Kong	Member of supervisory bodies in different companies	London
Vladimir Lukin	Special Advisor to CEO OOO Severgroup	Moscow

Initial Appointments	Appointed until AGM	Other Board Memberships ²	Number of TUI AG shares (direct and indirect) ²
13 Feb 2018	2023		
15 Aug 2007	2021	b) Veta Health LLC	105,000
			1,291
9 Feb 2016	2021	b) Countrywide PLC ³	8,625
11 Feb 2020	2024	b) Heineken N.V.	0
10 May 2006	2021	a) TUIfly GmbH ⁴	0
2 Jul 2014	2021	a) TÜV Nord AG	0
9 Feb 2011	2021	a) Metro AG Vonovia SE ⁴	0
13 Jun 2016	2021	a) Deutscher Reisepreis- Sicherungsverein VVG	2,507
11 Feb 2020	2024	b) Alantra Partners, S.A. Liberbank, S.A.	0
26 Mar 2012 9 Feb 2016*	2021	a) thyssenkrupp AG	4,100
11 Dec 2014	11 Feb 2020	b) Aviva Insurance Ltd. Aviva Life Holdings Ltd. Vodafone Group PLC	994
21 Jul 2020	2021		5,658
16 Jan 2015	2021	a) DZ Bank AG	0
11 Dec 2014	11 Feb 2020	b) Bristol Airport Ltd. Copenhagen Airport Portmeirion Group PLC Roadis Transportation Holding S.L.U. South West Airports Ltd.	5,985
12 Feb 2014 5 Jun 2019*	2024		0

Table continues on next page

TUI AG Supervisory Board

Name	Function/Occupation	Location
Coline McConville	Member of supervisory bodies in different companies	London
Alexey Mordashov	Chairman Board of Directors of PAO Severstal	Moscow
Michael Pönipp¹	Hotel Manager	Hanover
Carola Schwirn¹	Department Coordinator in the Transportation Division of ver.di – Vereinte Dienstleistungsgewerkschaft	Berlin
Anette Stempel¹	Travel Agent	Hemmingen
Ortwin Strubelt¹	Travel Agent	Hamburg
Joan Trián Riu	Executive Board Member of Riu Hotels & Resorts	Palma de Mallorca
Stefan Weinhofer¹	International Employee Relations Coordinator at TUI AG	Vienna

¹ Representative of the employees

² Information refers to 30 September 2020 or date of resignation from the Supervisory Board of TUI AG in financial year 2020.

³ Chairman

⁴ Deputy Chairman

* New Appointment

a) Membership in supervisory boards within the meaning of section 125 of the German Stock Corporation Act (AktG)

b) Membership in comparable German and non-German bodies of companies within the meaning of section 125 of the German Stock Corporation Act (AktG)

Initial Appointments	Appointed until AGM	Other Board Memberships ²	Number of TUI AG shares (direct and indirect) ²
11 Dec 2014	2024	b) 3i Group PLC Fevertree Drinks PLC Travis Perkins PLC	0
9 Feb 2016	2021	b) JSC "Power Machines" ³ JSC "Severstal Management" ³ Lenta PLC ³ Nord Gold S.E. PAO "Severstal Management" ³	0
17 Apr 2013	2021	a) TUI Deutschland GmbH	1,226
1 Aug 2014	2021		0
2 Jan 2009	2021		4,430
3 Apr 2009	30 Jun 2020		2,946
12 Feb 2019	2024	b) Ahungalla Resorts Ltd. RIUSA II S.A. Riu Hotels, S.A.	0
9 Feb 2016	2021	b) TUI Austria Holding GmbH	0

TUI AG Executive Board

Name	Department	Other Board Memberships		Number of TUI AG shares (direct and indirect) ¹
Friedrich Jousen (Age: 57) Member of the Executive Board since October 2012 CEO since February 2013 Joint-CEO since December 2014 CEO since February 2016 Current appointment until September 2025	Chairman	a) Sixt SE ² TUI Deutschland GmbH ² TUIfly GmbH ²	b) RIUSA II S.A. ²	903,294
Birgit Conix (Age: 55) Member of the Executive Board since July 2018 Current appointment until December 2020	CFO		b) Sunwing Travel Group Inc.	0
David Burling (Age: 52) Member of the Executive Board since June 2015 Current appointment until May 2024	CEO Markets & Airlines	a) TUI Deutschland GmbH TUIfly GmbH	b) First Choice Holidays Ltd. First Choice Holidays & Flights Ltd. First Choice Olympic Ltd. Sunwing Travel Group Inc. TUI Canada Holdings Inc. TUI Northern Europe Ltd. TUI Nordic Holdings Sweden AB TUI Travel Group Management Services Ltd. TUI Travel Holdings Ltd. TUI Travel Ltd. TUI Travel Overseas Holdings Ltd.	16,300
Sebastian Ebel (Age: 57) Member of the Executive Board since December 2014 Current appointment until December 2020 New appointment from January 2021 until December 2023 as CFO	CEO Hotels & Resorts, Cruises, Destinations Experiences	a) BRW Beteiligungs AG Eves Information Technology AG ² TCT TechnikCentrumThale GmbH	b) RIUSA II S.A. TUI China	12,750
Dr Elke Eller (Age: 58) Member of the Executive Board since October 2015 Current appointment until October 2021	CHRO / Labour Director	a) K+S AG TUI Deutschland GmbH TUIfly GmbH	b) TUI Belgium N.V. TUI Nederland Holding N.V. ²	22,545
Frank Rosenberger (Age: 52) Member of the Executive Board since January 2017 Current appointment until December 2021	CIO & Future Markets	a) Peakwork AG TUI Deutschland GmbH		5,000

¹ Information refers to 30 Sep 2020 or date of resignation from the Executive Board in financial year 2020.

Peter Krüger has been appointed member of the Executive Committee with effect as of 01 January 2021 responsible for Group Strategy, M&A, Airline und JV's

² Chairman

a) Membership in Supervisory Boards required by law within the meaning of section 125 of the German Stock Corporation Act (AktG)

b) Membership in comparable Boards of domestic and foreign companies within the meaning of section 125 of the German Stock Corporation Act (AktG)

DEVELOPMENT OF FIXED ASSETS

Development of Fixed Assets of TUI AG for the period from 1 Oct 2019 to 30 Sep 2020

€ '000					Historical cost
	Balance at 1 Oct 2019	Additions	Disposals	Reclassification	Balance at 30 Sep 2020
Intangible assets					
Concessions, industrial property rights and similar rights and values	7,925	794	3,465	4,087	9,341
Payments on account	6,077	105	1,944	-4,238	-
	14,002	899	5,409	-151	9,341
Property, plant and equipment					
Real estate, land rights and buildings including buildings on third-party properties	42,543	8	37	151	42,665
Machinery and fixtures	58	-	-	-	58
Other plants, operating and office equipment	4,323	145	162	-	4,306
Payments on account and assets under construction	-	-	-	-	-
	46,924	153	199	151	47,029
Investments					
Shares in Group companies	9,924,239	1,031,409	145,626	-	10,810,022
Loans to Group companies	704,302	347,181	373,585	-	677,898
Investments	361,325	77,523	-	-	438,848
Loans to affiliates	-	4,078	-	-	4,078
Securities held as fixed assets	4,843	69	-	-	4,912
Other loans	-	-	-	-	-
Payments on account	952	-	952	-	-
	10,995,661	1,460,260	520,163	-	11,935,758
Fixed assets	11,056,587	1,461,312	525,771	-	11,992,128

				Value adjustments	Carrying amounts	
Balance at 1 Oct 2019	Depreciation/ Amortisation	Additions	Disposals	Balance at 30 Sep 2020	Balance at 30 Sep 2020	Balance at 30 Sep 2019
4,360	1,552	–	2,610	3,302	6,039	3,565
–	–	–	–	–	–	6,077
4,360	1,552	–	2,610	3,302	6,039	9,642
4,300	1,236	–	3	5,533	37,132	38,243
23	4	–	–	27	31	35
2,921	294	–	157	3,058	1,248	1,402
–	–	–	–	–	–	–
7,244	1,534	–	160	8,618	38,411	39,680
2,321,411	1,476,090	416	–	3,797,085	7,012,937	7,602,828
72,638	36,896	–	64,000	45,534	632,364	631,664
5,270	43,786	220	–	48,836	390,012	356,055
–	–	–	–	–	4,078	–
196	28	–	–	224	4,688	4,647
–	–	–	–	–	–	–
–	–	–	–	–	–	952
2,399,515	1,556,800	636	64,000	3,891,679	8,044,079	8,596,146
2,411,119	1,559,886	636	66,770	3,903,599	8,088,529	8,645,468

CORPORATE GOVERNANCE REPORT

For our Corporate Governance Report we refer to our website at:

www.tuigroup.com/en-en/investors/corporate-governance

As part of the combined Management Report of TUI AG and the TUI Group, the Corporate Governance Report is included in our Annual Report 2020 for the TUI Group and is available online on our website:

www.tuigroup.com/en-en/investors

RESPONSIBILITY STATEMENT BY MANAGEMENT

To the best of our knowledge, and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Company, and the Management Report, combined with TUI AG's Group Management Report, gives a true and fair view of the development including the business performance and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Hanover, 9 December 2020

The Executive Board

Friedrich Joussen
David Burling
Birgit Conix
Sebastian Ebel
Dr. Elke Eller
Frank Rosenberger

INDEPENDENT AUDITOR'S REPORT

To TUI AG, Berlin and Hanover / Germany

Report on the audit of the Annual Financial Statements and of the Combined Management Report

Audit Opinions

We have audited the annual financial statements of TUI AG, Berlin and Hanover/Germany, which comprise the balance sheet as at 30 September 2020, and the statement of profit and loss for the financial year from 1 October 2019 to 30 September 2020, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of TUI AG, Berlin and Hanover/Germany, for the financial year from 1 October 2019 to 30 September 2020. In accordance with the German legal requirements, we have not audited the content of the combined management report specified in the Appendix to the Independent Auditor's Report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 30 September 2020 and of its financial performance for the financial year from 1 October 2019 to 30 September 2020 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of those parts of the combined management report set out in the appendix to the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). We performed the audit of the annual financial statements in supplementary compliance with the International Standards on Auditing (ISA). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

Material Uncertainty Related to Going Concern

We refer to the "Viability Statement" section of the combined management report and to the first chapter of the notes including the disclosures regarding going concern. In this the management board describes that as a result of the new travel restrictions in force since autumn 2020, and since it is possible that an increase in new travel bookings and associated payments on account might fail to materialise, there are not enough financial resources available to settle TUI AG's payment obligations. In order to maintain the solvency of TUI Group, the management board thus, in principle, agreed on a third financial package with the Economic Stabilisation Fund, KfW, the dominant shareholder of TUI AG, and further financial partners. If this financial package fails to be successfully implemented, there is a risk that TUI AG might encounter insolvency in the first quarter of fiscal year 2021. As is described in the "Viability Statement" section in the combined management report and in the chapter regarding going concern in the notes, the successful implementation of the third financial package is subject to certain conditions yet to be met. Because of the future development in terms of the travel restrictions and the related impacts on the assets, liabilities, financial situation and financial performance, the financial covenants agreed with the creditors as a prerequisite for granting the loans can probably not be met as at 30 September 2021 and beyond. Moreover, risks regarding TUI Group's solvency arise from the uncertainty in view of the future development. If, in particular, the travel restrictions remain in force in the financial year 2020/21 and beyond, and/or a permanent reluctance to travel materialises, there is a possibility that the liquidity of TUI AG continues to be at risk. In the light of the situation described above, uncertainty moreover prevails as to whether the external loans can be refinanced. Therefore, the Group's existence as a going concern is endangered. As is presented in the above sections of the combined management report and the notes to the consolidated financial statements, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the TUI AG's ability to continue as a going concern, and constitute a risk endangering the existence of the Group as a going concern within the meaning of Section 322 (2) sentence 3 HGB.

During our audit, we considered whether the preparation of the financial statements using the going concern basis of accounting and the presentations of the matters that may cast significant doubt on TUI AG's ability to continue as a going concern set out in the notes and the combined management report are appropriate. To this end, we reviewed, in particular, the liquidity forecasts and plans for future measures of the management board underlying its forecasts and estimates, assessing whether the liquidity forecasts are plausible, and whether the management board's plans are feasible in the circumstances of the situation.

During our audit, we initially critically reviewed the draft of the Independent Business Review prepared by an external expert. We verified the plausibility of the multi-year planning on which this report is based and the assumptions it contains by comparing them with general and industry-specific market expectations and historical data.

In this process, we were supported by internal valuation and restructuring specialists. During the entire audit process, we regularly discussed the individual measures with representatives of TUI Group. Together with our specialists, we moreover critically discussed the results of the Working Capital Statement and of the Independent Business Review with the experts who had prepared the reports and the representatives of TUI.

As of the liquidity and financing measures already carried out during the preparation period, we have inspected the relevant documents, contracts and agreements, critically reviewed them and – where they had not yet been implemented – assessed their feasibility.

In particular, we critically reviewed the current short-term liquidity forecast prepared by the Company until the completion of the audit. We also examined the underlying updated assumptions, particularly with regard to revenue expectations, based on supporting evidence, and assessed their traceability and plausibility. Involving internal specialists, we assessed the plausibility of the expectations underlying the short-term development regarding the further development of the COVID-19 pandemic.

We critically assessed the prospects for the implementation of the third financing package in terms of plausibility. In addition, we satisfied ourselves of the appropriateness of the disclosures made in the consolidated financial statements and in the combined management report.

Our audit opinions were not modified in respect of this matter.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 October 2019 to 30 September 2020. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In addition to the matter described in section "Material Uncertainty Related to Going Concern", we have identified the following matter "Recoverability of the long-term financial assets" as key audit matter:

Our presentation of this key audit matter has been structured as follows:

- a) Description (including reference to corresponding information in the annual financial statements)
- b) Auditor's response.

Recoverability of the long-term financial assets

a) In its annual financial statements under commercial law, TUI AG discloses long-term financial assets of mEUR 8,044.1 as of 30 September 2020. Thereof, mEUR 7,012.9 relate to shares in affiliated companies and mEUR 390.0 to investments.

The long-term financial assets are tested for impairment by the Company at least once a year. Valuation is made by means of a valuation model based on the discounted cash flow method.

Since the outcome of this valuation strongly depends on the estimate of future cash in-flows by the management board and on the discount rate used, in the light of the uncertainty of further impacts of the COVID-19 pandemic, there is an increased degree of forecasting uncertainty as regards the future development as well as the risks with regard to the liquidity of entire TUI Group.

Thus, the valuation is subject to significant uncertainty. Against this background, we believe that this is a key audit matter.

The Company's disclosures on long-term financial assets are contained in the chapters "Accounting and valuation" and in margin note (1) of the notes to the financial statements.

b) We investigated the process of verifying the recoverability of the long-term financial assets and conducted a compliance testing of the design & implementation of the accounting-relevant controls contained therein.

Specifically, we satisfied ourselves of the appropriateness of the future cash inflows used in the calculation. For this, among other things, we compared this information with the current budgets contained in the three-year plan adopted by the management board and approved by the supervisory board, and checked it against general and industry-specific market expectations.

Since even relatively small changes in the discount rate can have a material effect on the amount of the business value determined in this way, we also focused on examining the parameters used to determine the discount rate used, including the weighted average cost of capital, and analysed the calculation algorithm.

OTHER INFORMATION

The executive directors are responsible for the other information. The other information comprises:

- the unaudited content of those parts of the combined management report specified in the appendix to the auditor's report,
- the responsibility statement by the executive directors relating to the annual financial statements and to the combined management report pursuant to Section 264 (2) Sentence 3 and Section 289 (1) Sentence 5 German Commercial Code (HGB) respectively, and
- all the remaining parts of the annual report, with the exception of the audited annual financial statements and combined management report and our auditor's report.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the ISA will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with the German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as annual auditor by the general meeting on 11 February 2020. We were engaged by the supervisory board on 8/15 June 2020. We have been the auditor of TUI AG, Berlin and Hanover/Germany, without interruption since the financial year 2016/2017.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Dr Hendrik Nardmann.

Hanover / Germany, 9 December 2020

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:
Christoph B. Schenk

Signed:
Dr Hendrik Nardmann

Wirtschaftsprüfer
[German Public Auditor]

Wirtschaftsprüfer
[German Public Auditor]

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT: PARTS OF THE COMBINED MANAGEMENT REPORT WHOSE CONTENTS ARE UNAUDITED

We have not audited the content of the following parts of the combined management report:

- the non-financial statement pursuant to Sections 315b and 315c German Commercial Code (HGB) included in the section "Combined non-financial declaration" of the combined management report
- the statement on corporate governance pursuant to Section 289f and 315d German Commercial Code (HGB) included in Chapter "Corporate Governance Report/Statement on Corporate Governance" of the combined management report and
- the other parts of the combined management report marked as unaudited.

Five-year summary

BALANCE SHEET

€ million	2016	2017	2018	2019	2020
Assets					
Fixed assets	6,802.2	7,098.3	8,020.7	8,645.5	8,088.5
Cash and cash equivalents	637.0	1,039.0	889.3	155.1	343.3
Current assets (incl. prepaid expenses)	1,725.2	1,645.2	1,471.0	1,554.6	695.4
Equity and liabilities	4,812.1	5,192.7	5,801.5	5,508.1	2,924.4
Subscribed capital	1,500.7	1,501.6	1,502.9	1,505.8	1,509.4
Special non-taxed item	0.1	0.1	0.1	0.1	0.1
Provisions	480.8	462.5	361.9	289.7	297.1
Third-party financial liabilities	306.8	300.0	726.1	726.4	4,046.3
Liabilities (incl. deferred income)	3,564.7	3,827.2	3,491.4	3,830.9	1,859.3
Balance sheet total	9,164.5	9,782.5	10,381.0	10,355.2	9,127.2

PROFIT AND LOSS STATEMENT

€ million	2016	2017	2018	2019	2020
Profit from ordinary activities	141.7	747.3	976.5	114.9	-2,270.5
Taxes	1.8	5.6	-6.9	-5.1	2.1
Group profit for the year	139.9	741.7	983.4	120.0	-2,272.6

PROFIT APPROPRIATION

€ million	2016	2017	2018	2019	2020
Transfer to other revenue reserves	-	-	-	-	-
Profit available for distribution	822.3	1,195.8	1,797.4	1,494.1	190.9
Retained profit brought forward for the subsequent year	452.5	814.0	1,374.1	1,176.0	190.9
Dividend payment	369.8	381.8	423.3	318.1	-

SHARE PRICE DEVELOPMENT OF THE TUI SHARE

€	2016	2017	2018	2019	2020
High	17.21	14.90	20.66	16.56	12.67
Low	10.17	11.46	14.34	7.87	2.89
Year-end closing price	12.69	14.38	16.56	10.67	3.24

PUBLISHED BY

TUI AG
Karl-Wiechert-Allee 4
30625 Hanover, Germany
Tel.: +49 511 566-00
Fax: +49 511 566-1901
www.tuigroup.com

CONCEPT AND DESIGN

3st kommunikation, Mainz, Germany

PHOTOGRAPHY

Ishan @seefromthesky

The annual financial statements and the management report of TUI AG for the financial year 2020 have been published in the Federal Gazette.

The management report of TUI AG has been combined with the management report of the Group and published in the TUI Annual Report 2020.

The English and a German version of this report are available on the web:
www.tuigroup.com/en-en/investors/downloads

The German version is legally binding. The Company cannot be held responsible for any misunderstandings or misinterpretation arising from this translation.

