

**Report of the Executive Board
to the Annual General Meeting of TUI AG on 11 February 2025
regarding the partial utilisation of the authorisation granted by the Annual General Meeting on
13 February 2024 to issue convertible and/or option bonds, including the authorisation to exclude
subscription rights of shareholders**

I.

Based on the resolution of the Annual General Meeting of TUI AG, Hanover and Berlin (the *Company*) of 13 February 2024, the Executive Board of the Company was authorised, with the consent of the Supervisory Board of the Company, to issue registered or bearer convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) (hereinafter collectively referred to as the *Bonds*) on one or more occasions until 12 February 2029 (inclusive) with a total nominal amount of up to EUR 1.500,000,000.00 (in words: EURO one billion five hundred million) and to grant the holders or creditors of the Bonds conversion or option rights to shares in the Company with a proportionate amount of the share capital of up to EUR 50,743,103.00 (in words: EURO fifty million seven hundred and forty-three thousand one hundred and three) in accordance with the terms and conditions of the Bonds or to attach conversion or warrant obligations to these Bonds (the *2024 Authorisation*).

The Bonds and the conversion or option rights or obligations may be issued with or without a limited term. The Bonds may also be issued in return for non-cash contributions.

Pursuant to the 2024 Authorisation, the conversion or option price must either - in the case of an exclusion of subscription rights - be at least 60% of the average closing price of the Company's shares on the Frankfurt Stock Exchange (Xetra trading) or of the depositary interests representing the shares on the London Stock Exchange on the ten trading days prior to the date of the resolution by the Executive Board on the issue of the Bonds or - in the event that subscription rights are granted - alternatively at least 60 % of the average closing price of the Company's shares on the Frankfurt Stock Exchange (Xetra trading) or of the depositary interests representing the shares on the London Stock Exchange during the subscription period, with the exception of the days of the subscription period required to ensure that the conversion or option price in accordance with Section 186 para. 2 sentence 2 of the German Stock Corporation Act (AktG) can be announced in due time.

In accordance with the Authorisation 2024, the Executive Board is also authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights to the Bonds, in particular if Bonds are issued against cash payment and the issue price is not significantly lower than the market value of the Bonds, although this only applies insofar as the shares to be issued to service the conversion or option rights or obligations established in this context do not exceed a total of 10% of the share capital, either at the time of the resolution on this authorisation or, if this value is lower, at the time it is exercised (the **Maximum Limit**). The aforementioned authorisation volume of 10% of the share capital is reduced by the pro rata amount of the share capital attributable to shares or to which conversion or option rights or obligations from Bonds relate that were issued or sold after the beginning of 13 February 2024 with the exclusion of subscription rights in direct, analogous or corresponding application of Section 186 para. 3 sentence 4 AktG.

The conditional capital which was also resolved by the Company's Annual General Meeting on 13 February 2024 (Conditional Capital 2024) is available to the Company to service the Bonds. The Company's share capital is conditionally increased by the Conditional Capital 2024 by up to EUR 50,743,103.00 through the issue of up to 50,743,103 new shares.

II.

As announced in the Federal Gazette on 23 July 2024, the Transaction Committee of the Executive Board, authorised by resolution of the Executive Board dated 30 May 2024, resolved, with the approval of the Transaction Committee of the Supervisory Board, authorised by resolution of the Supervisory Board dated 30 May 2024, on 19 July 2024 to issue 4,870 convertible bonds with a seven-year term until 26 July 2031 with a nominal value of

EUR 100,000.00 each, i.e. a total nominal value of EUR 487,000.000.00, which grant conversion rights to up to 50,729,166 shares with a pro rata amount of the share capital of EUR 1.00 each (the **Convertible Bond 2024**), and to exclude shareholders' statutory subscription rights in compliance with the more detailed provisions of the authorisation to issue convertible bonds resolved by the Annual General Meeting of the Company on 13 February 2024 under agenda item 7 and in compliance with the statutory requirements pursuant to Section 186 para. 3 sentence 4 AktG.

The minutes of the Annual General Meeting on 13 February 2024 with the wording of the authorisation, the resolutions adopted by the Executive Board and the Supervisory Board on the issue of the Convertible Bond 2024 and the declaration on the issue of the Convertible Bond 2024 have been filed with the commercial registers of the local court of Berlin-Charlottenburg, HRB 321, and the local court of Hanover, HRB 6580.

III.

The Executive Board discussed the prerequisites as well as the appropriateness and expediency of issuing the Convertible Bond 2024. As part of these considerations and a detailed analysis of the market environment at the time of issue as well as a comprehensive assessment of alternative financing options, the Executive Board and Supervisory Board came to the conclusion that the issue of the Convertible Bond 2024 at the specified conditions, excluding shareholders' subscription rights, was in the interests of the Company. The proceeds from the placement of the Convertible Bond 2024 were used to buy back convertible bonds maturing in 2028. The proceeds were also used to partially repay the KfW credit line - as contractually agreed. In the opinion of the Executive Board and the Supervisory Board, the Company had no economically more favourable and equally transaction-proof alternative sources of financing.

The statutory requirements and the requirements for the exclusion of subscription rights provided for in the 2024 Authorisation have been met (see Section 221 para. 4 sentence 2 in conjunction with Section 186 para. 3 sentence 4 AktG). A bookbuilding process was carried out for the placement of the Convertible Bond 2024. As part of this process, the syndicate banks commissioned by the Company to place the Convertible Bond 2024 determined a price recommendation based on a standard market approach towards market participants and potential investors. The terms of the Convertible Bond 2024 were determined on the basis of this recommended price determined by the bookbuilding process. This ensured that the issue price of the convertible bonds was appropriate and not significantly lower than the market value.

Furthermore, the Convertible Bond 2024 grants rights to subscribe to a total of up to 50,729,166 TUI shares. With a proportionate amount of the share capital of EUR 1.00 per TUI share, this corresponds to around 9.99% of the Company's share capital existing at the time the 2024 Authorisation was granted and exercised, thus complying with the Maximum Limit of 10%. This Maximum Limit was not reduced in the present case due to the necessary offsetting of previous capital measures.

As a result, the issue of the Convertible Bond 2024 without subscription rights enabled the Company to raise funds at - from the Company's perspective - particularly favourable economic conditions that can be realised at short notice and are transaction-proof.