

TUI Travel Overseas Holdings Limited
Annual Report and financial statements
for the financial year ended 30 September 2024
Company number 04998708



TUI Travel Overseas Holdings Limited
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TUI Travel Overseas Holdings Limited
Directors and other information

Directors

SK Arnold
T Lindner
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Registered number

04998708

The Directors present their Strategic Report on TUI Travel Overseas Holdings Limited (the “Company”) for the financial year ended 30 September 2024.

Principal activity

The Company’s principal activity during the financial year continued to be that of an intermediate holding company within the TUI AG group of companies (the “Group”) and will remain as such for the foreseeable future.

Review of the business and future outlook

The Directors present their business review for the year ended 30 September 2024.

The Company’s direct and indirect trading subsidiaries operate across all sectors of the Group and mainly comprise destination services businesses and their intermediate holding companies. A list of the subsidiary undertakings is provided in Notes 11 and 12 of these financial statements.

The Company’s loss before taxation for the year ended 30 September 2024 was £22,000k (2023: £4,118k). The Company received no dividends from its subsidiaries during the year (2023: £nil). An interim dividend of £nil was paid during the year (2023: £nil) and the Directors do not propose the payment of a final dividend (2023: £nil).

Amounts written off investments for the year ended 30 September 2024 totalled £24,758k (2023: £4,867k) following an impairment review of its investments.

At 30 September 2024, the Company had net assets of £197,499k (2023: £211,360k) and net current assets of £9,855k (2023: £8,573k).

Key performance indicators

To effectively measure the development, performance and position of the Company, the following Key Performance Indicators (“KPIs”) are of most relevance.

	Financial year ended 30 September 2024 £’000	Financial year ended 30 September 2023 £’000
Net current assets	9,855	8,573
Net assets	197,499	211,360

As the Company does not employ personnel or provide tour operating services itself, analysis of the Company’s performance using KPIs relating to environmental and employee matters are not considered relevant.

Future developments

The Company will remain an intermediate holding company within the TUI AG group of companies (the “Group”) for the foreseeable future.

Financial risk management and going concern

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The treasury function is managed centrally in the Group and supports the business activities and financial risks faced by the Company. This support includes setting and monitoring hedging policies in the Group, centralising the Group's cash management systems, reporting and monitoring daily cash balances and forecasting cash requirements for the foreseeable future. The cash flows of the Company are managed centrally by the TUI UK & Ireland tour operator businesses. Consequently, the majority of the Company's net cash inflow during the financial year relates to intercompany movements. The use of financial derivatives is governed by the policies of TUI AG, which provide principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes. Further information relating to financial risk management can be found within the principal risks and uncertainties section of this report.

In June 2025, TUI AG, agreed to provide financial support to the Company in order that it can continue to meet its liabilities as they fall due, for the period of at least 12 months from the approval date of the financial statements. As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements they have a reasonable expectation that it will. As described in Note 2, the Directors have prepared the financial statements on a going concern basis.

Principal risks and uncertainties

Successful management of existing and emerging risks is critical to the long-term success of TUI's business and meeting strategic objectives. At TUI, managing risk is not limited to identifying only those developments that could jeopardise the companies continued existence, it also includes the active management of all other material risks.

Risk management is an integral component of the Group's Corporate Governance and every business and function in the Group is required to adopt the Group Risk Management policy. The principal risks and uncertainties of the Company are considered collectively on a UK&I basis by the UK&I Risk Committee and the UK&I Risk Champion, who promotes the implementation of the risk management policy and ensures its effective application. The Risk Champions are in close contact with the Group Risk team and are critical both in ensuring that the risk management system functions effectively, and in implementing a culture of continuous awareness and improvement in risk management and reporting.

The process of risk identification, assessment and response is continuous and embedded within the day-to-day operations of the businesses and functions. It is consolidated, reported, and reviewed at varying levels throughout the Group on at least a quarterly basis.

Due to the overall improved risk situation of the group, the risks included in the previous year, 'volatility of input cost', 'inability to attract & retain talent' and 'legal & regulatory compliance,' are no longer principal risks for the Company. Of the remaining main risks, the seasonal cash flow-risk has significantly reduced compared to previous year, while the other risks are assessed as unchanged.

Principal risks and uncertainties (continued)

The principal risks the Company is exposed to are as follows:

- **Financial:** The Company's activities expose it to financial risk; principally liquidity risk, credit risk and cash flow risk.

To mitigate liquidity risk, the Company's financial management is centrally operated by TUI AG which acts as the Group's internal bank. The financial management goals include ensuring sufficient liquidity for TUI AG and its subsidiaries and limiting financial risks from fluctuations in foreign exchange rates, commodity prices and interest rates as well as default risks associated with treasury activities. The Group operates liquidity safeguards which have the following two components:

- In the course of the annual Group planning process, the Group draws up a multi-annual finance budget, from which long-term financing and refinancing requirements are derived. This information and financial market observation to identify refinancing opportunities, create a basis for decision-making, enabling appropriate financing instruments for the long-term funding of the Company to be adopted at an early stage; and
- The Group uses syndicated credit facilities and bilateral bank loans as well as its liquid funds to secure sufficient short-term cash reserves. Through intra-group cash pooling, the cash surpluses of individual Group companies are used to finance the cash requirements of other Group companies. A weekly rolling liquidity planning system is the basis for arrangements with banks.

Regarding credit risk, the vast majority of trade and other receivable balance is due from subsidiary undertakings of the Group which have a low risk of default.

Cash flows are similarly seasonal, with the cash low occurring in the winter as liabilities have to be settled with many suppliers after the summer season.

Details of the Group's financial management strategies are included on pages 34-49 in the Risk Report of the FY24 TUI AG Annual Report.

- **Business transformation:** Our focus is on further developing our business operations and improving the customer experience by providing attractive, intuitive and consistent customer service. There is a risk of ineffective execution, arising from various factors including the lacking prioritisation of those initiatives with the greatest impact for TUI and a lack of resource for a timely delivery. Failure to deliver a successful transformation can impact our competitiveness and our ability to provide a superior customer experience as well as to deliver on quality and operational efficiency.

This risk is mitigated by:

- Regular updates on and discussion of strategic topics and initiatives at the Group Executive Committee ("GEC"), Executive Board and Supervisory Board;
- Allocation of resource to strategic initiatives, including product owners, project teams and budget;
- Approval of business cases relating to strategic initiatives by the appropriate body (in accordance with the Group's Investment Approvals Policy);
- Strategic initiatives and Key Performance Indicators ("KPIs") incorporated into Budget and Three Year Plan ("3YP") process;
- Project reporting tool and reporting of strategic KPIs in the monthly Operating and Financial review meeting ensures enhanced visibility of the progress of major projects as a matter of routine; and
- Centralised management structures to oversee the Markets and Airline businesses.

Previously the Company identified "Lack of integration and flexibility within operations and IT systems" as a principal risk. This risk has evolved and is now replaced by this principal risk.

- **Changing customer preferences:** Travel spending is discretionary, and customers have a variety of travel options and offerings to choose from. There is a risk if we do not effectively communicate the benefits of pre-packaged holiday trips to our customers and if we fail to expand our offerings to include individual components and flexible pricing options.

Failure to respond quickly to shifts in market trends and changing customer preferences could result in a loss of competitiveness and a reduction in demand for our products.

Principal risks and uncertainties (continued)

- **Changing customer preferences (continued):** This risk is mitigated by:
 - Our integrated business model enables us to respond robustly to competitive threats;
 - Developing new concepts and services which match the needs and preferences of our customers;
 - Leveraging our scale to keep costs down and prices competitive;
 - Promoting the benefits of travelling with a globally operating tour operator to increase customer confidence and peace of mind; and
 - Evaluation of the current and future leisure experiences market landscape, based on analysis of consumer needs, development of supply, emerging trends, innovation, considerations of sustainability and resource availability.

Previously the Company identified “Reduction in customer demand” as a principal risk. This risk has evolved and is now replaced by this principal risk.

- **Cyber security:** There is an evolving risk due to increasing digitalisation, emerging technologies, growing global cyber-crime activity, and intensifying regulation. Our consolidation under the TUI brand and increasing dependence on online sales and customer care increases our exposure and the potential worst-case impact of a successful cyber-attack and/or data breach. If we do not ensure we have the appropriate level of security controls in place this could have a significant negative impact on our key stakeholders, associated reputational damage and potential for financial implications. Our responsibility is to protect the confidentiality, integrity and availability of the data we process for our customers, employees, and businesses.

This risk is mitigated by:

- Ensuring that the existing and future IT systems are secure by design and are protected against denial-of-service attacks that could impact system availability, that exposure to vulnerability is managed and user access is monitored;
 - Colleagues are made aware of information security risks through appropriate training, awareness campaigns and lessons learned from real or simulated cyber incidents;
 - TUI’s Information Security Management System ensures a coordinated, standards based, proactive approach to the identification and management of information security risk across the Group with security integrated into all software development and release processes; and
 - Security risk assessment methodology, controls, policy, and guidelines have been updated to include provisions for the assessment and secure use of Generative AI. Maturity and coverage of our Security Operations Centre and platform is continuously increasing to anticipate, detect and respond to cyber-attacks and information security incidents.
- **Sustainable tourism:** Our focus is to reduce the environmental impact of our operations and promote responsible social policies and outcomes both directly through our own business and indirectly via our influence over our supply chain partners.

There is a risk that TUI and our suppliers may not succeed in driving social and environmental improvements across our operations, potentially failing to uphold our corporate and social responsibility standards and failing to influence some destinations to manage tourism more sustainably. If we do not maximise our positive impact on destinations and minimise the negative impact to the extent that our stakeholders expect, this could result in a decline in stakeholder confidence, reputational damage, and reduction in demand for our products and services.

Principal risks and uncertainties (continued)

- **Sustainable tourism (continued):** This risk is mitigated by:
 - The Group Sustainability department sets clear goals, priorities, and the framework to deliver the TUI Sustainability Agenda. The TUI Sustainability Agenda's purpose is to set and drive industry standards, ambitious goals and develop transformation roadmaps and frameworks for all parts of the business while actively engaging colleagues, partners and customers. This is key, as the Group is a vertically integrated tourism business, whose operations are intrinsically linked, as the companies within the Group, use each other as part of their supply chain;
 - The Group operates one of the most carbon efficient airlines in Europe with continued investment in new, more efficient aircraft and cruise ships. TUI's ambition is to achieve net-zero emissions across all our operations and supply chain by 2050 at the latest;
 - The Group maintains ISO 14001 certifications in all TUI Airlines and TUI Cruise businesses and applies the Global Sustainable Tourism Council Criteria (GSTC) to TUI experiences; and
 - Enabling customers to make more sustainable holiday choices e.g. TUI's Green & Fair label.
- **Supply chain dependencies:** Due to the complex nature of the products and services offered, touristic service providers face an inherent risk of failure. There is a risk that our core operations would be disrupted if key suppliers were to fail. This risk is increased by the industry practice of making prepayments to hoteliers to secure capacity in advance.

The risk is mitigated by:

- Use of reputable and financially stable suppliers, particularly in areas where a single supplier is used to provide a service;
 - Owned and joint venture partner hotels forming a substantial part of our program; and
 - Strong working relationships with all key suppliers while developing adequate controls around their operative ability and regularly monitoring supplier performance against agreed terms and conditions.
- **Geopolitical disruption:** There is an inherent risk of adverse events in operational areas. This can include natural disasters such as hurricanes and wildfires like those experienced over recent years, outbreaks of disease, pandemics, or geopolitical events such as terrorism or political unrest.

There is the risk of operational disruption and additional costs if such an event occurs. These events could also contribute to a decline in demand for products and services in the impacted area(s).

These risks are mitigated by having well-established crisis management procedures and emergency response plans and business continuity plans. Crisis Management Planning and Coordination is centralised within the Group Security, Health and Safety & Crisis ("Group SHSC") centre of excellence which provides centralised frameworks, personnel reporting structures, incident management systems and crisis communications plans to the Group. In the event of an adverse event occurring, TUI can offer alternative options to our customers from our wide destination portfolio away from the affected area if necessary.

- **Climate change:** Climate change is a complex issue. There is significant uncertainty surrounding the climate system, as well as how the world will respond to mitigate the effects of climate change. However, physical effects are already being felt today and are predicted to worsen, and we're seeing increasing climate action.

As the Company's principal activity is that of an intermediate holding company within the TUI AG group of companies its activities are intrinsically linked to the operating activities of its subsidiaries, which in turn are linked to the wider TUI AG Group resulting in a highly integrated operation.

Increasing regulations and restrictions are targeting the airline and cruise industry, leading to increased costs.

Principal risks and uncertainties (continued)

- **Climate change:** The Group is committed to decarbonising its business and has set ambitious near-term science-based emissions reduction targets with the Science Based Targets initiative ("SBTi"). To achieve these targets the Group is:

TUI Airlines

- Procuring state-of-the-art aircraft;
- Implementing operational efficiencies (including route optimisation); and
- Planning to increase the use of sustainable aviation fuel ("SAF"). The Group already has cooperation agreements in place to promote the production and supply of SAF.

TUI Cruises

- Investing in energy efficiency ship operations, fuel-saving route optimisation, shore power in ports and alternative fuels, such as sustainable biofuels, bio-LNG and green methanol. The two newbuilds coming into the fleet by 2026 will not use heavy fuel oil.

TUI Hotels & Resorts

- Focused on renewable energy and resource-saving operational practices to reduce hotel emissions as far as possible.

Other climate risk factors include:

- A decline in revenue due to changes in consumer preferences and behaviour, increasing negative public sentiment towards *holidays-that-include-air travel/cruise ships and/or a decline* in overall customer demand due to price increases reflecting higher capital and operational expenditures for low carbon products beyond customers' expectations.

Managing both market and reputational risks depends on the successful implementation of our emissions reduction initiatives so roadmaps are in place to deliver on our science-based targets.

The cost of flights is very likely to increase, and this "green Inflation" will have to be passed on by all market participants. As the Group has a state-of-the-art efficient fleet, it is likely that our cost increase will be competitive, because the share of extra cost from low-carbon flying is lower in a package, and we believe that the TUI Group can handle the additional cost more effectively.

- Difficulties in obtaining access to financing and increasing cost of capital due to the inability to reduce emissions in line with market expectations.

To mitigate this risk, the Group has set science-based emissions reduction targets for 2030 and a net zero target for 2050. The Group continues to develop relationships with new sources of finance and monitor the development of the market and is continuing its education process with lessors and the financial community to maintain confidence in the Group strategy.

- Extreme weather events and longer-term shifts in climate patterns as a result of climate change are a risk due to the resultant damage to assets and the disruption of the business and transport hubs resulting in increased costs, delays and cancellations.

We manage this risk through:

- Insurance;
- A large and diverse hotels & resorts portfolio;
- Relatively short-duration lease contracts, enabling flexibility in case of changes in insurability;
- Flexibility to adjust cruise itineraries in both the short- and long-term;
- Working closely with airports in case of disruption and the continued evaluation of the risk profile of material airports;
- Reviewing the vulnerability of hotel and resort locations to a rising sea level, in the timeframe of our climate scenario analysis.
- Considering climate related factors in any expansion plans.

Principal risks and uncertainties (continued)

- **Security, health & safety:** The safety and security of customers and colleagues is of paramount importance to any holiday and travel service provider. There is the risk of accidents, incidents or events occurring causing illness, injury or death to customers or colleagues whilst on a TUI holiday or provided activity or service. In addition to the harm caused to the affected individual(s), this could result in disruption to operational activities, reputational damage to the business and/or financial liabilities through loss of earnings, lack of demand and/or legal claims being brought by the affected parties.

The established Group SHSC centre of excellence oversees safety and security risk management activities, delivering alignment and consistency across the TUI Group. Data-led, risk-based Safety and Security Risk Management systems are in place and are subject to continuous review / improvement with Safety and Security Risk Management clauses included in supplier contracts and appropriate insurance policies in place to mitigate any financial losses.

During the year, the Directors managed these risks and uncertainties of the Company in co-ordination with its fellow subsidiaries in the Group and the Directors of the ultimate parent undertaking, TUI AG. Further information on these risks, together with how these are mitigated, can be found on pages 34-49 of the TUI AG 2024 Annual Report. Details of where these financial statements can be obtained are in Note 21 of these financial statements.

Section 172 statement

The Companies (Miscellaneous Reporting) Regulations 2018 requires the Company to include a section 172(1) statement in the strategic report which describes how the Directors of the Company have complied with their duty to promote the success of the Company for the benefit of its members, whilst having regard to the matters set out in s172(1) (a)-(f). The operating activities of the Company are intrinsically linked to that of other companies within the TUI Group. Given the integrated nature of operations across the Group, the governance structure reflects this. A Group Executive Committee ("GEC") exists at a TUI AG Group level, with a local executive board in place for each operational entity.

During the financial year the Directors of the Company, both individually and together, acted in a way they consider, in good faith, would promote the success of the Company for the benefit of its stakeholders, based on information available to them at the time.

The Company regards the key stakeholders relevant to its success to be our People, Customers, Suppliers, Communities and environment and Shareholders. The Directors have complied with the requirements set out in Section 172(1) (a) to (f) of the UK Companies Act 2006 in the following ways:

- **Our people.** The Company has no direct employees; however, the group headed by the Company does contain employees. As a parent company, the success of the Company is intrinsically linked to the success of the subsidiary undertakings of the Company. The directors therefore consider the employees of the subsidiary undertakings of the Company to be a valid stakeholder group in the context of s172(1) reporting.

Our employees make a key contribution to TUI's success. To secure this success we have developed our People Strategy, the aim of which is reflected in our vision to be Digital, Engaging, and Inclusive:

- **Digital:** We use digital tools to ease the workload for our employees, promote innovation and enhance efficiency. In the financial year under review, for instance, we launched the use of Artificial Intelligence (AI).
- **Engaging:** We invest in the development of employees and qualify our leaders. Examples include our Listening Strategy which promotes a culture of regular exchange and steady improvements in the work environment.
- **Inclusive:** We acknowledge difference and bring global and local teams together. We create a work environment aimed to ensure that our employees feel valued and respected.

The Company promotes the physical and mental health of all its indirect employees. A Group-wide committee of health representatives regularly discusses best practices, ongoing projects and plans for health-promoting measures. Against the backdrop of global challenges, especially in relation to mental health issues, an even stronger focus is being placed on common targets and establishing stringent processes.

Section 172 statement (continued)

Our people (continued). Employees have access to a dedicated wellbeing intranet site at TUI. This offers a wealth of benefits and information to help colleagues deal with events and issues in everyday life, including support and resources available through the Employee Assistance Programme, access to a private medical health app and Occupational Health services and ABTA's Lifeline charity trust for help when its needed most.

Reward offered indirectly by the Company consists of various components. Depending on the function concerned, a fixed salary may go hand in hand with variable components, reflecting individual performance and promoting the sustainable participation of employees in the Company's long-term targets.

TUI continue to enforce and promote modern slavery compliance in accordance with the Modern Slavery Act 2015 and as part of wider general good practice. Each year, a statement is published on progress in this area in line with the relevant requirements. This statement can be found at: <https://www.tuigroup.com/en-en/responsibility/Human-Rights-and-Modern-Slavery/UK-Modern-Slavery-Act>.

Further information can be found on pages 87-94 of the TUI AG Annual Report 2024 which can be found on the TUI AG website www.tuigroup.com/en-en.

- **Customers.** The Company has no direct customers, however, the group headed by the Company does have customers. As a parent company, the success of the Company is intrinsically linked to the success of the subsidiary undertakings of the Company. The directors therefore consider the customers of the subsidiary undertakings of the Company to be a valid stakeholder group in the context of s172(1) reporting.

We place our guests and their individual wishes and needs at the centre of our organisation to offer them differentiated and consistent experiences. We aim to increase customer loyalty and tap into new customer segments, as satisfied guests are a decisive factor for the TUI Group's long-term growth. Our goal is to continuously adapt the customer experience to individual needs and to further personalise it.

Our integrated business model allows us to accompany our guests through the entire travel experience from booking, arrival, hotel stay and cruise to local activities and excursions – digitally and personally. The digital travel experience is complemented by the personal support of our employees, which our guests experience in our travel agencies, aircraft, and hotels, on our ships and in the destination.

The long-term success of the Company is dependent on the satisfaction of our indirect customers, and we regularly seek feedback from our customers through various channels. To evaluate satisfaction, the Company focuses on customer satisfaction scores (CSAT) and net promoter scores (NPS). CSAT and NPS scores provide us with valuable insights into the areas where we succeed and areas where there is opportunity to improve. This continuous feedback enables us to continually improve the experience for our customers.

The insight gained from customer feedback is used to implement actions to enhance the overall customer experience. These actions include staff training programs, service enhancements, and innovations in the products and services offered by the Company. During the year, a dedicated Customer Day was held for all colleagues to attend talks and workshops which promoted the importance of customer feedback and showcased examples of ongoing customer focused initiatives. The 'Connect the Makers' scheme has continued to operate during the year enabling colleagues to join customer facing teams to experience first-hand what our customers love and where we can improve and to gain insights that can spark innovative ideas and solutions for customers.

The travel experience is about relaxing or discovering and exploring something new. However, the travel experience can also entail a wide range of risks. As far as possible, our activities aim to minimise these risks for customers. The Company takes a risk-based approach to prevent intentional risks to the well-being of our indirect customers, such as security matters. TUI continually monitors and analyses safety-critical developments in destinations and discusses response measures with the markets and other involved business areas.

Section 172 statement (continued)

- **Customers (continued).** TUI operates Group-wide crisis and business continuity protocols and governance modules. Experienced crisis managers work within a team to cover areas such as customer, commercial, communications and insurance management. These experts across the Group facilitate a fast, flexible response to all levels of crisis. Appropriate reporting and coordination within the Group ensures that management is updated on all key incidents and developments and can immediately take decisions if necessary.

Ethical and sustainability concerns are increasingly a factor in consumer choices. Embedding sustainability into our brand and raising customer awareness are key priorities. We want to stimulate demand for more sustainable holidays by showing customers how these contribute to a better holiday experience. This is being undertaken by:

- Promoting social and environmental standards through certification such as Global Sustainable Tourism Council ("GSTC").
- Use our self-developed TUIPartners.com platform to support our many partners (hotels, tour, activity and transport providers) in their transformation towards more sustainable tourism. It offers them information and guidance on current issues such as sustainability, health, workplace safety and successful sustainability certification.
- **Suppliers.** We believe that a shared commitment to conducting business with integrity ensures sustainable, long-lasting relationships where all parties benefit. We ask our business partners and suppliers to support the principles set out in our TUI Supplier Code of Conduct and to promote them throughout their own supply chain. Our Supplier Code of Conduct sets out the minimum standards we expect from suppliers covering human rights and labour laws, anti-bribery and anti-corruption, environmental impacts and support for local communities.
- **Community and environment** Economic, environmental, and social sustainability is a fundamental management principle and a cornerstone of our strategy for continually enhancing the value of our Company. We firmly believe that sustainable development is critical for long term economic success. Together with our many partners around the world, we are actively committed to shaping a sustainable future for tourism.

The Company has a governance structure in place that ensures that sustainability issues, along with climate-related risks and opportunities are assessed and actioned on relevant levels. A team of experienced sustainability professionals are working in close collaboration with senior management to ensure that TUI's business and sustainability activities are closely aligned.

Further information and details on the TUI Group Sustainability strategy and implementation can be found on pages 78-87 of the TUI AG Annual Report 2024 which can be found on the TUI AG website www.tuigroup.com/en-en.

Further information and details on the Task Force on Climate-related Financial Disclosures ("TCFD") can be found on pages 115-128 of the TUI AG Annual Report 2024 which can be found on the TUI AG website www.tuigroup.com/en-en.

- **Business conduct.** In implementing our business activities, compliance with many national and international laws and rules as well as internal policies is essential. However, our understanding of Compliance goes beyond respecting laws and regulations, as we shift our Company's culture away from a purely rule-based approach towards a living culture of integrity. Behaviour violating integrity principles may not only have legal consequences but can also result in lasting damage to the reputation of our Company. The Compliance Management System aims to promote integrity and prevent potential misconduct, making liability risks manageable for the Company and its employees and thereby protecting the Company's reputation. It is a fundamental component in our commitment to corporate, environmental, and social responsibility.

Section 172 statement (continued)

- **Business conduct (continued).** The Board is committed to ensuring good business practice throughout the business and drives this both through the risk management process described above, by carrying out regular functional reviews and by commissioning external experts to review compliance with new rules and regulations. It also ensures that its processes consider key stakeholders and that there is sufficient time, information and understanding to properly assess their interests when making decisions and considering their long-term implications.

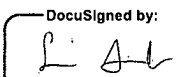
Further information on integrity and compliance can be found on pages 145-147 of the TUI AG Annual Report 2024 which can be found on the TUI AG website www.tuigroup.com/en-en.

- **Shareholders.** The Company is a fully owned subsidiary and forms part of TUI Group. Information and details on transparency can be found within the Corporate Governance Report of TUI Group on pages 129-173 of the TUI AG Annual Report 2024 which can be found on the TUI AG website www.tuigroup.com/en-en.

Streamlined Energy and Carbon Reporting

As a Group intermediate holding company within the TUI AG group of companies the Company consumed less than 40MWh energy in the UK during the financial year. Consequently, the Company is considered to be a low energy user and therefore not required to make detailed disclosures of energy and carbon information.

Approved by the Board and signed on its behalf by

DocuSigned by:

C2E091F733F543F...
SK Arnold
Director

Company Number 04998708

Dated 6 June 2025

TUI Travel Overseas Holdings Limited

Directors' Report for the financial year ended 30 September 2024

The Directors present their Annual Report on the affairs of TUI Travel Overseas Holdings Limited ('the Company'), together with the financial statements, for the year ended 30 September 2024.

In accordance with s414C(11), the Directors have included in the Strategic Report items which were otherwise required under s416(4) to be disclosed in the Directors' Report as the Directors consider them to be of strategic importance to the Company. These items include disclosures pertaining to: financial risk management objectives and policies; going concern; dividends; future developments; and energy and carbon reporting.

Directors

The Directors, who served throughout the year and to the date of this report, except as noted, were as follows:

T Lindner
SK Arnold
JL Rolfe (appointed on 1 May 2025)
GP Weaver (resigned on 1 May 2025)
Dr B Kaiser
DJ Burling (resigned on 19 December 2023)

Director's indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were in place throughout the financial year and remain in force at the date of this report.

Auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Research and Development

No research and development activities were undertaken by the Company during the financial year (2023: none)

Political donations

No political donations were made by the Company during the financial year (2023: £nil).

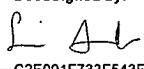
Existence of branches outside the UK

The Company has no branches, as defined in section 1046(3) of the Companies Act 2006 outside the UK.

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in Note 20 to the financial statements.

Approved by the Board and signed on its behalf by

DocuSigned by:

C2E091F733F543F...
SK Arnold

Director

Company Number 04998708

Dated 6 June 2025

TUI Travel Overseas Holdings Limited
Directors' responsibilities statement

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Reports and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of TUI Travel Overseas Holdings Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 30 September 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related Notes 1 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. This included GDPR.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

TUI Travel Overseas Holdings Limited

Independent auditor's report to the members of TUI Travel Overseas Holdings Limited

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

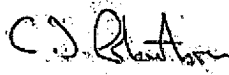
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Robertson (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

6 June 2025

TUI Travel Overseas Holdings Limited

Statement of Comprehensive Income for the financial year ended 30 September 2024

		Financial year ended 30 September 2024 £'000	Financial year ended 30 September 2023 £'000
	Note		
Administrative expenses		<u>(106)</u>	<u>(1,127)</u>
Operating loss		(106)	(1,127)
Impairment of investments in subsidiaries	11	(24,758)	(4,867)
Profit on disposal of investments in subsidiaries	11	<u>442</u>	<u>-</u>
Loss before interest and taxation		(24,422)	(5,994)
Finance income	8	<u>2,422</u>	<u>1,876</u>
Loss before taxation	9	(22,000)	(4,118)
Tax expense	10	<u>(408)</u>	<u>(289)</u>
Loss for the financial year attributable to owners of the Company		(22,408)	(4,407)
Total Comprehensive Expense for the financial year, net of tax, attributable to owners of the Company		<u>(22,408)</u>	<u>(4,407)</u>

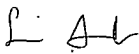
Revenue and operating profit are all derived from continuing operations.

TUI Travel Overseas Holdings Limited**Statement of Financial Position as at 30 September 2024**

		As at 30 September 2024	As at 30 September 2023
	Note	£'000	£'000
Non-current assets			
Investments in subsidiaries	11	157,706	173,918
Investments in joint ventures and associates	12	-	-
Non-current trade and other receivables	13	24,015	23,290
Non-current interest-bearing loans and receivables	14	5,923	5,579
		187,644	202,787
Current assets			
Current interest-bearing loans and receivables	14	1,250	-
Cash and cash equivalents		9,655	9,335
		10,905	9,335
Total assets		198,549	212,122
Current liabilities			
Trade and other payables	15	(1,050)	(762)
		(1,050)	(762)
Net current assets		9,855	8,573
Total assets less current liabilities		197,499	211,360
Total liabilities		(1,050)	(762)
Net assets		197,499	211,360
Equity			
Called up share capital	16	405,176	396,629
Retained losses	17	(207,677)	(185,269)
Total equity attributable to owners of the Company		197,499	211,360

The Notes on pages 21 to 33 form part of these financial statements.

The financial statements on pages 18 to 33 were approved and authorised for issue by the Board of Directors and signed on its behalf by:

DocuSigned by:

 C2E091F733F543F...
 SK Arnold
 Director

Company Number 04998708

Date: 6 June 2025

TUI Travel Overseas Holdings Limited**Statement of Changes in Equity for the financial year ended 30 September 2024**

	Note	Called up share capital £'000	Retained losses £'000	Total equity £'000
At 1 October 2022		286,258	(180,862)	105,396
Total Comprehensive Expense for the financial year		-	(4,407)	(4,407)
Increase in share capital		110,371	-	110,371
At 30 September 2023		396,629	(185,269)	211,360
Total Comprehensive Expense for the financial year		-	(22,408)	(22,408)
Increase in share capital	16	8,547	-	8,547
At 30 September 2024		405,176	(207,677)	197,499

1. General information

The Company is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of its registered office is Wigmore House, Wigmore Lane, Luton, Bedfordshire, LU2 9TN. The Company's registered number is 04998708.

The principal activity of the Company continues to be that of an intermediate holding company within the TUI AG group of companies (the "Group"). The Company expects this to continue for the foreseeable future.

2. Basis of preparation

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. See Note 21 for details on where the Company is included in consolidated financial statements.

These financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined by Financial Reporting Standard 100 'Application of financial reporting requirements' ("FRS 100") which addresses the financial requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure exemptions of IFRS. Further details can be found in Note 5.

Going concern

The Directors have assessed the Company's ability to meet its liabilities as they fall due and continue as a going concern for the period of at least 12 months from the approval date of the financial statements.

This assessment involved a review of the liabilities facing the company which fall due in the 12-month period following the approval date of the financial statements. As a holding company, the exposure of the Company to external liabilities is limited. The ability of the Company to meet its liabilities due to fellow group undertakings is dependent on its ability to receive dividend income from its subsidiary undertakings and/or actively manage the maturity dates of its internal liabilities as appropriate. To consider its ability to receive dividends from subsidiary undertakings, the Directors have assessed their current and anticipated financial positions, reviewed the subsidiary undertakings '3-year plan' cash flow forecasts which extend to 30 September 2027, and reviewed the factors likely to affect the future development and position of its key subsidiary undertakings.

It is necessary for the Directors to consider fellow group undertakings of the TUI AG group due to the nature of centralised group treasury arrangements in which the Company participates. This includes participation in the Group's centralised cash pooling arrangement, managed by TUI AG. The Directors have considered the Company's access to additional liquidity via the Group's centralised cash pooling arrangements. The Directors have assessed the Company's ability to access additional funds in the event of unforeseen adverse events or trading conditions. This assessment considers the liquidity available to TUI AG and the willingness of TUI AG to make additional funding available to the Company.

The TUI AG group uses syndicated credit facilities and bilateral bank lines as well the liquid funds to secure sufficient short-term cash reserves. It is the policy of the Group to allow the excess cash of individual Group companies to be used to finance the cash requirements of other Group companies.

TUI Travel Overseas Holdings Limited**Notes to the financial statements for the year ended 30 September 2024****2. Basis of preparation (continued)****Going concern (continued)**

A summary of the TUI AG financing facilities as at 30 September 2024 is shown below:

	Instrument	Facility €m		Utilisation €m		Maturity date
		30 Sept 2024	30 Sept 2023	30 Sept 2024	30 Sept 2023	
Bank facilities	Syndicated credit lines (unsecured)	1,454	1,454	Fully undrawn	Fully undrawn	July 2026
		190	190	136	109	
		214	1,050	Fully undrawn	Fully undrawn	
	Schuldschein	210	210	210	210	July 2025
		32	32	32	32	July 2028

On 21 March 2025, TUI AG refinanced the syndicated credit lines which were set to mature in July 2026. The syndicated credit lines were replaced with a new revolving credit facility which provides €1.89bn (€1.7bn cash and €0.19bn bonding) of flexible liquidity to the Group. The new revolving credit facility has a five-year tenor and matures in March 2030. The Schuldschein maturing in July 2025 will be repaid.

In June 2025, TUI AG, agreed to provide financial support to the Company in order that it can continue to meet its liabilities as they fall due, for the period*of at least 12 months from the approval date of the financial statements.

As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue to be available although, at approval date of these financial statements they have a reasonable expectation that it will.

Following the above considerations, the Directors have concluded that, after having made appropriate enquiries (including enquires of relevant fellow group undertakings), in their opinion, no material uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, the financial statements have been prepared on the going concern basis and do not include any adjustments that would be necessary if the Company were unable to continue as a going concern.

Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in the Company's functional currency of Sterling, rounded to the nearest thousand pounds, unless stated otherwise.

3. Amendments to IFRSs

In the current financial year, the Company has applied amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023.

Standard	Amendment	Impact on Financial Statements
Amendments to IAS 1	The amendments to IAS 1 and IFRS Practice Statement 2 are to help preparers in deciding which accounting and measurement methods to disclose in their financial statements. The amendments require entities to disclose their material accounting and measurement policy information instead of their significant accounting and measurement policies.	Disclosures have been updated
Disclosure of Accounting Policies		

3. Amendments to IFRSs (continued)

Standard	Amendment	Impact on Financial Statements
Amendments to IAS 8 Definition of Accounting Estimates	The amendments to IAS 8 are to help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates is replaced with a new definition of accounting estimates. It is clarified that a change in an accounting estimate that results from new information or new development is not the correction of an error.	No material impact
Amendments to IAS 12 Deferred tax related to Assets and Liabilities arising from a Single Transaction	The amendments clarify that deferred tax assets and liabilities have to be formed when a transaction gives rise to equal amounts of deductible and taxable temporary differences at the same time. The initial recognition exemption, according to which deferred tax assets or liabilities are not recognised on initial recognition of an asset or a liability, does not apply to transactions of this type.	No material impact
Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules	The Company has adopted the amendments to IAS 12 for the first time in the current year. The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the Company is required to disclose that it has applied the exception and to disclose separately its current tax expense related to Pillar Two income taxes.	No material impact

4. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the financial years presented.

Foreign currency translation

Foreign currency transactions are initially translated into the Company's functional currency using the prevailing rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing on the Statement of Financial Position date. Foreign exchange gains and losses resulting from translation to financial year-end rates are recognised in the Statement of Comprehensive Income with the exception of gains and losses to be recognised in equity as qualifying cash flow hedges.

Foreign exchange gains or losses arising on loans receivable or payable are included in "Finance income" and "Finance expense" in the Statement of Comprehensive Income.

4. Summary of material accounting policies (continued)

Foreign currency translation (continued)

The results and financial position of all businesses that have a functional currency different from the presentational currency are translated into the presentational currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each Statement of Comprehensive Income are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of each transaction); and
- all resulting exchange differences are recognised in Other Comprehensive Income.

Operating loss

Operating loss is stated before investment income and finance activities.

Finance income

Finance income recognised in the Statement of Comprehensive Income mainly comprises bank interest income and interest income on intercompany receivables.

Current and deferred tax

The tax expense for the financial year comprises current and deferred tax and is recognised in the Statement of Comprehensive Income. Current tax is the expected tax payable (or recoverable) for the current financial year using the average tax rate for the financial year. Income tax recoverable or payable relates to current tax. To the extent available, the amount is first recovered from, or surrendered to, other Group companies as group relief.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the Statement of Financial Position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be used. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same tax authority.

Current and deferred tax are recognised in the Statement of Comprehensive Income, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

Based on the OECD initiative, numerous jurisdictions are in the process of introducing a global minimum tax. The aim of this minimum taxation is to ensure that multinational groups with a turnover of over €750m are subject to a minimum taxation of 15%. As a potentially affected company, the Group is closely following the worldwide development towards the introduction of global minimum taxation and is analysing the potential impact on TUI. As the draft regulations published to date are highly complex, the Group has not yet been able to make a reliable estimate of the future impact. The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Company neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost less accumulated impairment losses.

Cash and cash equivalents

Cash comprises cash at bank. The Company does not invest in deposits held on call with banks or other short-term highly liquid investments. Bank overdrafts are shown in current liabilities within the Statement of Financial Position.

4. Summary of material accounting policies (continued)

Financial assets and financial liabilities

The classification and measurement of financial assets are determined on the basis of the business model used to manage financial assets, the related contractual cash flows and their objective. At initial recognition of financial assets, the classification comprises the categories "Financial assets at amortised cost (AC)", "Financial assets at fair value through Other Comprehensive Income (FVOCI)" and "Financial assets at fair value through profit and loss (FVPL)".

Financial assets are recognised at the value on the date when the Company undertakes to buy/has a legal right to recognise the asset. When recognised for the first time, they are either classified as at amortised cost or at fair value, depending on their objective. Financial assets are classified as financial assets at amortised cost when the objective of the Company's business model is to hold the financial assets to collect contractual cash flows, and when the contractual terms and conditions of the assets exclusively constitute interest and principal payments on the nominal amount outstanding.

For the financial assets*held at amortised cost, a loss allowance for expected credit losses is recognised in accordance with IFRS 9. The expected credit loss using the "simplified approach" requires the Company to determine a provision matrix to calculate the expected loss for trade receivables and lease receivables based on historical data and forward-looking information. The expected credit loss using the "general approach" is based on either full lifetime expected credit losses or 12-month expected credit losses. A loss allowance for lifetime expected credit losses is required for a financial instrument if the credit risk of that financial asset has increased since initial recognition. For all other financial instruments, expected credit losses are measured at an amount equal to the 12-month expected credit losses.

Impairments and reversals of impairments are included in Administrative expenses, unless material, in which case they appear in the Statement of Comprehensive Income as "Impairment of financial assets".

All other financial assets not recognised at amortised cost or at fair value through Other Comprehensive Income ("OCI") must be measured at fair value through profit or loss.

Financial assets are derecognised as at the date on which the rights for payments from assets expire or are transferred and therefore as at the date on which essentially all risks and rewards of ownership are transferred. The rights to an asset expire when the rights to receive cash flows from the asset have expired. For transfers of financial assets, it is assessed whether they have to be derecognised in accordance with the derecognition requirements of IFRS 9.

Financial liabilities are recognised in the Statement of Financial Position if an obligation exists to transfer cash and cash equivalents of other financial assets to another party. Initial recognition of a liability is expected at its fair value. For loans taken out, the nominal amount is reduced by discounts retained and transaction costs paid. The subsequent measurement of financial liabilities is affected at amortised cost using the effective interest method. Financial liabilities are derecognised when the obligations specified in the contract are discharged, cancelled, or expire.

Impairment of non-financial assets

Non-financial assets not subject to amortisation are tested annually for impairment. Non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the Statement of Comprehensive Income whenever the carrying amount of an asset exceeds its estimated recoverable amount. It is included within Cost of sales where it is deemed a direct operating expense and in Administrative expenses in all other cases, unless material, in which case they appear in the Statement of Comprehensive Income as "Impairment/Reversal of impairment of investments". The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows.

Share capital

Ordinary shares are classified as equity.

5. Reduced disclosures permitted by FRS 101

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, certain disclosure in respect of revenue from contracts with customers, impairment of assets, certain related party transactions, certain disclosure requirements in respect of leases, and certain disclosures in respect of Pillar Two income taxes.

Where relevant, equivalent disclosures have been given in the group accounts of TUI AG. Details for obtaining the Group financial statements of TUI AG, can be found in Note 21.

6. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are material to the carrying value of assets, liabilities and total comprehensive income for the financial year are disclosed as follows:

Critical accounting judgements

There were deemed to be no critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Key estimates or assumptions concerning the future, and other key sources of uncertainty at the reporting period that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

i) Investment in subsidiary undertakings

Estimation is required in the assessment of the carrying amount of the investments in the Company's subsidiary undertakings. Estimation of the recoverable amount of investments requires the Company to either:

- assess future cash flows projected to be generated by the subsidiary undertakings, which in turn is dependent upon a variety of factors including prevailing economic conditions and consumer demand for the subsidiaries' products, or
- assess the net assets of the companies, if the Directors believe the recoverable amount of the investments is a close approximation of the net assets of the subsidiary undertakings, in accordance with the requirements of IAS 36.

The Directors have used both the net assets and future cash flows approaches to assess the Company's recoverable amount of investments in subsidiary undertakings. In view of the existing uncertainties regarding estimation of the recoverable amounts, an extended analysis of sensitivities was undertaken. A change of 10% in the value of net assets/future cash flows of the subsidiary undertakings, would have caused the impairment to increase by £11,162k or decrease by £14,490k. Details of investments in subsidiaries, including impairment charges and carrying values, are provided in Note 11 and 12.

TUI Travel Overseas Holdings Limited
Notes to the financial statements for the year ended 30 September 2024
7. Employees and Directors

The Company had no employees during either the current or prior year.

Directors' remuneration

Five (2023: five) Directors of the Company were employed and remunerated during the period by another company within the Group, which makes no recharge to the Company (2023: £nil). As the qualifying services provided to the Company by these Directors were incidental compared to their main role, an appropriate apportionment of their remuneration was allocated as £nil (2023: £nil). Their total emoluments are included in the aggregate of Directors' emoluments disclosed in the financial statements of another Group company.

8. Finance income

	Financial year ended 30 September 2024 £'000	Financial year ended 30 September 2023 £'000
Interest from Group undertakings.	2,038	1,647
Bank interest income	384	229
	2,422	1,876

9. Loss before taxation

	Financial year ended 30 September 2024 £'000	Financial year ended 30 September 2023 £'000
Loss before taxation is stated after charging/(crediting):		
(Reversal of impairment)/Impairment of financial assets - expected credit loss (Note 13)	(685)	563
Foreign exchange loss on financial items	793	563
Impairment of investments in subsidiary undertakings (Note 11)	24,758	4,867
Profit on disposal of investments in subsidiary undertakings (Note 11)	(442)	-

Auditor's remuneration

In 2024 and 2023, the auditor's remuneration was borne and paid by TUI UK Limited and not recharged out.

10. Tax expense

The tax expense can be summarised as follows:

(i) Analysis of tax expense in the year

	Financial year ended 30 September 2024 £'000	Financial year ended 30 September 2023 £'000
Current tax:		
- Amounts payable to fellow subsidiaries for group relief	(408)	(289)
Total current tax	(408)	(289)
Total tax expense in the Statement of Comprehensive Income	(408)	(289)

TUI Travel Overseas Holdings Limited**Notes to the financial statements for the year ended 30 September 2024****10. Tax expense (continued)****(ii) Factors affecting the tax expense in the year**

The tax expense (2023: expense) for the financial year ended 30 September 2024 is different to (2023: different to) the standard rate of corporation tax in the UK of 25.0% used (2023: 22.0%). The standard rate of corporation tax increased to 25% from the 1 April 2023 resulting in a blended rate of 22% for the prior year. The differences are shown in the table below:

	Financial year ended 30 September 2024 £'000	Financial year ended 30 September 2023 £'000
Loss before taxation	(22,000)	(4,118)
Loss multiplied by the effective standard rate of corporation tax in the UK of 25.0% (2023: 22.0%)	(5,500)	(906)
Effects of:		
- Expenses not deductible for tax purposes	6,190	1,195
- Income not taxable	(282)	-
Total tax expense in the Statement of Comprehensive Income	408	289

(iii) Factors affecting the future tax expense

At the Statement of Financial Position date, Finance (No 2) Act 2024 had been substantively enacted confirming that the main UK corporation tax rate would remain at 25% having increased to this rate from 1 April 2023. Therefore, at 30 September 2024, deferred tax assets and liabilities have been calculated based on the rate that is expected to apply when the deferred tax is reversed. The rate of taxation is expected to follow the main UK corporation tax rate in future periods.

There are no unrecognised deferred tax assets nor unprovided deferred tax liabilities at either 30 September 2024 or 30 September 2023.

11. Investments in subsidiaries

	Investments in subsidiaries £'000
Cost:	
At 1 October 2023	439,671
Additions	8,546
Disposals	(110)
At 30 September 2024	448,107
Impairment:	
At 1 October 2023	265,753
Charged during the year	24,758
Disposals	(110)
At 30 September 2024	290,401
Net book value:	
At 30 September 2024	157,706
At 30 September 2023	173,918

11. Investments in subsidiaries (continued)**Additions:**

Additions in investments comprise the following transactions which occurred during the financial year ended 30 September 2024:

Investments	Date of addition	Shares acquired (number)	Par value of share	Total consideration £'000
TT Hotels Italia S.R.L	April 2024	8,546,351	£1.00	8,546
				8,546

Indirect additions during the year ended 30 September 2024 have £nil impact (2023: £nil) on the investment valuation in the Company's Statement of Financial Position as at 30 September 2024.

Disposals

On 29 February 2024, the Company disposed of its fully impaired £27k, 51% investment in TUI Travel Distribution N.V. The Company's 510 ordinary €61.50 Ordinary shares were sold to TUI Belgium NV, a company in the TUI Group, for cash consideration of €518k. The cost of investment had been fully impaired in the Company for several financial years so the profit on disposal was £442k (Note 9), the GBP equivalent of the consideration on the disposal date.

During the year ended 30 September 2023, on 11 April 2023, the fully impaired investment in Societe d'investissement et d'exploitation du Paladien Calcatoggio of £83k was disposed of, with a profit on disposal of £nil. As the profit on disposal was £nil and the net impact was £nil, this has been included in the disclosure for the financial year ended 30 September 2024.

Indirect disposals including KHA pet d.o.o., KHA tri d.o.o. were also disposed of during the financial year ended 30 September 2024. They had £nil impact on the investment valuation in the Company's Statement of Financial Position as at 30 September 2024.

Amounts impaired during the year

Following a review of the recoverable value of the Company's investments, the following impairment charge has been made in the financial year:

Subsidiary	Impairment charge £'000
TT Hotels Turkey Otel Hizmetleri Turizm ve Ticaret Anonim Sirketi	16,212
TT Hotels Italia S.R.L	8,546
	24,758

In accordance with IAS 36, an assessment has been undertaken to determine whether there are any indications that the investment assets held by the Company may be impaired or if a previously recorded impairment has reversed. If any such indicators are identified, management have estimated the recoverable amount of the asset in accordance with the requirements of IAS 36. As a result of this assessment, an impairment of £24,758k (2023: £4,867k) was recognised during the financial year. No impairment reversals (2023: £nil) have been recognised during the financial year.

TUI Travel Overseas Holdings Limited**Notes to the financial statements for the year ended 30 September 2024****11. Investments in subsidiaries (continued)****List of investments in subsidiaries at 30 September 2024:**

Name of undertaking	Country of incorporation and place of business	Registered address	Share class	% held directly by the Company	Total effective control held by Group companies
Hannibal Tours S.A.	Tunisia	5 Rue Saint Fulgence Mutuelleville, Wandsworth,, Tunis 1002	TND10.00 Ordinary shares	0.001	51
Hoteli Kolocep d.d.	Croatia	Donje celo 45, Kolocep (City of Dubrovnik), 20221	HRK100.00 Ordinary shares	-	95.15
Hoteli Zivogosce d.d.	Croatia	Zivogosce (Općina Podgora), Porat 136	HRK10.00 Ordinary shares	-	95.66
Inter Hotel SARL	Tunisia	54 Rue du Niger, 1002 Tunis Belvedere	TND10.00 Ordinary shares	-	100
Itaria Limited	Cyprus	Capital Chambers 1, Constantinou Skokou, 5th Floor, Nicosia, P.C. 1061	€1.00 Ordinary shares	100	100
Kybele Turizm Yatırım San. Ve Tic. A.S.	Turkey	Kadriye Mah. , Üçkum Tepesi Cad. N:6-1/2, Serik / Antalya	TRL100.00 Ordinary shares	-	100
Magic Hotels SA	Tunisia	71 Rue Alain Savary, Tunis, 1003	TND50.00 Ordinary shares	100	100
Magic Life Egypt for Hotels LLC	Egypt	Magic Life Sharm El Shaeikh Hotel Resort, Nabq, Sharm El Sheikh, South Sinai Governorate, Egypt	EGP100.00 Ordinary shares	99.94	100
Magic Tourism International S.A.	Tunisia	Complexe Le Forum, No B42, 4e Etage, 1 Rue de Carthage, Ariana	TND100.00 Ordinary shares	97	98.50
Papirüs Otelcilik Yatırım Turizm Seyahat İnşaat Ticaret A.Ş.	Turkey	Güzeloba Mahallesi Çağlayangil Cad. No:11/A, Antalya	TRL100.00 Ordinary shares	-	100
Travel Choice Limited	United Kingdom	Wigmore House, Wigmore Lane, Luton, Bedfordshire, LU2 9TN	£1.00 Ordinary shares	100	100
TT Hotels Croatia d.o.o.	Croatia	Slavonska avenija 1C3, 10000 Zagreb, Croatia	HRK1.00 Ordinary shares	100	100
TT Hotels Italia S.R.L.	Italy	Via Principessa Clotilde 7 Rome (RM) 00196	€1.00 Ordinary shares	100	100
TT Hotels Turkey Otel Hizmetleri Turizm ve Ticaret Anonim Şirketi	Turkey	Güzeloba Mah. Havaalanı Cad. 64 Plaza Batuhan, Muratpaşa/Antalya, D:6-7.	TRL1.00 Ordinary shares	100	100

12. Investments in joint ventures and associates

The Company has no direct investments in joint ventures and associates but does have indirect investments of this nature. These have been listed in the table below.

Additions

Additions during the year ended 30 September 2024 are indirect and have £nil impact (2023: £nil) on the investment valuation in the Company's Statement of Financial Position as at 30 September 2024.

Disposals

During the year ended 30 September 2024, no disposals were made.

TUI Travel Overseas Holdings Limited
Notes to the financial statements for the year ended 30 September 2024
12. Investments in joint ventures and associates (continued)
List of investments in joint ventures and associates at 30 September 2024:

Name of undertaking	Country of incorporation and place of business	Registered address	Share class	% held directly by the Company	Total effective control held by Group companies
Farnbury International S.A.	Panama	Calle 53 Este, Urbanizacion Marbella, Torre MMG, 2nd Floor	US\$1.00 Ordinary shares	-	50
Karisma Hotels Caribbean S.A.	Panama	Calle 53 Este, Urbanizacion Marbella, Torre MMG, 2nd Floor	US\$1.00 Ordinary shares	-	50
Panac Hotel Dominica S.A.S.	Dominican Republic	Lope de Vega Avenue No 19, Torre PIISA II, Suite 301, Santa Domingo	DOP100.00 Ordinary shares	-	50
Sercomax, S.R.L.	Dominican Republic	Lope de Vega Avenue No 19, Torre PIISA II, Suite 301, Santa Domingo	OP100.00 Ordinary shares	-	50
TUI Tunisa SA	Tunisia	Boulevard de la terre B2 RDC du Pavillon B, Résidence Sana Business Center Centre Urbain Nord, Tunis	TND10.00 Ordinary shares	-	50
Turab Turizm AS (previously Bartu Turizm Yatirimlari Anonim Sirketi)	Turkey	Ebulula Cad.Mayameridien, Plaza D.2 Blok, Kat:3 D:13 Akatlar, Istanbul.	€1.00 Ordinary shares	-	50

13. Non-current trade and other receivables

	Financial year ended 30 September 2024 £'000	Financial year ended 30 September 2023 £'000
Amounts due from other Group undertakings	24,015	23,290
	24,015	23,290

Amounts due from Group undertakings

Amounts due from Group undertakings are unsecured and repayable on demand. The total amounts due from Group undertakings amount to £24,015k (2023: £23,290k). £812k of this is interest free (2023: £1,267k) whilst the remaining balance of £23,203k (2023: £22,023k) bears interest at a rate of the Sterling Overnight Index Average ("SONIA"), Euro Interbank Offered Rate ("EURIBOR") or Secured Overnight Financing Rate ("SOFR") depending on the underlying currency denomination.

Expected credit losses of £685k were released (2023: £563k provided) in the year.

FRS 101 exemption has been taken from disclosure of transactions with wholly owned subsidiaries of the TUI AG Group.

TUI Travel Overseas Holdings Limited**Notes to the financial statements for the year ended 30 September 2024****14. Interest-bearing loans and receivables**

	As at 30 September 2024		As at 30 September 2023	
	Non-current	Current	Non-current	Current
	£'000	£'000	£'000	£'000
Amounts due from other Group undertakings	5,923	1,250	5,579	-
	<u>5,923</u>	<u>1,250</u>	<u>5,579</u>	<u>-</u>

Amounts due from Group undertakings

At 30 September 2024, non-current amounts due from other Group undertakings consists of a loan to TT Hotels Croatia d.o.o. of £5,923k denominated in EUR bearing interest at a fixed rate of 5.0%.

At 30 September 2023, non-current amounts due from other Group undertakings consisted of £3,301k denominated in USD and £2,548k denominated in EUR, both bearing interest at a fixed rate of 5.0%. The USD \$3,691,679 loan and its accumulated interest to 31 December 2023 of USD \$155,399, was converted to an equivalent EUR loan of €3,485,619 on 24 January 2024. The 31 December 2025 repayment date remained unchanged

At 30 September 2024, current amounts due from other Group undertakings consists of a loan to Magic Life Tunisie S.A., bearing interest at a fixed rate of 9.37%. It was repaid in January 2025.

FRS 101 exemption has been taken from disclosure of transactions with wholly owned subsidiaries of the TUI AG group.

15. Trade and other payables

	As at 30 September 2024 £'000	As at 30 September 2023 £'000
Amounts due to fellow subsidiaries	30	30
Group relief payable	992	703
Other payables	28	29
	<u>1,050</u>	<u>762</u>

Amounts due to Group undertakings

Amounts due to Group undertakings are unsecured, interest-free and repayable on demand, totalling £1,022k (2023: £733k).

FRS 101 exemption has been taken from disclosure of transactions with wholly owned subsidiaries of the TUI AG group.

16. Called up share capital

	As at 30 September 2024 £'000	As at 30 September 2023 £'000
Authorised		
405,175,588 (2023: 396,629,237) ordinary share of £1.00 each	<u>405,176</u>	<u>396,629</u>
Issued and fully paid		
405,175,588 (2023: 396,629,237) ordinary share of £1.00 each	<u>405,176</u>	<u>396,629</u>

On 11 April 2024, the Directors of the Company approved the issue of 8,546,351 ordinary £1.00 shares at par value to the Company's parent company TUI Travel Limited for cash consideration of €10,000,000 paid on the allotment date. The Company used the proceeds of the share allotment to subscribe for shares in its subsidiary, TT Hotels Italia S.R.L. (Note 11).

17. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Retained losses	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

18. Related party transactions

The Company has taken advantage of the exemption contained in IAS 24 "Related Party Transactions" as it is a wholly owned subsidiary of TUI AG Group. Therefore, the Company has not disclosed transactions with wholly owned entities that form part of the Group headed by TUI AG. There were no transactions with other related parties.

19. Financial commitments

The Company is committed to guarantee the hotel lease obligations of Magic Hotels SA for Hotel Scheherazade, whose lease expires on 31 May 2027. The value of the indemnity provided by the Company as at 30 September 2024 was up to TND 1,900k (up to £468k).

There are no other guarantees of indebtedness in place as at 30 September 2024.

20. Post balance sheet events

Subsequent to the year-end the following post balance sheet events have occurred, which impact the Group:

- On 17 March 2025, the Company's indirect 100% holding in Hannibal Tour SA was dissolved.
- On 21 March 2025, TUI AG refinanced the syndicated credit lines which were set to mature in July 2026. The syndicated credit lines were replaced with a new revolving credit facility which provides €1.89bn (€1.7bn cash and €0.19bn bonding) of flexible liquidity to the Group.

21. Ultimate parent company and controlling party

The Company is controlled by TUI AG, a company registered in Berlin and Hanover (Federal Republic of Germany), which is the ultimate parent company and controlling party. The immediate parent company is TUI Travel Limited, a company incorporated in the United Kingdom.

The smallest and largest group in which the results of the Company are consolidated is that headed by TUI AG. Copies of the TUI AG financial statements are available from its registered address, Investor Relations, TUI AG, Karl-Wiechert-Allee 23, 30625 Hanover, Germany, or from the website www.tuigroup.com/en-en.

No other financial statements include the results of the Company.