

TUI Travel Overseas Holdings Limited
Annual Report and financial statements
for the financial year ended 30 September 2025
Company number 04998708

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

Directors

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Registered number

04998708

TUI Travel Overseas Holdings Limited
Strategic Report for the financial year ended 30 September 2025

The Directors present their Strategic Report on TUI Travel Overseas Holdings Limited (the "Company") for the financial year ended 30 September 2025.

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 developments

The Directors present their business review for the year ended 30 September 2025.

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 Note 11 of these financial statements.

Since the Company is an intermediate holding company, the Company's business performance and key performance indicators are driven by both the underlying operating performance of its subsidiaries and the capital structure of the Company as opposed to the consolidated results of the Company's subsidiaries and investments. In the future, the Company is expected to continue as an intermediate holding company within the TUI AG group of companies.

The Company's profit before taxation for the year ended 30 September 2025 was £23,521k (2024: £22,000k loss). The Company received no dividends from its subsidiaries during the year (2024: £nil). An interim dividend of £nil was paid during the year (2024: £nil) and the Directors do not propose the payment of a final dividend (2024: £nil).

Reversal of impairment on investments for the year ended 30 September 2025 amounted to £16,829k (2024: £24,758k written off) following reviews of the carrying value of all its investments.

At 30 September 2025, the Company had net assets of £220,299k (2024: £197,499k) and net current assets of £11,134k (2024: £9,855k).

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 2025 £'000	Financial year ended 30 September 2024 £'000
Net current assets	11,134	9,855
Net assets	<u>220,299</u>	<u>197,499</u>

A quantitative and qualitative review has been provided in the business review section of this report.

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.

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 within the TUI UK & Ireland business. 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.

Financial risk management and going concern (continued)

In May 2026, 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 Markets & Airline 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 & Control 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.

In 2025 a thorough review of the risk landscape was carried out by the Group Risk Oversight Committee and the TUI AG Executive Board, which led to a significant reduction in the overall risk assessment in the areas of 'climate change', 'business transformation deficiency', 'changing customer preferences' and 'supply chain dependencies'. For climate change, we anticipate a prolonged timeline for regulatory effects, which has resulted in a lower risk profile within our current planning horizon. The Group have made a strong start on the transformation agenda, with initial initiatives already successfully implemented, leading to a reduction in the overall business transformation risk compared to last year. The risk assessment related to changing customer preferences has been lowered, driven by the expansion of dynamically produced products into additional customer segments. Furthermore, the integration of new suppliers within dynamic production processes has mitigated the risk of critical supply chain dependencies. While integration of emerging technologies such as AI remains complex, it is being actively managed as part of the Group's strategic evolution. The Group recognise the rapid acceleration and growing influence of AI on customer behaviour, operations, and decision-making. Rather than introducing a standalone risk, we have integrated its impact into existing principal risks where it plays a contributing role.

In the previous year, 'geopolitical disruption' was reported as a separate risk but has now been collated within 'operational disruption' to include the additional risks of terrorism, natural disasters, pandemic and supplier issues in destination countries.

Principal risks and uncertainties (continued)

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

- **Financial risks:** 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 lines 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 receivable and other receivable balance is due from subsidiary undertakings of the Group, which have a low risk of default.

Details of the Group's financial management strategies are included on pages 42-55 in the Risk Report of the TUI AG 2025 Annual Report.

- **Business transformation deficiency:** Our focus is on achieving objectives through the acquisition of new customers and the development of innovative products, supported by a scalable business model, competitive cost structure, and an attractive customer experience. A key enabler of this is the adoption of advanced technologies, including Artificial Intelligence ("AI"), which supports operational efficiency, personalisation, and data-driven decision-making across the business. There is a risk of ineffective execution, arising from various factors including: insufficient prioritisation of high-impact initiatives; limited resource availability; and challenges in integrating emerging technologies like AI at scale. Failure to deliver a successful transformation could adversely impact our competitiveness, our ability to both provide an attractive customer experience and operational efficiency.

This risk is mitigated by:

- Strategic initiatives are prioritised for impact and regularly discussed at the Group Executive Committee ("GEC"), Executive Board and Supervisory Board to ensure focus and alignment;
 - Centralised management structures to oversee the Markets and Airline businesses;
 - Allocation of resource to strategic initiatives, including product owners, project teams and budget;
 - The Group is investing in AI technologies to automate processes, enhance decision-making, and personalise customer interactions, supporting scalable and efficient transformation;
 - A dedicated transformation office oversees programme delivery; monitors progress and ensures alignment with strategic objectives;
 - Approval of business cases in line with the Group's Investment Approvals Policy;
 - Strategic initiatives and Key Performance Indicators ("KPIs") incorporated into Budget and Three Year Plan ("3YP") process; and
 - Use of a project reporting tool and monthly Operating and Financial Reviews to monitor strategic KPIs and project progress.
- **Changing customer preferences:** Travel spending is discretionary and subject to rapid shifts in customer preferences. The increasing availability of travel options and the transparency offered by online platforms have created a highly competitive and price-sensitive market environment. Modern technology, especially AI, is reshaping how travellers search, book, and personalise holidays driving demand for flexible, tailored options and dynamic pricing via digital channels.

Principal risks and uncertainties (continued)

- **Changing customer preferences (continued):** There is a risk if we do not effectively communicate the value of pre-packaged holiday products or that we fail to adapt quickly enough to offer flexible, personalised components that meet evolving expectations.

Failure to leverage AI to anticipate market trends and changing customer preferences could result in a loss of competitiveness and a reduction in demand for our products.

This risk is mitigated by:

- Our integrated business model enables us to respond effectively to evolving customer expectations and competitive pressures;
 - Developing differentiated holiday experiences and services aligned with customer preferences flexible, personalised components that meet evolving expectations supporting the identification of emerging trends;
 - Offering flexible, personalised travel solutions through dynamic packaging and modular travel options including flights, accommodation, car hire, insurance, and destination experiences;
 - Leveraging our scale helps maintain cost efficiency and competitive pricing. AI contributes to dynamic pricing strategies and demand forecasting;
 - Promoting the security and peace of mind that comes with booking through a globally established tour operator with comprehensive customer support. AI-powered service tools and chatbots improve responsiveness throughout the customer journey; and
 - Regularly evaluating the leisure travel landscape, incorporating consumer insights, supply trends, innovation, sustainability, and resource availability into strategic planning.
- **Cyber security:** The cyber security risk landscape continues to evolve rapidly, driven by increasing digitalisation, complex supply chains, emerging technologies such as AI, and increasing threats from sophisticated global state-run or private cyber-crime activity. Our consolidation under the TUI brand and increasing dependence on digital 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, with associated reputational damage and financial consequences including regulatory penalties and operational disruption.

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 address emerging technologies, including specific provisions for the assessment and secure use of 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:** We aim to reduce our environmental footprint and promote responsible social policies and outcomes, both within our operations and through our influence on supply chain partners.

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:** Holiday and travel service providers face an inherent risk of critical supplier failure, particularly among key providers of hotels, aircraft, and cruise ships. This risk is heightened by industry practices requiring substantial prepayments to hoteliers to secure accommodation capacity for upcoming seasons, and in situations where essential products or services are sourced from a single supplier. There is a risk that failure of key suppliers could significantly disrupt our ability to maintain core operations, potentially impacting service delivery, customer experience, and financial performance.

The risk is mitigated by:

- Partnering with 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;
 - Dynamic production driving the expansion of the flight and hotel portfolio whilst reducing dependency on individual critical suppliers;
 - Using customer experience metrics to identify service gaps and drive targeted supplier enhancements; and
 - Strong working relationships with all key suppliers while developing adequate controls around their operative ability and regularly monitoring supplier performance against contractual terms and conditions.
- **Operational disruption:** The TUI Group is inherently exposed to potential external events and disruptions in operational areas including geopolitical issues, terrorism, natural disasters, pandemic or supplier issues in destination countries.

These events can require operational adjustments such as customer repatriation, service suspensions, and asset redeployment, potentially resulting in additional costs and short-term profitability impacts. Additionally, geopolitical tensions can rapidly escalate, potentially rendering key destinations unsafe or undesirable for travellers with little warning. Such disruptions not only impact immediate operations but can have lasting effects on consumer confidence and destination preferences, requiring adaptability in our product portfolio and market approach. The unpredictable nature of these events makes them particularly challenging to mitigate, requiring our robust crisis management capabilities and operational flexibility.

These risks are mitigated by having well-established crisis management procedures and emergency response plans and business continuity plans. Our Group Security, Health, Safety & Crisis centre of excellence maintains a comprehensive framework with standardised incident monitoring, managing, escalation and business resilience systems and communication protocols to ensure consistent response capabilities enabled by expert Crisis & Business Continuity professionals. 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.

Previously the Company identified "Geopolitical disruption" as a principal risk. This risk has evolved and is now replaced by this principal risk.

Principal risks and uncertainties (continued)

- **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, whilst climate action is increasing.

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. e.g. The introduction of new, or extension of existing, carbon pricing mechanisms (including passthrough of higher costs by suppliers), and new energy and emissions regulations.

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. Future newbuilds coming into the fleet 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 shifts in consumer preferences and behaviour, increasing negative public sentiment towards travel.

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 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.

Principal risks and uncertainties (continued)

- **Climate change (continued):**

Other climate risk factors include (continued):

- 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; and
- Considering climate related factors in any expansion plans.

- **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 42-55 of the TUI AG 2025 Annual Report. Details of where these financial statements can be obtained are in Note 20 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 Section 172(1) (a) to (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.

Section 172 statement (continued)

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. It is therefore crucial for us to define who we want to be as a Company and what it means to work for TUI. Our People Strategy with its six key areas of action forms the basis for implementing this vision:

- Simplification, Harmonisation, Focus
- Digital Transformation
- Enable Growth
- Positive Employee Experience
- Diversity, Equality and Inclusion
- Enable Best Performance

Based on these key areas of action, we aim to create a framework that enables our employees to deliver their best performance and work together successfully as a team to jointly secure the success of our business.

The Company promotes the physical and mental health of all its employees through its Wellbeing Working Group, which creates and delivers a programme of content, activities, support and initiatives to promote positive wellbeing.

TUI creates a positive impact on its own employees' work-life balance such as their well-being, happiness, and performance, by offering them flexible and diverse working arrangements and by providing them with various benefits, such as parental leave, childcare support, or wellbeing programs.

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 it's needed most.

Reward offered 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: www.tuigroup.com/en/responsibility-and-positions/humans-rights.

Further information can be found on pages 136-148 of the TUI AG Annual Report 2025 which can be found on the TUI AG website www.tuigroup.com/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.

Section 172 statement (continued)

- **Customers (continued).** Our integrated business model enables us to support our customers along the entire customer journey, from booking, travel to the destination, the stay in the hotel or on board the cruise ship, through to local activities and excursions – both via digital channels and in person. The digital travel experience is complemented by personal support from our employees, experienced by our customers in our travel agencies, aircraft and hotels, during tours and experiences, aboard our ships and in the destinations.

The long-term success of the Company is dependent on the satisfaction of our 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 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.

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 Code of Conduct for Supplier and to ensure compliance throughout their own supply chain. The Supplier Code of Conduct sets out the binding framework for the TUI Group's ecological, social and ethical expectations for the entire supply chain. It covers human rights and labour laws, anti-bribery and anti-corruption, environmental impacts and support for local communities.

Section 172 statement (continued)

- **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 96-126 of the TUI AG Annual Report 2025 which can be found on the TUI AG website www.tuigroup.com/en.

Further information and details on the Task Force on Climate-related Financial Disclosures ("TCFD") can be found on pages 203-204 of the TUI AG Annual Report 2025 which can be found on the TUI AG website www.tuigroup.com/en.

- **Business conduct.** TUI's ambition is to be a role model for responsible governance in the tourism sector. Integrity, legally compliant behaviour and transparency towards stakeholders such as guests, employees, business partners and investors are key elements of our corporate culture, contributing significantly to our reputation and our goal of securing the long-term success of our business.

The Compliance Management System aims to promote integrity and prevent potential misconduct, making it a fundamental component in our commitment to corporate, environmental, and social responsibility.

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 163-168 of the TUI AG Annual Report 2025 which can be found on the TUI AG website www.tuigroup.com/en.

- **Shareholders.** The Company is a wholly 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 185-204 of the TUI AG Annual Report 2025 which can be found on the TUI AG website www.tuigroup.com/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



JL Rolfe
Director

Company Number 04998708

Dated 12 June 2026

TUI Travel Overseas Holdings Limited
Directors' Report for the financial year ended 30 September 2025

The Directors present their Annual Report and Financial Statements on the affairs of TUI Travel Overseas Holdings Limited ('the Company') for the year ended 30 September 2025.

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	(resigned on 5 February 2026)
JL Rolfe	(appointed on 1 May 2025)
GP Weaver	(resigned on 1 May 2025)
J Kuthe	(appointed on 30 June 2025)
Dr B Kaiser	(resigned on 30 June 2025)

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 (2024: none)

Political donations

No political donations were made by the Company during the financial year (2024: £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 Statement of Financial position date are contained in Note 19 to the financial statements.

Approved by the Board and signed on its behalf by



JL Rolfe
Director

Company Number 04998708

Dated 12 June 2026

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; and
- state whether applicable United Kingdom Accounting Standards have been followed.

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 2025 and of its profit 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 20.

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.

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.



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

12 June 2026

TUI Travel Overseas Holdings Limited
Statement of Comprehensive Income for the financial year ended 30 September 2025

		Financial year ended 30 September 2025 £'000	Financial year ended 30 September 2024 £'000
	Note		
Administrative income /(expenses)		4,561	(106)
Operating profit/(loss)		4,561	(106)
Reversal of Impairment/ (Impairment) of investments in subsidiaries	11	16,829	(24,758)
Profit on disposal of investments in subsidiaries	11	-	442
Profit/(Loss) before interest and taxation		21,390	(24,422)
Finance income	8	2,131	2,422
Profit/(Loss) before taxation	9	23,521	(22,000)
Tax expense	10	(721)	(408)
Profit/(Loss) for the financial year attributable to owners of the Company		22,800	(22,408)
Total Comprehensive Income/(Loss) for the financial year, net of tax, attributable to owners of the Company		22,800	(22,408)

The results stated above are all derived from continuing operations.

TUI Travel Overseas Holdings Limited
Statement of Financial Position as at 30 September 2025

		As at 30 September 2025 £'000	As at 30 September 2024 £'000
	Note		
Non-current assets			
Investments in subsidiaries, joint ventures and associates	11	174,508	157,706
Trade and other receivables	12	25,523	24,015
Interest-bearing loans and receivables	13	9,134	5,923
		<u>209,165</u>	<u>187,644</u>
Current assets			
Interest-bearing loans and receivables	13	1,250	1,250
Cash and cash equivalents		11,657	9,655
		<u>12,907</u>	<u>10,905</u>
Total assets		<u>222,072</u>	<u>198,549</u>
Current liabilities			
Trade and other payables	14	(1,773)	(1,050)
		<u>(1,773)</u>	<u>(1,050)</u>
Net current assets		<u>11,134</u>	<u>9,855</u>
Total assets less current liabilities		<u>220,299</u>	<u>197,499</u>
Total liabilities		<u>(1,773)</u>	<u>(1,050)</u>
Net assets		<u>220,299</u>	<u>197,499</u>
Equity			
Called up share capital	15	405,176	405,176
Retained losses	16	(184,877)	(207,677)
Total equity attributable to owners of the Company		<u>220,299</u>	<u>197,499</u>

The Notes on pages 21 to 32 form part of these financial statements.

The financial statements presented on pages 18 to 32 were approved and authorised for issue by the Board of Directors and signed on its behalf by:

Jody Rolfe

JL Rolfe
Director

Company Number 04998708

Date: 12 June 2026

TUI Travel Overseas Holdings Limited
Statement of Changes in Equity for the financial year ended 30 September 2025

	Called up share capital £'000	Retained losses £'000	Total equity £'000
At 1 October 2023	396,629	(185,269)	211,360
Total Comprehensive Loss for the financial year	-	(22,408)	(22,408)
Increase in share capital	8,547	-	8,547
At 30 September 2024	405,176	(207,677)	197,499
Total Comprehensive Income for the financial year	-	22,800	22,800
At 30 September 2025	405,176	(184,877)	220,299

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 20 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 a 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 an intermediate holding company, the exposure of the Company to external liabilities is limited

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 and In-house Banking arrangements, managed by TUI AG. The Directors have considered the Company's access to additional liquidity via the Group's centralised cash pooling and In-house Banking 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.

2. Basis of preparation (continued)

Going concern (continued)

A summary of the TUI AG financing facilities as at 30 September 2025 is shown below:

	Instrument	Facility €m		Utilisation €m		Maturity date
		30 Sept 2025	30 Sept 2024	30 Sept 2025	30 Sept 2024	
Bank facilities	Syndicated credit lines (unsecured)	1,776	1,454	Fully undrawn	Fully undrawn	March 2030
		190	190	139	136	
		n/a	214	n/a	Fully undrawn	
	Schuldschein	n/a	210	n/a	210	July 2025
		32	32	32	32	July 2028
		211	n/a	211	n/a	July 2028
		85	n/a	85	n/a	July 2030

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 provided €2.0bn of flexible liquidity to the Group. The new revolving credit facility has a five-year tenor and matures in March 2030.

In July and August 2025, TUI AG issued further promissory notes (Schuldschein) totalling €295.5m with tenors of three and five years.

In May 2026, 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 enquiries 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. New and amended IFRS Accounting Standards that are effective for the current year

In the current financial year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

3. New and amended IFRS Accounting Standards that are effective for the current year (continued)

Standard	Amendment	Impact on Financial Statements
Amendments to IAS 1: Classification of Liabilities as Current or Non-Current	The amendments to IAS 1 are intended to clarify the criteria used to classify a liability as current or non-current. In future, the classification of liabilities as current or non-current will be exclusively based on 'rights' that are in existence at the end of the reporting period. The amendments additionally include guidance on the interpretation of the criterion 'right to defer settlement by at least twelve months' and clarify what 'settlement' refers to.	No impact
Amendments to IAS 1: Non-Current Liabilities with Covenants	The amendments to IAS 1 clarify that only covenants an entity must comply with on or before the reporting date should affect the classification of the corresponding liability as current or non-current. However, an entity is required to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.	No impact
Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	The amendments intend to increase the transparency of supplier finance arrangements and their effect on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments complement existing disclosure requirements insofar that an entity shall provide additional qualitative and quantitative information about finance arrangements with suppliers.	No impact. The Company is exempt from the new disclosure requirements in IAS 7 as equivalent disclosures are included in the consolidated financial statements of TUI AG.
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	The amendments clarify how a seller/lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.	No impact

Where relevant, equivalent disclosures have been given in the consolidated financial statements of TUI AG. Details for obtaining the consolidated financial statements of TUI AG can be found in Note 20.

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 profit/(loss)

Operating profit/(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.

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 twelve-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 twelve-month expected credit losses.

Impairments and reversals of impairments are included in Administrative income/(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 consolidated financial statements of TUI AG. Details for obtaining the consolidated financial statements of TUI AG can be found in Note 20.

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, joint venture and associate undertakings

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

- assess future cash flows projected to be generated by the subsidiary, joint venture and associate 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, joint venture and associate 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, joint venture and associate undertakings, would have caused the impairment to decrease by £12,842k or increase by £16,170k. Details of investments in subsidiaries, joint ventures and associate, including impairment charges and carrying values, are provided in Note 11.

7. Employees and Directors

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

Directors' remuneration

Six (2024: five) Directors of the Company were employed and remunerated during the period by other companies within the Group, which makes no recharge to the Company. 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 (2024: £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 2025 £'000	Financial year ended 30 September 2024 £'000
Interest from Group undertakings	1,825	2,038
Bank interest income	306	384
	<u>2,131</u>	<u>2,422</u>

9. Profit/(Loss) before taxation

	Financial year ended 30 September 2025 £'000	Financial year ended 30 September 2024 £'000
Profit/(Loss) before taxation is stated after charging/(crediting):		
Reversal of impairment of financial assets - expected credit loss (Note 12&13)	(3,809)	(685)
Foreign exchange (gain)/loss on financial items	(756)	793
(Reversal of impairment)/Impairment of investments in subsidiary undertakings (Note 11)	(16,829)	24,758
Profit on disposal of investments in subsidiary undertakings (Note 11)	-	(442)

Auditor's remuneration

	Financial year ended 30 September 2025 £'000	Financial year ended 30 September 2024 £'000
Fees payable to the Company's auditor and their associates for the audit of the Company's annual financial statements	55	53
Total fee	<u>55</u>	<u>53</u>

In 2025 and 2024, 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 2025 £'000	Financial year ended 30 September 2024 £'000
Current tax:		
- Amounts payable to fellow subsidiaries for group relief	(721)	(408)
Total current tax	(721)	(408)
Total tax expense in the Statement of Comprehensive Income	(721)	(408)

(ii) Factors affecting the tax expense in the year

The tax expense (2024: expense) for the financial year ended 30 September 2025 is lower than (2024: different to) the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%). The differences are shown in the table below:

	Financial year ended 30 September 2025 £'000	Financial year ended 30 September 2024 £'000
Profit/(Loss) before taxation	23,521	(22,000)
Profit/(Loss) multiplied by the effective standard rate of corporation tax in the UK of 25.0% (2024: 25.0%)	5,880	(5,500)
Effects of:		
- Expenses not deductible for tax purposes	-	6,190
- Income not taxable	(5,159)	(282)
Total tax expense in the Statement of Comprehensive Income	721	408

(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%. Therefore, at 30 September 2025, 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 2025 or 30 September 2024.

11. Investments in subsidiaries, joint ventures and associates

	Investments in subsidiaries, joint ventures and associates £'000
Cost:	
At 1 October 2024	448,107
Disposals	(2,716)
At 30 September 2025	445,391
Impairment:	
At 1 October 2024	290,401
Reversed during the financial year	(16,829)
Disposals	(2,689)
At 30 September 2025	270,883
Net book value:	
At 30 September 2025	174,508
At 30 September 2024	157,706

Additions:

There were no direct additions in the financial year ended 30 September 2025 (2024: £8,546k).

Indirect additions during the year ended 30 September 2025 have £nil impact (2024: £nil) on the investment valuation in the Company's Statement of Financial Position as at 30 September 2025.

Disposals

On 17 March 2025, the Company's fully impaired £1 0.001% investment in Hannibal Tours S.A. Limited was liquidated.

Itaria Limited was liquidated on 24 March 2025, generating a cash consideration of £27k, which resulted in a corresponding impairment reversal of £27k and the disposal of the 100% investment held at a net book value of £27k.

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.

Reversal of impairments during the year

The Company carried out a review of its investments in subsidiaries for indicators of impairment and indicators of impairment reversals at the reporting date. The review led to the recognition of impairment losses of £nil (2024: £24,758k) and the reversal of impairment losses of £16,829k (2024: £nil) as follows:

	Reversal of impairment £'000
Subsidiary	
TT Hotels Turkey Otel Hizmetleri Turizm ve Ticaret Anonim Sirketi	16,802
Itaria Limited	27
	16,829

11. Investments in subsidiaries, joint ventures and associates (continued)

List of investments in subsidiaries, joint ventures and associates at 30 September 2025:

Name of undertaking	Country of incorporation and place of business	Registered address	Share class	% held directly by the Company	Total % held by Group companies
Bartu Turizm Yatirimlari Anonim Sirketi	Turkey	Sirinyali Mahallesi Lara Caddesi, Akra Barut Otel No:24/1, Muratpasa, Antalya	TRL1.00 Ordinary shares	-	50
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 (Opcina Podgora), Porat 136	HRK10.00 Ordinary shares	4.5	100
Inter Hotel SARL	Tunisia	54 Rue du Niger, 1002 Tunis Belvedere	TND10.00 Ordinary shares	-	100
Kybele Turizm Yatirim 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 Yatirim Turizm Seyahat Insaat Ticaret A.S.	Turkey	Güzeloba Mahallesi Caglayangil 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 Sirketi	Turkey	Güzeloba Mah. Havaalanı Cad. 64 Plaza Batuhan, Muratpaşa/Antalya, D:6-7.	TRL1.00 Ordinary shares	100	100

12. Trade and other receivables

	Financial year ended 30 September 2025 £'000	Financial year ended 30 September 2024 £'000
Amounts due from other Group undertakings	25,523	24,015
	25,523	24,015

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 £25,523k (2024: £24,015k). £1,271k of this is interest free (2024: £812k) whilst the remaining balance of £24,252k (2024: £23,203k) bears interest at the 1-month Overnight Indexed Swap ("OIS") rate applicable to the currency of the receivable (2024: 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 £165k were provided for (2024: £166k) in the year.

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

13. Interest-bearing loans and receivables

	As at 30 September 2025		As at 30 September 2024	
	Non-current £'000	Current £'000	Non-current £'000	Current £'000
Amounts due from other Group undertakings	9,134	1,250	5,923	1,250
	<u>9,134</u>	<u>1,250</u>	<u>5,923</u>	<u>1,250</u>

Amounts due from Group undertakings

At 30 September 2025 non-current amounts due from other Group undertakings consists of:

- a loan to TT Hotels Croatia d.o.o. of £6,094k (2024: £5,923k) denominated in EUR bearing interest at a fixed rate of 5.0% and
- the non-current element of a loan to Magic Life Tunisie S.A of £3,040k (2024: £nil) bearing interest at a fixed rate of 9.37%.

At 30 September 2025, current amounts due from other Group undertakings of £1,250k consists of the current element of the loan to Magic Life Tunisie S.A. (2024: £1,250k), which was repaid in October 2025 (2024: January 2025).

Expected credit losses of £3,974k were reversed (2024: £851k) in the year

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

14. Trade and other payables

	As at 30 September 2025 £'000	As at 30 September 2024 £'000
Amounts due to parent undertakings	585	-
Amounts due to other group undertakings	30	30
Group relief payable	1,128	992
Other payables	30	28
	<u>1,773</u>	<u>1,050</u>

Amounts due to Group undertakings

Amounts due to Group undertakings are unsecured, interest-free and repayable on demand, totalling £1,743k including group relief (2024: £1,022k).

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

15. Called up share capital

	As at 30 September 2025 £'000	As at 30 September 2024 £'000
Authorised		
405,175,588 (2024: 405,175,588) ordinary share of £1.00 each	<u>405,176</u>	<u>405,176</u>
Issued and fully paid		
405,175,588 (2024: 405,175,588) ordinary share of £1.00 each	<u>405,176</u>	<u>405,176</u>

16. 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.

17. 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.

18. 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 2025 was up to TND 1,900k (up to £487k).

There are no other guarantees of indebtedness in place as at 30 September 2025.

19. Post balance sheet events

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

- On 17 November 2025 TUI AG fully redeemed approximately €118 million of its convertible bonds originally due in 2028. The bonds were issued with a coupon of 5 per cent in 2021 during the pandemic. This does not have any impact on the Group's ability and intent to provide support for the going concern period.
- The conflict involving Iran, which commenced in March 2026, has escalated into a large-scale regional war, which has significantly impacted fuel prices. The current financial impact of this on the Group and Company is being closely monitored.

20. 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 via Investor Relations, TUI AG, Karl-Wiechert-Allee 23, 30625 Hanover, Germany, or from the website www.tuigroup.com/en.

No other financial statements include the results of the Company.