Tripadvisor, Inc.

NASDAQ: TRIP | BUY | Price $12.96 | Base-case fair value $26–$30 | Implied upside ~+100% to +131%

KEY STATS

Recommendation	BUY · Fair value $26–$30 (base) · $17–$18 floor · $40+ bull
Price / Market Cap	$12.96 (19 Jun 2026) · ~$1.51bn · ~116.4m diluted shares
Net Cash (pro forma)	~$720m reported / ~$250m float-adjusted (after $700m TheFork proceeds)
Catalyst	Definitive agreement (15 Jun 2026) to sell TheFork to American Express for $700m cash; closes by year-end
Activist	Starboard Value: 9.4% economic exposure, board seats, two further nominees standing at the 29 Jun AGM

THE BUSINESS

Tripadvisor operates three segments: Viator, the largest online experiences marketplace (~$924m 2025 revenue, $4.7bn gross bookings, now profitable); Hotels & Other, a declining but cash-generative hotel metasearch brand (~$207m 2025 EBITDA); and TheFork, a European dining-reservation platform under a definitive agreement to be sold to American Express for $700m cash.

INVESTMENT THESIS

- **Market perception:** the market prices the whole company near the value of its declining legacy advertising business and assigns close to nothing for Viator, which trades inside TRIP's EV at under 1.0x revenue against private peer raises (GetYourGuide, Klook) at 3–4x+.
- **Why the discount closes:** the Liberty dual-class control structure is gone, an activist holds board seats and is driving the break-up, and insiders bought stock in the open market in May 2026 near a 52-week low — the catalyst has fired.
- **Margin of safety:** base case of $26–$30 (more than double the current price) uses the conservative float-adjusted cash basis; even the bear case of $17–$18 sits above today's price and is supported by historical takeover interest in the high teens.

VALUATION

	Bear	Base	Bull
Viator EV	$1,400m	$2,100m	$3,200m
Hotels & Other EV	$620m	$830m	$1,035m
Net cash (float-adj.)	$250m	$250m	$250m
Per share (116.4m)	**~$17**	**~$26**	**~$37**

Viator valued on revenue multiple (1.5x/2.3x/3.5x) cross-checked against DCF; Hotels & Other on EV/EBITDA (3x/4x/5x); TheFork treated as $700m of cash.

WHY NOW

- **Catalyst in hand:** the $700m cash sale of TheFork is signed and expected to close by year-end, the first of the two divestitures the activist has pressed for.
- **Control discount removed:** single-class structure since April 2025; the former chairman and an allied director are not standing for re-election at the 29 June annual meeting.
- **Activist board vote this week:** Starboard holds two appointed directors and two further nominees standing for election at the same 29 June meeting, the date of this presentation.
- **Insider buying:** four insiders including the CEO and CFO bought stock in the open market around $9.60 in May 2026, weeks before the TheFork announcement.

KEY RISKS · WHAT WOULD CHANGE THE THESIS

- **AI disintermediation:** Google and generative-AI search keep compressing Viator's organic traffic, raising acquisition cost faster than revenue and capping the margin inflection the thesis needs.
- **Competitive growth gap:** GetYourGuide and Klook are growing roughly 4x faster than Viator; if Viator is structurally the slower platform, the market pays a lower multiple and the gap narrows.
- **Activist conviction breaks:** Starboard unwinds its swap position, or the Viator separation slips beyond a two-to-three-year window, signalling the parts frame will not be adopted.

Full 25-page research memo available on request. Prepared as backing analysis for the CFA UK Value Investing Stock Slam (29 June 2026).