Tripadvisor, Inc.

NASDAQ: TRIP | A sum-of-the-parts re-rating with the catalyst already active

Recommendation	Price (19 Jun 2026)	Base-case fair value	Implied upside (base)
BUY	$12.96	**$26 – $30**	~+100% to +131%

Takeout floor	Bull case (activist program completes)
~$17 – $18 (Viator at a ~1.5x M&A multiple plus cash)	~$40+ (separation or sale of Viator at peer multiples)

Author: D. Radley, Parkview Research · Date: 22 June 2026 · Diluted shares ~116.4m · Market cap ~$1.51bn

Prepared as backing analysis for the CFA UK Value Investing Stock Slam (29 June 2026)

KEY STATISTICS

52-Wk Range: $9.01–$20.16

EV/EBITDA: 8.32x (TTM) ·

Pro Forma Net Cash: ~$720m reported / ~$250m float-adjusted ·

Starboard exposure: 9.4% (stock + swaps) ·

INVESTMENT HIGHLIGHTS

- **Catalyst realized:** the June 2026 definitive agreement to sell TheFork to American Express for $700m in cash converts roughly 46% of current market cap into a balance-sheet asset, supporting a year-end net cash position of ~$720m.
- **The Viator disconnect:** the market currently prices the world's largest experiences marketplace (~$924m 2025 revenue, EBITDA-positive, margins growing rapidly) at under 1.0x revenue inside TRIP's EV, against private peer raises (GetYourGuide, Klook) at 3–4x+.
- **Governance unlock:** the Liberty control structure is gone, Starboard holds board seats with two more nominees standing at the June 29 meeting, and insiders bought stock in the open market in May 2026 near a 52-week low.

Contents

1. Thesis

Tripadvisor is a sum-of-the-parts mispricing in which the market values the whole company at roughly the level of its declining legacy advertising business and assigns close to nothing for its two marketplace assets. On 15 June 2026 the company agreed to sell its dining platform, TheFork, to American Express for $700 million in cash, which converts about 46% of the pre-announcement market capitalisation into cash and validates the break-up logic an activist has been pressing for a year.

With TheFork going, the question simplifies to one asset and one liability dressed as an asset. The asset is Viator, the largest online experiences marketplace, generating over $900 million of revenue and $4.7 billion of gross bookings, now profitable at the segment level. The liability dressed as an asset is the hotel metasearch business, its shrinking but still producing roughly $200 million of EBITDA that funds the rest of the group. At ~$12.50 the market prices Viator at well under 1.0x revenue while private peers GetYourGuide and Klook have raised capital at 3x to 4x or more. That is the gap.

The setup has four parts. First, a real catalyst has already fired rather than being hoped for. Second, the control overhang that justified a decade of discount is gone: the Liberty Tripadvisor dual-class structure collapsed in April 2025 and there is no controlling shareholder. Third, Starboard Value holds 9.4% economic exposure, sits on the board, and is driving the break-up. Fourth, insiders bought stock in the open market in May 2026 at around $9.60, weeks before the TheFork announcement.

My base case is $26 to $30 per share, more than double the current price, depending on how one treats the cash. The upper end of that range requires counting the full reported cash balance as distributable, which we think overstates it because much of it is merchant float owed to suppliers. I anchor the base case on the more conservative, float-adjusted balance and show the difference openly in the valuation section. Even the bear case, around $17 to $18, sits above the current price and is supported by historical takeover interest in the high teens.

Market Opinion

The table sets out what the current price implies against the view taken here.

What the market prices	Our view
A declining metasearch business facing AI disruption.	A holding company whose declining brand funds a category-leading marketplace.
Viator is a low-margin reseller worth under 1.0x revenue.	Viator is a profitable marketplace worth roughly 2x to 3x revenue on two independent methods.
Cash is offset by debt, so the balance sheet is roughly neutral.	After the TheFork sale the company is net cash even once merchant float is stripped out.
Management will not break the company up.	A reformed board and an activist are already breaking it up; the first sale is signed.
Short sellers are right that the catalysts will not execute.	The first sale is done at a predicted price, which weakens the bear case.

Why now

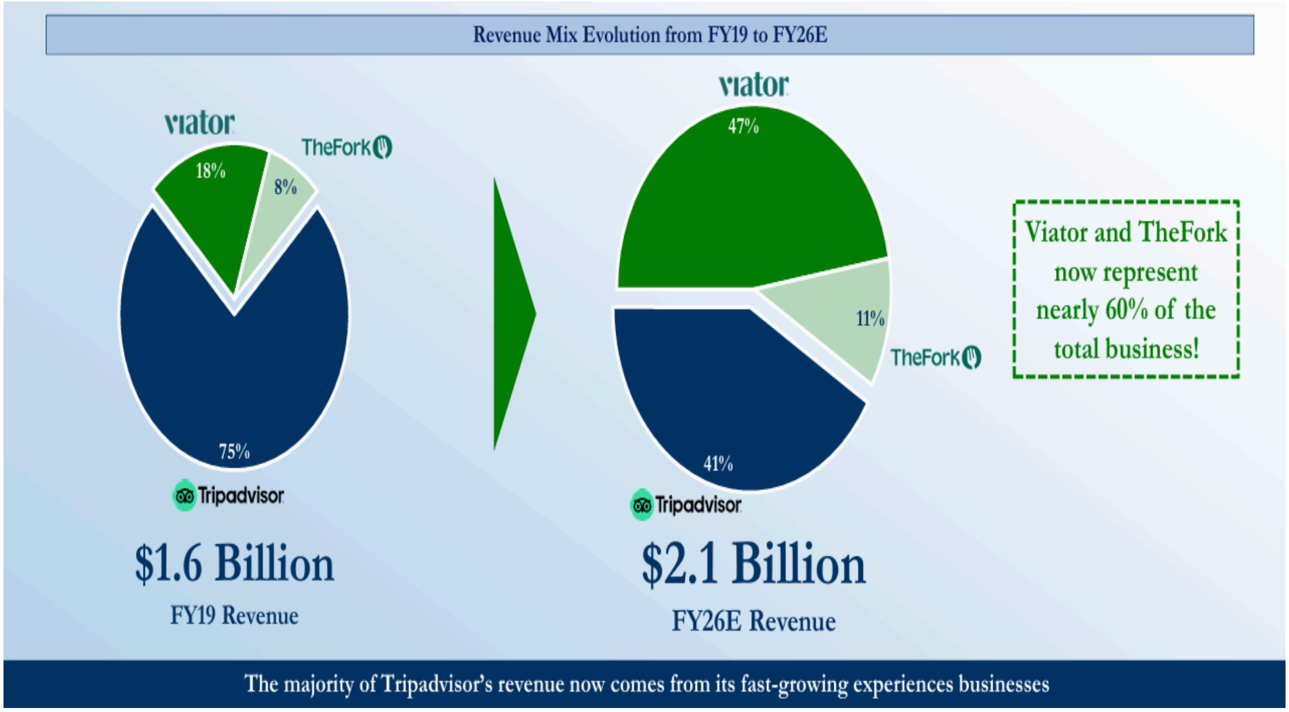
- **The catalyst is in hand** The $700m cash sale of TheFork is signed as a put option agreement and expected to close by year-end. It is the first of the two sales the activist wanted.
- **Control discount removed.** Single-class structure since April 2025; the former chairman and one allied director are not standing for re-election at the June 2026 annual meeting.
- **Activist on the board.** Starboard holds 9.4% economic exposure, has two appointed directors and two further nominees for the 2026 meeting, and secured shareholder-friendly bylaw changes.
- **Insider buying.** Four insiders including the CEO and CFO bought in the open market around $9.60 in May 2026.

What would make us wrong

- Google and generative-AI search keep compressing Viator's organic traffic, so the marketing bill rises faster than revenue and the margin growth stalls.
- Viator's revenue deceleration (from +10% in 2025 to +7.8% in the first quarter of 2026) is structural rather than cyclical, which would lower the multiple the market is willing to pay.
- The activist unwinds its swap position, signalling lost conviction, and the Viator separation slips beyond a two to three year timeline.

2. The discount and what changed

For most of the last decade, Tripadvisor traded at a conglomerate discount for two reasons. The legacy brand, which is a hotel metasearch and advertising business, was losing the free Google traffic that once fed it, and the market correctly extrapolated that decline. At the same time, the company was controlled by Liberty Tripadvisor, whose super-voting shares gave Gregory Maffei and Liberty roughly 57% of the vote on around 21% of the economics. A controlled company with a melting legacy asset and two small marketplaces buried in it was why it was discounted. This has changed - see picture below. (Source: Starboard Value)



Two things changed that. In April 2025, Tripadvisor acquired and retired Liberty's controlling block in a transaction valued at roughly $430 million. This collapsed the dual-class structure into a single class and ended controlled-company status. For the first time, anyone could bid for the business, or push the board, without first negotiating with Liberty. Within months, Starboard Value had built a position and begun pressing for a strategic review and a break-up. The board settled rather than fight a proxy contest, and the result has been a faster path to value realisation than the prior structure would ever have allowed.

The market has started to notice. The shares are up roughly 30% over the three months to mid-June 2026, helped by the TheFork announcement. That matters for two reasons. It means part of the re-rating is already underway, so the entry is less of a coiled spring than it was in the spring, and it means the very high short interest has been partly covered. We treat the squeeze as a secondary tailwind.

3. The catalyst: the TheFork divestiture

On 15 June 2026, Tripadvisor announced an agreement to sell TheFork, its European restaurant reservation platform, to American Express for $700 million in an all-cash transaction. The structure is a put option agreement that follows an employee consultation process, and the deal is expected to close before the end of 2026, subject to regulatory approvals and customary conditions. It is a committed transaction with a named buyer, although it is not yet fully executed.

Financial profile

As of the first quarter of 2026, TheFork generated approximately $232 million of trailing-twelve-month revenue and $28 million of segment adjusted EBITDA. On those figures the $700 million price is about 3.0x revenue and about 25x EBITDA. On a full-year 2025 basis TheFork did $220.8 million of revenue, up about 22%, and $20.4 million of adjusted EBITDA. Both sets of figures are correct; they simply use different periods, and we cite the trailing figures the company used in its own announcement.

The price lands slightly below the internal base case (a 3.5x revenue mark would have implied roughly $774 million) and comfortably above a 1.5x distressed floor of around $330 million. It came in below the strategic-bull range because European dining is contested. Google's own restaurant reservations capped the scarcity premium a buyer would pay.

Balance-sheet effect and use of proceeds

Management expects minimal tax leakage, so net proceeds should approximate the $700 million headline. Earlier drafts move from there to a projected year-end 2026 net cash position of roughly $720 million and build the valuation on it. That figure is the single most important number in the thesis and, as set out in section 9, we think it overstates distributable cash because a large part of the balance is merchant float owed to suppliers rather than free cash. We carry both treatments. Stated uses of proceeds are share repurchases, debt reduction, and reinvestment in the experiences business. A sell-side estimate (BTIG) put the cash value of the sale at roughly $4.60 per share.

The strategic effect is cleaner than the financial one. Removing TheFork leaves a two-asset company that a generalist can value in an afternoon. Its a growth marketplace plus a declining cash machine, with net cash on top. The conglomerate discount partly reflected the difficulty of valuing three businesses reported as one.

4. Business and segment structure

Tripadvisor reorganised its segments in the fourth quarter of 2025, folding the brand's experiences operations into Viator to create a single Experiences segment. After the TheFork sale the group reports two operating segments plus unallocated corporate costs.

Segment (FY2025)	Revenue	YoY	Adj. EBITDA	Margin
Experiences (Viator)	$924.4m	+10%	$91.1m	9.9%
Hotels & Other (legacy brand)	$750.1m	-8%	$207.2m	27.6%
TheFork (being divested)	$220.8m	+22%	$20.4m	9.2%
Group	**~$1,895m**	**+3%**	**—**	**—**

Segment adjusted EBITDA is struck before unallocated corporate overhead, depreciation, stock-based compensation, restructuring, and transaction costs, so the segment figures do not sum to a group operating profit. Group net income for 2025 was approximately $40m.

Experiences are roughly half of group revenue and growing. Hotels & Other is smaller and shrinking but carries the margin. TheFork is the smallest piece and is leaving. After the sale, the two retained segments are about as different as two businesses can be, which is precisely why a sum-of-the-parts frame fits, and a single blended multiple does not.

5. Industry context

5.1 Online travel marketplace economics

Viator adopts the merchant model, not the agency model, so they are the merchant of record, have cash on their balance sheet where they can own float, and have a negative working capital cycle. Customer cash is recorded on the balance sheet as a deferred booking liability until the supplier is paid. This float matters for Tripadvisor's valuation and is the subject of section 9.

Gross margins across the category are structurally high because the marginal cost of a digital transaction is negligible, so the real determinant of profitability is marketing efficiency. Customer acquisition leans heavily on paid search, which ties operating margins to Google's keyword economics. The dominant platforms defend themselves through marketing scale, two-sided network effects, and loyalty programmes whose members book more often and at higher margin. Booking Holdings, for reference, spends on the order of $8 billion a year on marketing, a barrier a sub-scale competitor cannot match.

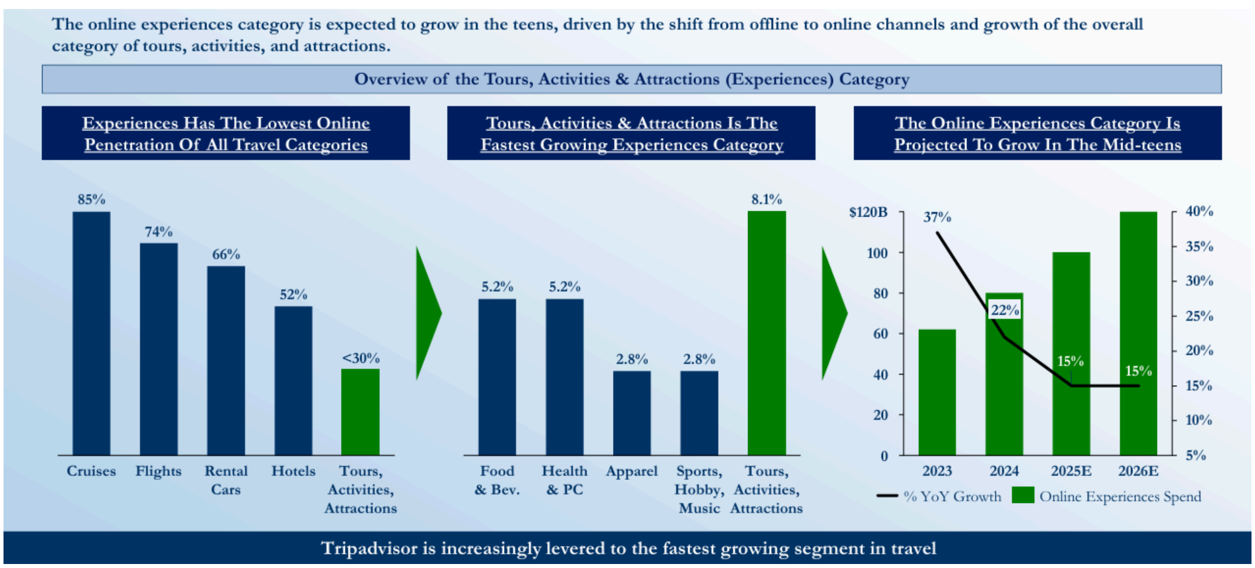
Loyalty programmes are a structural advantage. Members book more frequently and at higher gross profit than non-members, which lowers blended acquisition cost over time and is the behaviour Viator is trying to build through its app. And the category is now using AI inside operations to cut costs. The largest platforms have reported absolute declines in customer-service cost per booking as AI handles routine queries, which is a quiet margin tailwind that favours scale players.

Regulation cuts both ways. The European Digital Markets Act designated Booking.com a gatekeeper in 2024 and abolished price parity, which lets hoteliers offer lower direct rates and theoretically weakens the large OTAs. In practice, many small suppliers lack the budget and technology to acquire customers directly, so the aggregators retain their role. The same logic applies in experiences: the operators most able to go direct are the large ones Viator already discounts, while the long tail that needs Viator the most is the least able to leave.

The structural risk hanging over the whole category is the migration of discovery from keyword search to AI assistants. If travellers begin planning and booking through agentic interfaces rather than search results, the paid-search funnel that incumbents have optimised around could be disintermediated. Incumbents are responding by partnering with AI providers to position their inventory as the booking layer behind those assistants. This is the same force that is eroding Tripadvisor's legacy brand, and it is the most important secular question for the experiences business too.

5.2 The online experiences market

Experiences are the fastest-growing and least-penetrated part of online travel. The global experiences market is on the order of $270 billion and projected to exceed $340 billion by 2029, a high-single-digit nominal growth rate, the real driver is the shift of bookings from offline to online rather than growth in the underlying activity. Supply is highly fragmented: most operators are small, and a meaningful share still lacks any standardised digital reservation system, which is what gives an aggregator its role. See pictures below (source: Starboard Value)



Three platforms lead. Viator is the global and North American leader, GetYourGuide is strongest in Europe, and Klook dominates Asia-Pacific. The competitive structure is a genuine two-sided network with integration lock-in. Whoever owns the booking software that operators run on tends to own the supply. Tripadvisor owns Bokun, Booking Holdings owns FareHarbor. The table below sets out the comparison; several of the peer figures come from private disclosures and should be treated as directional.

Experiences platform (FY2025)	Viator	GetYourGuide	Klook	
Revenue	$924m	~$1.0–1.1bn	$540m	

GMV / GTV	$4.7bn	$4.8bn	$3.0bn	
Revenue growth YoY	+10%	~+40%	~+40%	
Blended take rate	~20%	~23%	~18%	
Last private valuation	(public)	~$2bn (2023)	~$1.6bn	

Peer revenue, valuation, and growth figures are drawn from private rounds and press disclosures of differing dates and are directional. GetYourGuide revenue is stated in source material as both ~$1.0bn and ~$1.1bn; treat as a range.

The point of the comparison is not that Viator is the best of the three. It is growing more slowly than both peers, which is a real concern addressed in section 6. The point is that two private peers with smaller revenue bases have attracted valuations of roughly $1.6 billion to $2 billion, while the public market currently implies a Viator enterprise value below 1.0x its larger revenue base. The market is paying less for the leader than private investors have paid for the followers.

6. Viator and Experiences: the core asset

6.1 Operating metrics

Tripadvisor acquired Viator in 2014 for $200 million. It has grown into the largest online experiences marketplace, with roughly 425,000 bookable products from more than 70,000 operators, distributed through Tripadvisor, partners such as Booking.com and Expedia, and several hundred thousand travel agents. Segment revenue moved from $737 million in 2023 to $814 million in 2024 to $924 million in 2025, gross bookings reached $4.7 billion, and bookings totalled 23 million for the year. In the first quarter of 2026 the segment did $167.9 million of revenue and $1.2 billion of gross bookings.

6.2 Revenue model and take rate

On 2025 figures, the implied unit economics are about $40 of revenue per booking, an average order value above $200, and a blended take rate around 20% net of cancellations and refunds. Viator charges operators a commission of roughly 20% to 30% of gross booking value, with large operators negotiating lower and small fragmented operators paying more. Since 2025 the company has layered on a per-product listing fee and an opt-in programme, Viator Accelerate, that lets operators raise their commission above the minimum in exchange for better search placement. Participants reportedly see roughly 15% more bookings, which lets Viator lift its effective take rate without raising the headline rate.

A second monetisation layer is Bokun, the B2B reservation and channel-management software Viator owns, sold on subscriptions with a small booking fee and, critically, zero fee on bookings routed through Viator. Bokun is both a revenue line and a tool that ties supply to the marketplace, which is why it reappears under switching costs below.

6.3 Unit economics and the cash conversion cycle

Viator is a merchant of record, and its cash cycle is the same negative-working-capital engine described in section 5 and the same one that complicates the net-cash figure in section 9. At the moment of booking the traveller pays, which creates a cash asset and an offsetting deferred-booking liability. Viator holds that cash through to the experience date, earning interest on the float. When the experience is delivered, the net commission is recognised as revenue and the supplier's portion becomes a payable, settled weekly or monthly, so Viator holds supplier funds for a further seven to thirty days. The float is useful, and it is also money owed to suppliers rather than free cash, which is the point section 9 returns to.

Capital intensity is low, with capex below 3% of revenue, so at scale the business should convert a high share of EBITDA to cash. The main qualifier is seasonality. Bookings peak in the second and third quarters, the first quarter is routinely loss-making, and the reserve-now-pay-later option, which charges the card roughly 48 hours before the experience rather than at booking, improves conversion but reduces the interest-bearing float. None of this changes the equity story, but it explains why the quarterly numbers are volatile and why the float adjustment in section 9 matters.

6.4 Moat and switching costs

Consumers value trust and fraud protection when dealing with an unknown local operator and a single place to manage bookings rather than dozens of email confirmations, dispute resolution, instant confirmation, free-cancellation insurance value, and local-currency payment. For unique or exclusive experiences, price sensitivity is low, and the convenience premium holds.

On the supply side, the lock-in runs through Bokun, the reservation software Viator owns, which charges zero booking fee on reservations routed through Viator and a fee on bookings routed elsewhere. Migrating off Bokun is weeks of complex work mapping product codes, schedules, age brackets, and live pricing, which raises switching costs. The review and ranking history is non-transferable, and diverting bookings direct lowers an operator's Viator volume and therefore its ranking.

Booking software	Owner	Monthly	Web-booking fee
Bokun	Tripadvisor / Viator	$50–$500	0% via Viator; 1.0–1.5% direct
FareHarbor	Booking Holdings	$0	5–8% (to customer)
Rezdy	Independent	~$99	~3%
Checkfront	Independent	~$125	0% on most plans
Ventrata	Independent	~$575	~2%

The structural point is the zero Viator-routed fee, which is what creates the lock-in.

The Accelerate programme is both a strength and a fragility. In high-demand destinations such as Rome, Paris, or New York, search placement is close to zero-sum. If one large operator opts in at, say, a 27% commission, others must match or fall to the second or third page where click-through collapses. Well-capitalised operators can bid commissions above 30% to dominate placement. This lets Viator raise its effective take rate, but it also concentrates the channel's value among large operators and is the kind of dynamic that draws operator complaints and, eventually, regulatory attention.

6.5 Customer segments and demand

Millennials and Gen Z account for more than half of global experiential-travel spend and carry the highest lifetime value, which is why the loyalty programme mattes. They are an attempt to convert a paid-search-acquired customer into a repeat one. Package and group travellers, who skew older, book with long lead times and low repeat rates, while a growing last-minute mobile cohort books within forty-eight hours of the activity. The jobs the platform does for these users are consistent They reduce informational asymmetry about an unknown local operator, outsource the complexity of planning, and provide flexibility and financial protection through free cancellation and local-currency payment.

One cautionary data point belongs here. Viators net promoter score around negative 74 with a high detractor share. If accurate, that is a poor satisfaction signal for a business whose moat partly rests on trust and convenience, and it would support the bear view that travellers tolerate rather than prefer the platform.

6.6 Margin inflection

The bull case rests on operating leverage. Revenue scales roughly linearly while the cost of an incremental booking is close to flat, so margins should expand non-linearly as the business matures. The segment reached a $91.1 million adjusted EBITDA in 2025, a 9.9% margin, up from $79 million in 2024, and the internal model points to a mature margin of 25% to 30% as repeat rates rise and direct-app bookings reduce paid-search dependence. The November 2025 restructuring, which merged the brand's experiences operations into Viator and cut roughly 450 roles, lowered the fixed-cost base and supports the leverage story.

Two facts cut the other way. First, growth is decelerating, revenue grew 10% in 2025 and 7.8% in the first quarter of 2026, against peers growing near 40%, and the deceleration coincides with rising paid-search costs as organic traffic shrinks. Management itself expects organic search to fall below 10% of experience booking volumes, which means more of the funnel must be bought. Second, the experiences segment is seasonal and lost money in the first quarter of 2026, with adjusted EBITDA of roughly negative $19 million as marketing ran ahead of a seasonally weak booking period. Although these points arent good, i dont think they break the thesis of operational leverage leading to margin expansion.

6.7 Valuation of Viator: DCF and multiples side by side

We value Viator two ways and use the lower as the anchor. The discounted cash flow uses the segment's own revenue base of $924 million, revenue growth of 10% for years one to three, 8% for years four to six, and 5% for years seven to ten, a margin path from roughly 10% today to about 17% by year five and 20% terminal, and 2% terminal growth. That produces a present value of explicit free cash flow of about $940 million and a terminal value of about $1.08 billion, for an enterprise value of approximately $2.02 billion.

Viator DCF: key assumptions and output	
Base-year revenue (FY2025)	$924m

Revenue growth, years 1–3 / 4–6 / 7–10	+10% / +8% / +5%
Adj. EBITDA margin path	~10% → ~17% (yr 5) → ~20% terminal
Terminal growth	2%
PV of explicit free cash flow	~$940m
PV of terminal value	~$1,082m
Enterprise value	**~$2,021m**

The multiples cross-check uses revenue, because the segment is still early in its margin ramp. Private peers have transacted at 3x to 4x or more and public references such as Expedia sit around 1.5x to 2.5x. Applying a deliberately conservative 1.5x in the bear case, 2.3x in the base case, and 3.5x in the bull case to $924 million gives roughly $1.4 billion, $2.1 billion, and $3.2 billion. The base-case multiple of 2.3x is close to the DCF output, which is the point: two independent methods converge on a Viator enterprise value of around $2.0 to $2.1 billion, well above the sub-1.0x the market currently implies.

7. Hotels & Other: the cash machine in decline

The legacy brand sells click-based metasearch advertising and B2B subscriptions through an auction in which advertisers bid for placement and Tripadvisor is paid on click-through. It is a high-margin business in structural decline. Revenue fell about 8% in 2025 to $750.1 million and accelerated its decline to -20% in the first quarter of 2026. Monthly unique visitors have fallen from a peak near 490 million in 2019 to around 120 million, and the company stopped reporting that metric in detail years ago, which tells its own story.

The cause is disintermediation. Google now answers travel queries with its own modules and AI overviews, capturing traffic that once flowed free to Tripadvisor and forcing the company to buy back its own audience through paid search. This is the clearest live example of the AI-search risk that hangs over the whole category, and it is already in the numbers for this segment.

Management has responded correctly by running the segment for cash rather than growth. It generated $207.2 million of adjusted EBITDA in 2025 at a 27.6% margin, about two-thirds of group segment profit, and $36.7 million in the first quarter of 2026. The restructuring targets roughly $85 million of annualised cost savings by 2027, and early results show fixed costs and personnel expense falling. The segment is a melting ice cube, but it is melting slowly and profitably, and it funds the restructuring and reinvestment elsewhere in the group. We value it on a low EBITDA multiple to reflect the continuing decline.

There is one option embedded here that we do not pay for but note. Tripadvisor holds a library of more than a billion reviews, and it is among the most-cited consumer domains by large language models. Licensing that corpus as training and grounding data is a plausible way to monetise the asset as advertising fades. Comparable deals (Reddit with Google, publishers with OpenAI) have been struck in the tens of millions of dollars, It is optionality.

8. Governance, activism, and ownership

8.1 The Liberty collapse

The precondition for everything else was removing Liberty. For a decade Tripadvisor was a controlled company, with Liberty and Gregory Maffei holding around 57% of the vote on roughly 21% of the economics. In April 2025 Tripadvisor acquired and retired Liberty's block in a transaction valued at about $430 million, collapsing the dual-class structure into a single class and ending controlled-company status. The former chairman and an allied director are not standing for re-election at the June 2026 annual meeting.

8.2 Starboard Value

Starboard disclosed its position in July 2025 and escalated through a public letter in February 2026 that criticised the company's performance and threatened a board slate. Rather than fight, Tripadvisor signed a cooperation agreement dated 22 March 2026. Starboard obtained two independent directors (Dhiren Fonseca and Andrew Cates) who were appointed immediately, Starboard may recommend two further nominees for election at the 2026 annual meeting, and the board expanded from eight to ten. The company also amended its bylaws to permit stockholder action by written consent and the right to call special meetings. Starboard holds 9.4% economic exposure (about 10.77 million shares of underlying exposure), and in early April 2026 it shifted part of the position into cash-settled swaps, which reduced its direct registered ownership below the 5% threshold while keeping the economic stake. A genuine unwind of those swaps would be the signal to watch, because it would indicate the activist had lost conviction.

Starboard's record supports taking the campaign seriously. The firm has compounded at roughly 15% a year since 2002 and made money in around 84% of its campaigns, with landmark wins including the complete replacement of the Darden board. It has also had a weaker recent run, with unsuccessful or seatless campaigns at Box, Autodesk, and Pfizer. The base case is that the TheFork sale is followed by a separation or sale of Viator over the next twelve to twenty-four months. A transaction could compress that timeline.

8.3 Insiders and the shareholder register

On 18 May 2026 four insiders including the chief executive and chief financial officer bought stock in the open market at around $9.60, near a local low and weeks before the TheFork announcement.

The institutional register is more mixed. On the supportive side, deep-value and event-driven holders are present, including Southeastern, Greenlight, and Mangrove. On the cautionary side, two informed holders have stepped back: Palliser Capital, which wrote the original public sum-of-the-parts letter, exited its entire position in the fourth quarter of 2025, and Greg O'Hara of the travel-focused firm Certares resigned from the board in November 2025. A balanced reading is that the activist and the insiders are buying the catalyst while at least two informed long-only holders chose to leave. That is worth a skeptical reader knowing, and it does not sink the thesis, but it tempers the smart-money narrative.

8.4 Management and incentives

The executive team is led by chief executive Matt Goldberg and chief financial officer Michael Noonan. The governance critique is that executive compensation is tied to consolidated targets rather than segment returns on capital, and equity is largely time-vesting restricted stock with limited performance hurdles. That structure rewards holding the conglomerate together at least as much as breaking it apart, which is part of why an outside activist was needed to force the issue rather than management acting on the discount itself.

Capital allocation history is mixed and belongs in the file. Management reportedly declined takeover interest in the region of $19 per share in early 2025, then deployed cash to retire Liberty's block at a reference price around $16. Buybacks and the Liberty retirement have reduced the share count materially since 2020, which is shareholder-friendly, but the decision to pass on a high-teens bid and then spend on the control unwind is significant.

9. Capital structure and the net-cash question

At 31 March 2026 Tripadvisor held about $1.12 billion of cash against about $1.17 billion of total debt, for reported net debt of roughly $50 million, essentially neutral. It repaid $345 million of convertible notes in cash on 1 April 2026, and its term loan is a $500 million facility maturing in 2031. On the reported figures, adding $700 million of TheFork proceeds and a year of free cash flow gets to roughly $720 million of net cash.

The problem is that a large part of that cash is not the company's to keep. In the merchant model, travellers pay at the time of booking, and that money sits on the balance sheet as a deferred-merchant-booking liability until the supplier is paid after the experience is delivered. Adjusting for it, the company's true net position is closer to roughly negative $450 million than the reported negative $50 million, a swing of around $3.40 per share.

After the TheFork proceeds, the float-adjusted year-end net cash is on the order of $250 million rather than $720 million. The difference is about $470 million, or roughly $4 per share, and it is the single largest reason the base case sits below the $33 figure. A reader is entitled to disagree and treat the float as permanent capital, in which case the higher net-cash figure and a target nearer $30 are defensible.

10. Sum-of-the-parts valuation

Method: value Hotels & Other on an EV/EBITDA multiple, because it is a managed decline, and value Viator on revenue, because it is early in its margin ramp, cross-checked against the discounted cash flow from section 6. TheFork is now simply $700 million of cash. From the segment enterprise values we subtract a capitalised charge for unallocated corporate overhead that survives a break-up, then add net cash on the conservative, float-adjusted basis, and divide by about 116.4 million diluted shares.

Component	Bear	Base	Bull
Viator EV (1.5x / 2.3x / 3.5x revenue)	$1,400m	$2,100m	$3,200m
Hotels & Other EV (3x / 4x / 5x EBITDA)	$620m	$830m	$1,035m
Less: capitalised corporate overhead	($250m)	($200m)	($150m)
Enterprise value	**$1,770m**	**$2,730m**	**$4,085m**
Plus: net cash (float-adjusted, ~$250m)	$250m	$250m	$250m
Equity value	**$2,020m**	**$2,980m**	**$4,335m**
Per share (116.4m diluted)	**~$17**	**~$26**	**~$37**
Upside vs ~$12.50	+36%	+108%	+196%

Float-adjusted basis. If instead the full reported year-end net cash of ~$720m is treated as distributable, add ~$470m of equity value, lifting the per-share outputs to roughly $21 (bear), $30 (base), and $41 (bull).

Reconciliation and floors

Three reference points frame the range. The takeout floor is around $17 to $18: Viator alone at a 1.5x M&A multiple plus the cash supports roughly that level, and the business has attracted takeover interest in the high teens before, which is why the bear case is a floor. The base case is $26 to $30, more than double the current price, with the spread inside that band driven almost entirely by the net-cash treatment in section 9. The bull case of around $40 or higher requires the activist program to complete, with Viator separated or sold at a peer-style multiple.

Sell-side consensus is a hold with a price target around $14, and recent targets have ranged from roughly $9 to $22, with post-deal moves to about $15.50 and $20. Our base case is well above the Street. The difference is frame. The Street values Tripadvisor as a blended going concern with a declining top line. The thesis here values it as separable parts, and the entire bet is that the activist forces the market to adopt the parts frame. If that catalyst fails to progress, the Street is closer to right in the near term, which is why catalyst risk, not valuation, is the central risk.

Sensitivity

Because the two largest swing factors are the Viator multiple and the net-cash treatment, the matrix below holds Hotels & Other at its base value and the overhead charge constant, and varies only those two. Our base sits one or two columns to the left.

Viator multiple → per-share value	Float-adjusted cash (~$250m)	Reported cash (~$720m)
1.5x revenue ($1,386m)	~$20	~$24
2.3x revenue ($2,125m) — base	**~$26**	**~$30**
3.0x revenue ($2,772m)	~$31	~$35
3.5x revenue ($3,234m)	~$35	~$39

Holds Hotels & Other at $830m EV and capitalised overhead at -$200m; 116.4m diluted shares. The base case is 2.3x revenue, which is where the DCF and multiples converge; the column you believe depends on whether merchant float is distributable.

Comparable transactions

Private-market and M&A reference points bracket the valuation from above and below. On the dining side, Booking Holdings paid roughly $2.6 billion for OpenTable in 2014, about 13.7x revenue in a zero-rate era, which is the strategic high-water mark for a reservation marketplace and puts the $700 million TheFork price in context as a sober outcome. The dining-software space has continued to consolidate, with American Express acquiring Resy and then Tock, and DoorDash agreeing to buy SevenRooms for around $1.2 billion, which is why a strategic buyer for TheFork existed at all. On the experiences side, the relevant references are the private valuations of GetYourGuide and Klook in the $1.6 billion to $2 billion range and the historical takeover interest in Tripadvisor itself in the high teens per share. A business that drew bids around $18 to $19 before the catalyst, now cleaner and cash-rich, is unlikely to clear far below that in a sale.

Scenarios in words

Bear, around $17 to $18. Viator is treated as a slow-growing, low-margin reseller and valued at a 1.5x M&A multiple, the legacy brand fades faster than expected, and the merchant float is counted against the cash. Even here the value sits above the current price and at roughly the level of prior takeover interest, which is why this is a floor rather than a target.

Base, around $26 to $30. Viator is valued where the DCF and a 2.3x revenue multiple converge; the legacy brand is valued as a managed decline at 4x EBITDA; corporate overhead is capitalised as a drag, and the cash is taken on the conservative float-adjusted basis at the low end of the range and the reported basis at the high end. This is more than double the current price and does not require the Viator separation to complete; it only requires the market to value the retained parts sensibly once TheFork is gone.

Bull, around $40 or more. The activist program completes, Viator is separated or sold at a multiple closer to its private peers, the margin inflection continues, and the full reported cash is treated as distributable. This is the outcome Starboard is working toward, and it is plausible on a twelve to twenty-four-month view, but it is the scenario most dependent on execution and is therefore not the anchor.

11. Re-rating dynamics and the path from here

Short interest was 36.99% of float on 15 April 2026, and after a roughly 30% rally into mid-June more recent data puts short interest closer to 26% of shares outstanding, which suggests part of the position has already been covered. However, It still remains a real tailwind. A still-elevated short position against a stock with a catalyst and an activist on the board can accelerate a re-rating, and the days-to-cover figure was meaningful.

Milestones to watch

The thesis plays out through a sequence of observable events rather than a single re-rating, which makes it monitorable. The order matters because each step either confirms or weakens the parts frame the whole bet depends on.

1. Close of the TheFork sale before year-end 2026, including completion of the employee consultation and regulatory clearances. A clean close converts the catalyst from announced to realised.
2. The June 2026 annual meeting: confirmation of the board's new composition and the two additional Starboard nominees, and the departure of the former chairman and allied director.
3. Use of the $700m: a sizeable buyback at the current discount would be the most accretive use and the clearest signal that the board is acting on the discount rather than around it.
4. The Starboard swap position: any genuine unwind is the single most important negative signal.
5. A formal review, separation, or sale of Viator over the next twelve to twenty-four months, which is the leg that takes the stock toward the bull case rather than the base.
6. Quarterly Viator metrics: whether revenue growth stabilises above the high-single digits and whether the margin continues to inflect, which together decide the multiple the market will pay.

12. Risks and mitigants

Google and generative-AI disintermediation

The structural risk is that Google's own travel products and AI assistants keep taking the top of the funnel, raising Viator's customer-acquisition cost faster than revenue grows and capping the margin inflection the thesis needs. This is already visible in the legacy brand and is the reason Viator's growth is decelerating while marketing intensity rises. The mitigant is that management has stopped defending the legacy business with unprofitable spend, is pushing direct app adoption to build repeat purchases, and the valuation deliberately uses conservative multiples and a DCF that already assumes deceleration. This is the most significant risk capable of breaking the thesis.

Viator competitive and margin risk

GetYourGuide and Klook are growing roughly four times faster than Viator. If Viator is structurally the slower-growing platform, the market will pay a lower multiple than peers command, and the gap that drives the thesis narrows.

Mitigant: Viator's absolute scale, distribution reach, and Bokun lock-in are real, and even a discounted multiple to peers leaves substantial upside from the current sub-1.0x level.

Catalyst and activist risk

The whole thesis is a bet that the parts get separated. If Starboard unwinds its swaps, if the Viator separation slips, or if the board reverts to running the business as a blended whole, the parts frame may not be adopted, and the Street's lower valuation prevails.

Mitigant: the first divestiture has already happened, the board is reformed, and insiders are buying. The signal to monitor is the Starboard swap position.

Macro and execution

Leisure travel is discretionary and cyclical. Management flagged softer bookings in the spring of 2026, and a broader downturn would compress booking volumes across both retained segments.

Mitigant: the cash from the TheFork sale gives the company room to repurchase discounted shares through a downturn, and the legacy segment's cash generation is relatively defensive.

14. Conclusion

Tripadvisor is a clean sum-of-the-parts mispricing with the rare feature that the main catalyst has already fired. The control discount is gone, an activist is on the board and aligned, insiders are buying, and the first of two divestitures is signed at a price that validates the break-up. The retained business is a fast-but-decelerating experiences marketplace worth roughly $2 billion on two independent methods, plus a declining but cash-generative legacy segment, plus net cash. Stripping out the merchant float that flatters the cash balance, the base case is $26 to $30 per share, more than double the current price, with a takeout floor near $17 to $18 and a path above $40 if Viator is separated. The central risk is whether the activist program completes and the market adopts the parts frame.

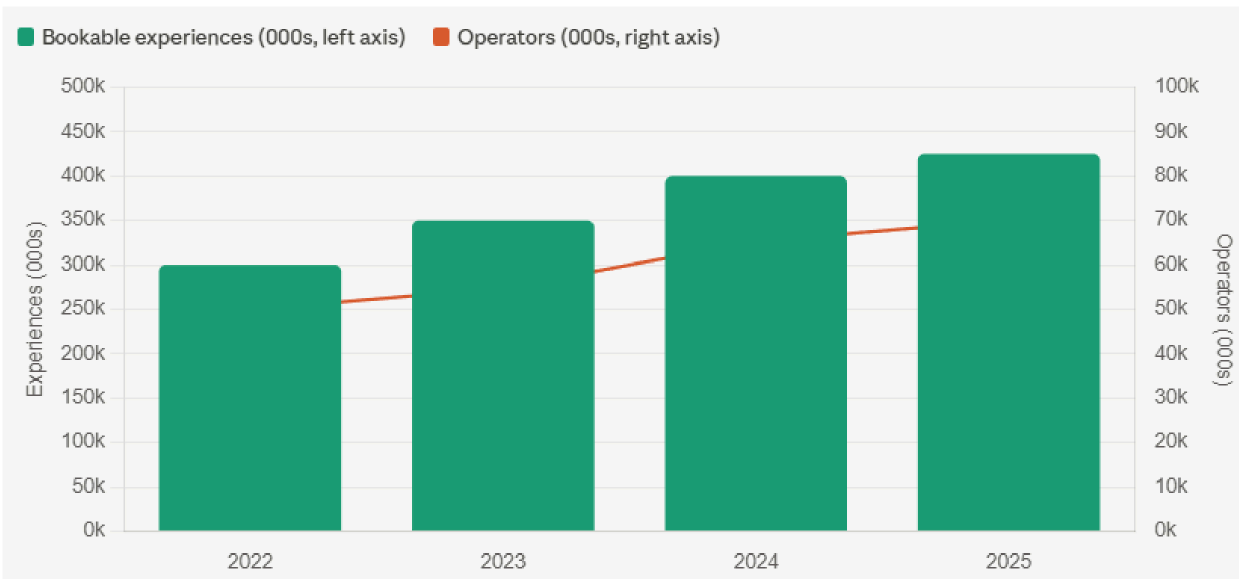
Appendix A: selected financial detail

Viator (Experiences) trend

Metric	FY2023	FY2024	FY2025	Q1 2026
Revenue	$737m	$814m	$924m	$167.9m
Gross bookings (GBV)	$3.75bn	$4.2bn	$4.7bn	$1.2bn
Bookings	~17.5m	19.7m	23m	5.6m
Adj. EBITDA margin	loss	~8.6%	9.9%	neg. (seasonal)

FY2024 Experiences adjusted EBITDA of ~$79m on $814m revenue implies ~8.6%. Q1 is seasonally loss-making (~-$19m in Q1 2026).

Bookable experiences and operator growth trend (2022-2025)



Q1 2026 segment detail

Segment (Q1 2026)	Revenue	YoY	Adj. EBITDA
Experiences (Viator)	$167.9m	+7.8%	~ -$19m
Hotels & Other	$157.9m	-20%	$36.7m
TheFork	$57.3m	+24%	$4.6m
Group	**$382.4m**	**~flat**	**—**

Balance sheet and the float adjustment

Item (31 Mar 2026 unless noted)	**Amount**
Cash and equivalents	~$1,120m
Total debt	~$1,171m
Reported net debt	~$51m
Estimated true net debt (float-adjusted)	~$450m
TheFork cash proceeds (expected)	$700m
YE2026 net cash, reported basis	~$720m
YE2026 net cash, float-adjusted basis	**~$250m**