TRIGANO

Valuation day – 18 May 2025
Closing price (16 May 2025) - 132 EUR
Exchange: Euronext Paris A
Ticker symbol: TRI

Target price: 181 EUR
Upside: 37%
Recommendation: Buy

BAM
Börsgruppen Asset Management

Analysts:
Leo Wallinge
Marc Perman

Agenda

Business Overview
A french trip worth taking?

Company description

- Trigano S.A is a French company specializing in the design, manufacturing and distribution of recreational vehicles (RVs) and related equipment.
- Founded in 1935 by Edgard Trigano and headquartered in Paris, the company has grown into one of Europe's leading players in the leisure vehicle industry
- Motorhomes is the largest segment standing for 74% of revenue but the segment mobile homes shows an impressive growth of 129% in H1 2025 indicating future diversity.

Brands & Products

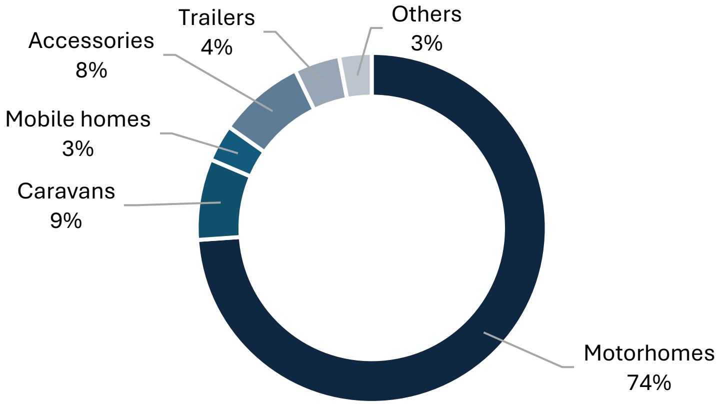
Product lines & Revenue split FY 24

Motorhomes

Caravans

Mobile Homes

Accessories

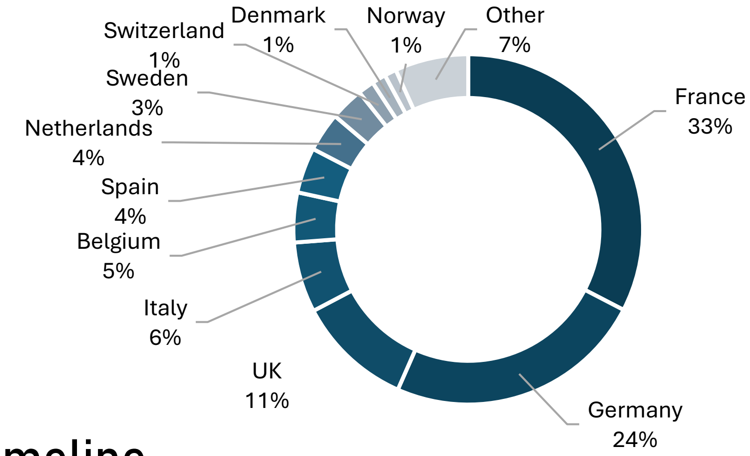


Business Overview (cont.)

Continuosly delivering

TRIGANO

Geographical split FY 24



Amazing M&A Trackrecord!

Trigano has completed 30+ acquisitions over the past two decades, positioning itself as a consolidator in the European leisure vehicle market. Recent deals span manufacturing, distribution, and mobile homes, showing both horizontal and vertical expansion.

This suggests that the company culture is very strong.
It is not possible to integrate 30+ external companies into your organisation without this important gear.

Adria was acquired in 2017 for approx. €259.4M,

One of the company's largest acquisitions so far.

ADRIA

Timeline

1935 – Founded in France by Édouard Trigano. The company originally sold textile products.

1950 - 1960 – The company expanded rapidly as camping became popular across Europe.

1970 - 1980 – The company diversified into caravan and trailer manufacturing, cementing its position in the leisure vehicle market

1994 – Trigano was listed on the Paris Stock Exchange providing capital for expansion

2000's – Trigano acquired several motorhome brands in Italy and Spain, including McLouis and Roller Team. The company expanded its dealer network and production capacity across Europe.

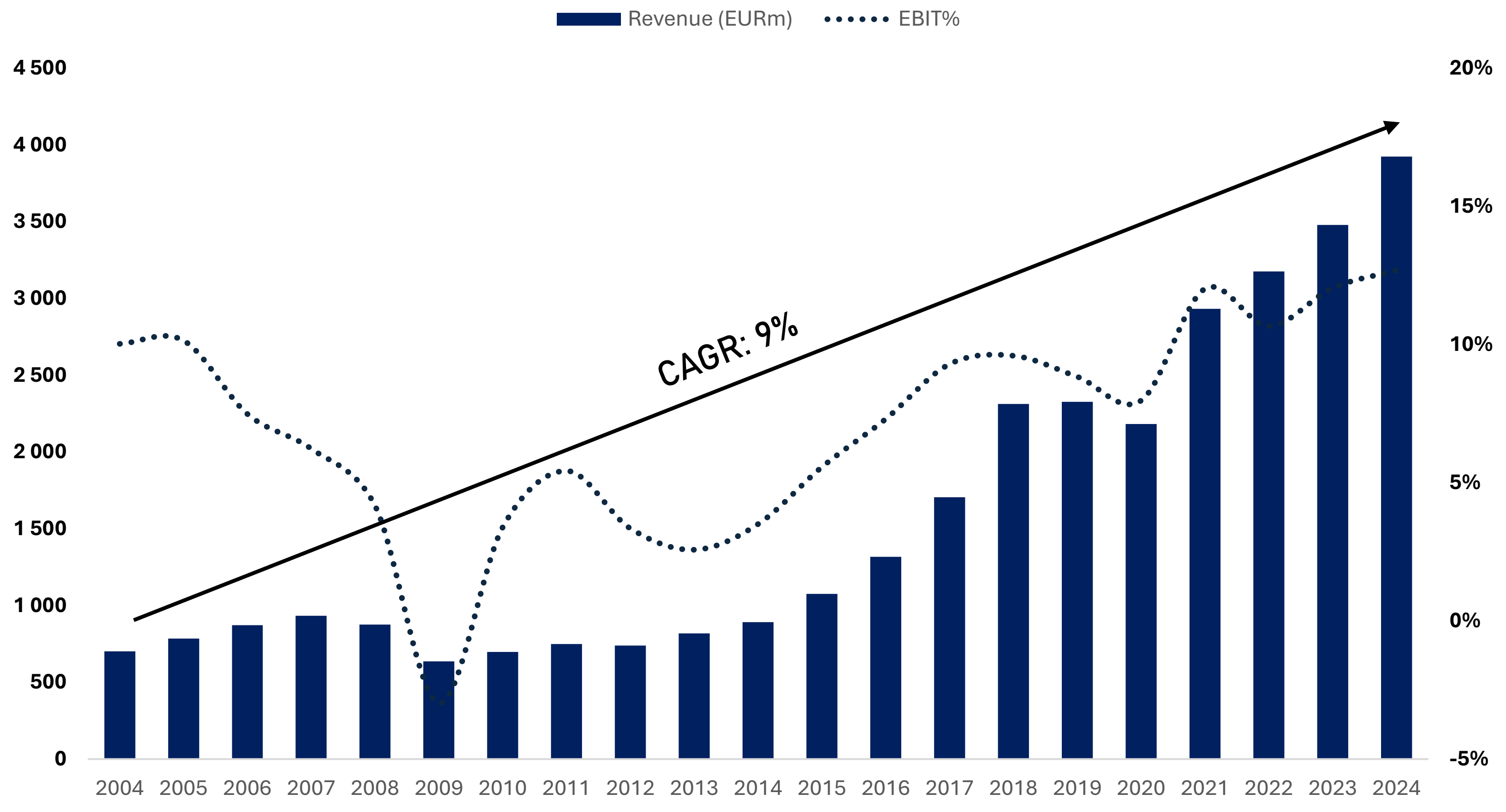
2017 – Trigano acquired Adria Mobil, a leading Slovenian motorhome and caravan manufacturer.

Financials

Strong top line growth and margin expansion

TRIGANO

Sales and Profitability



Comments

- The company has shown impressive growth with a CAGR of 9% since 2004 even if considering the great financial crisis of 08.
- The pandemic firstly caused a slight beating to revenues, but they quickly recovered in 2021 partly due to outdoor trends.
- Margins have also shown an impressive growth since 2013, going from 2,6% to 12,7% EBIT. This is due to a high demand for leisure vehicles.

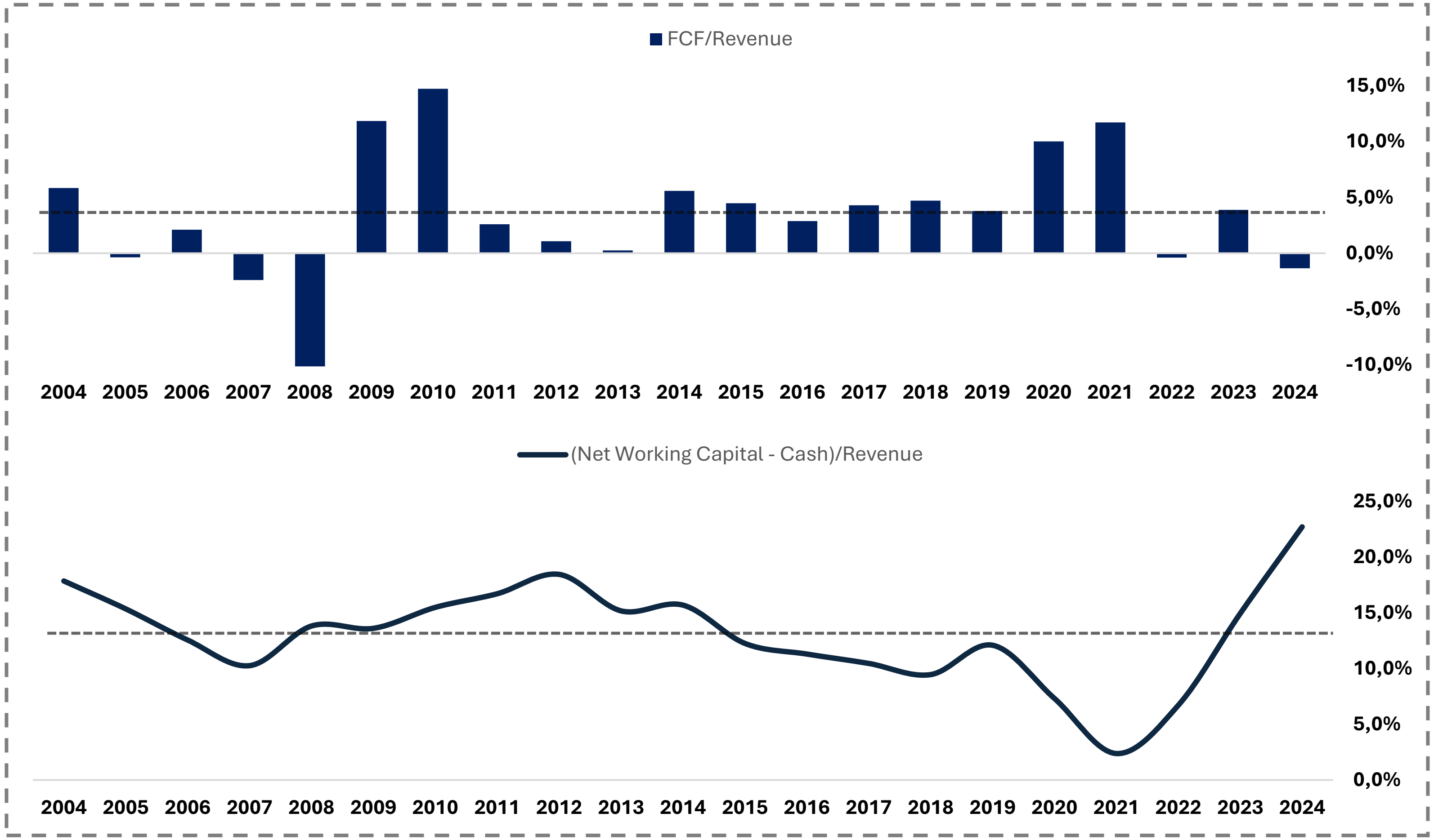
Source: Refinitiv

Financials (cont.)

Track record of generating cash but tougher capital mangagement

TRIGANO

Free cash flow and Net Working Capital



Comments

- Trigano has a median FCF/Sales ratio of 3,6% the last 20 years indicating a good track record of generating cash
- The Net Working Capital / Revenue ratio has been a median of 13% compared to 22% now
- Assuming a mean reversion, this would indicate larger-than-usual cash flows the coming years
- This assumption is supported by quotes from the annual report: " These measures, which were well controlled and monitored, contributed to a temporary increase in working capital requirements (WCR). The situation is being resolved, and we expect a return to normal by the spring of 2025."
- In the first half of FY 2025 there was a reduction in WC of 44,3 M EUR

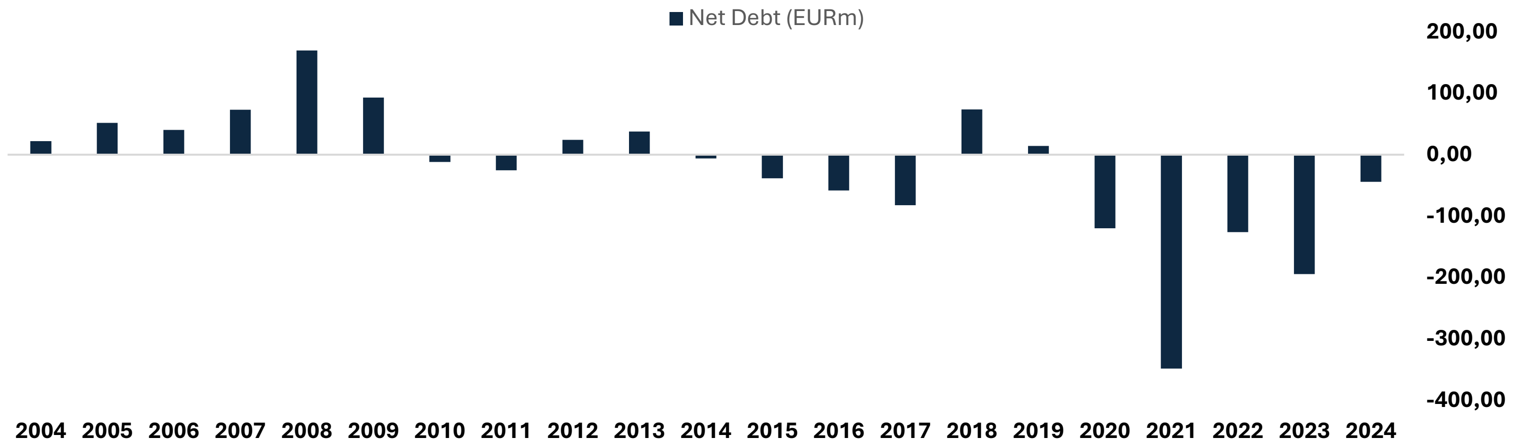
Source: Refinitiv, Trigano

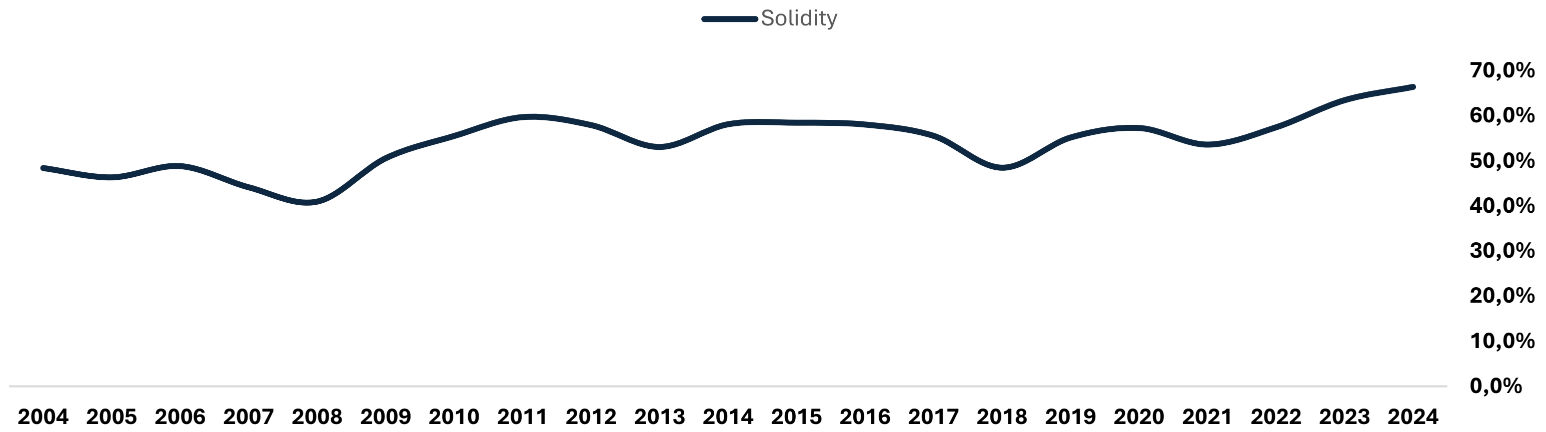
Financials (cont.)

Improved financial position over time decreases risk and increase oppertunity

TRIGANO

Net debt and Solidity





Comments

- We are likely to see ATH in Net Cash for 2025E mainly driven by decreased Working Capital as inventory levels normalize.
- This will facilitate in several opportunities, including increased dividends, buyback, acquisitions, & adding debt
- Solidity increasing over time, reflecting solid financial structure.

Source: Refinitiv, Trigano

Trading Update H1 sales

Slowing down topline & bottomline

First-Half €M	H1 2024/2025	H1 2023/2024	Change %
Motorhomes	1,286.6	1,545.9	-16.8%
Caravans	57.1	93.3	-38.8%
Mobile Homes	123.0	53.7	129.1%
Accessories	107.2	107.7	-0.5%
Other	27.3	26.9	1.5%
Leisure Vehicles	**1,601.2**	**1,827.5**	**-12.4%**
Trailers	65.4	66.3	-1.4%
Other	8.6	12.0	-28.3%
Leisure equipment	**74.0**	**78.3**	**-5.5%**
Total Sales	**1,675.2**	**1,905.8**	**-12.1%**

Operating Income %	**8.6%**	**12.8%**

Comments:

According to the latest H1 report, the decline in sales was not due to lower demand. In early 2024, there was a sudden shift from not having enough chassis to having too many. This was caused by new transition standards by EU. This led to distributors stockpiling motorhomes to avoid supply disruptions. This caused Trigano & its distributors to end up with excess inventory & to fix this, Trigano cut back on its production and slowed down deliveries to help clear out the extra stock.

The drop in operating income % was mainly due to lower sales, which meant less revenue to cover fixed costs & clearing excess inventory often involves lower efficiency.

Looking ahead

"Many challenges remain, but the medium- and long-term outlook is favorable for Trigano, its employees and its shareholders. I will strive to maintain the company's growth by pursuing the policy of gaining market share while ensuring quality margins."

Stéphane Gigou, Chairman of the Board

Key Highlights:

Motorhome demand rebounded in April across key geographies (e.g., +11.8% France, +40.9% Italy), enabling Trigano to grow market share by ~3 percentage points.

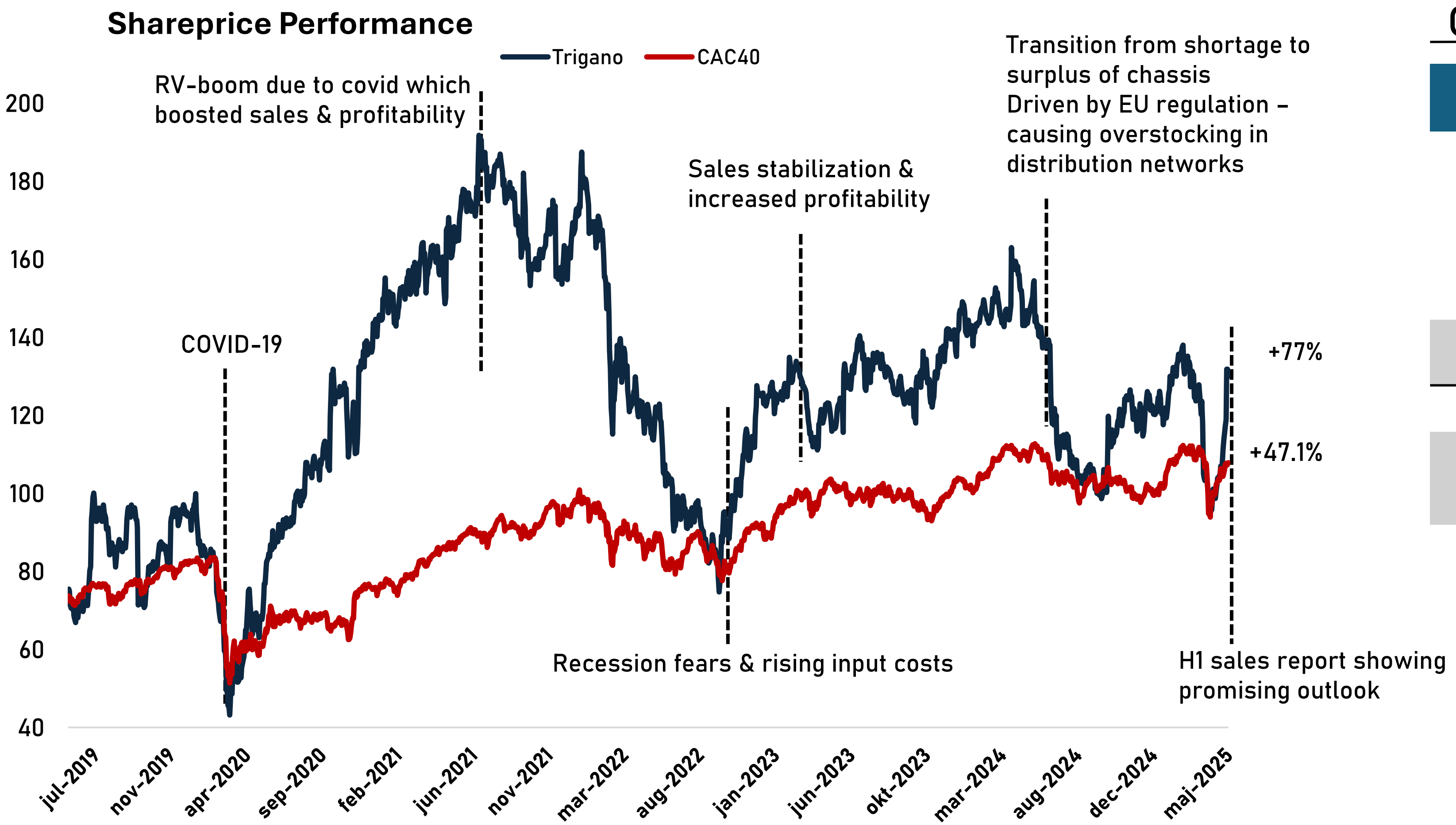
Sales activity will therefore remain sustained & continues to show positive momentum. However, the caravan market is in a downtrend & expects to pick up earliest 2026.

In H1, inventory levels are now back to normal in most major markets.

Margins are expected to recover in H2. Trigano is also continuing to cut working capital and has already seen a strong improvement in its cash position.

Shareprice performance & owner list
A stock with concentrated ownership that has stayed resilient through the years

TRIGANO



Ownership

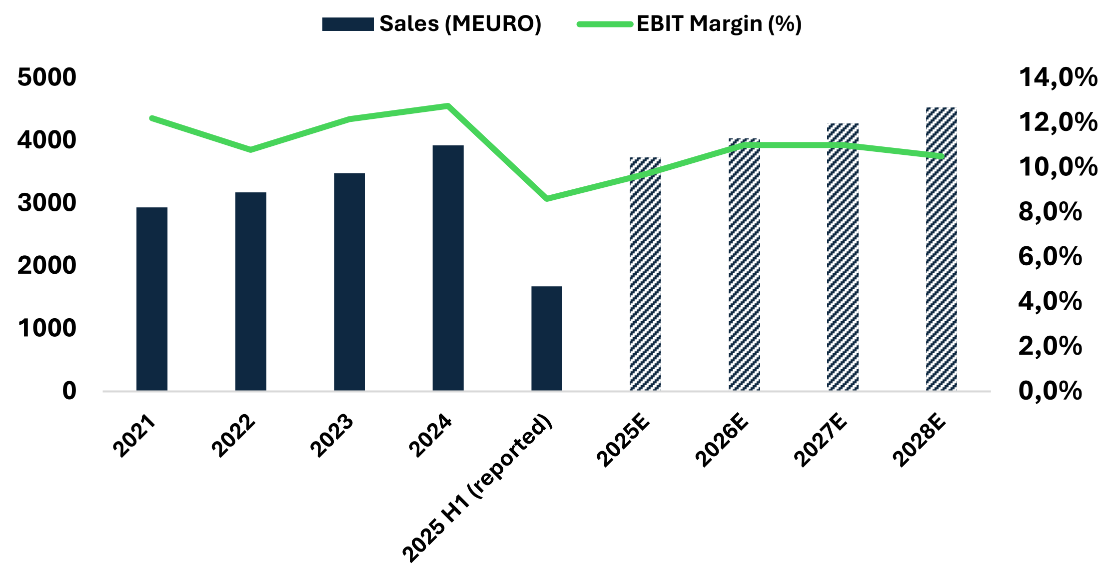
Company	Country	% of shares
François Feuillet		47,9%
Alice Feuillet		5,0%
Severine Feuillet		5,0%
Feuillet Family		57,9%
Other registered		1,2%
Free Float		40,8%

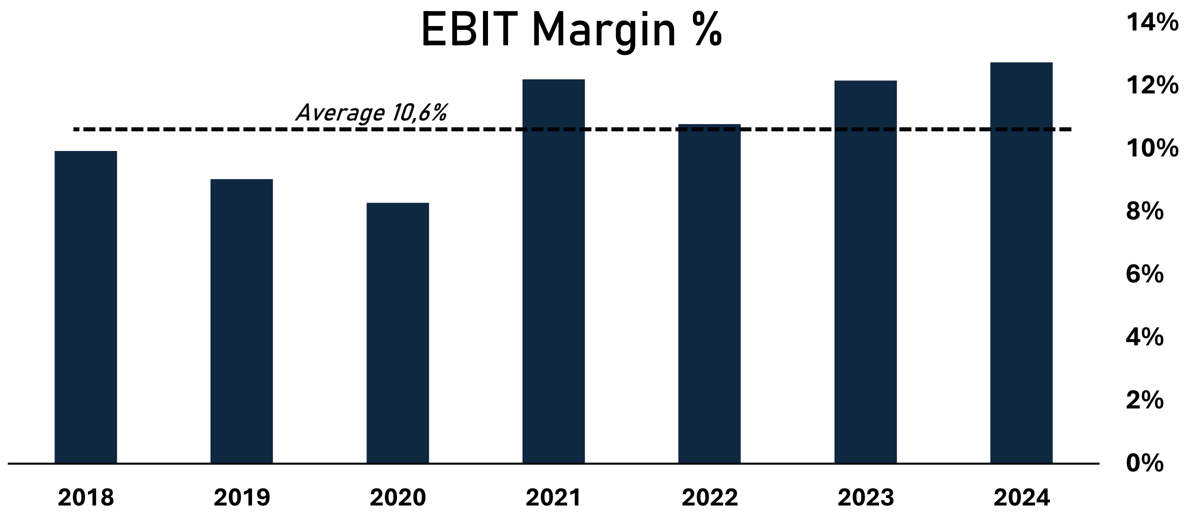
Investment thesis

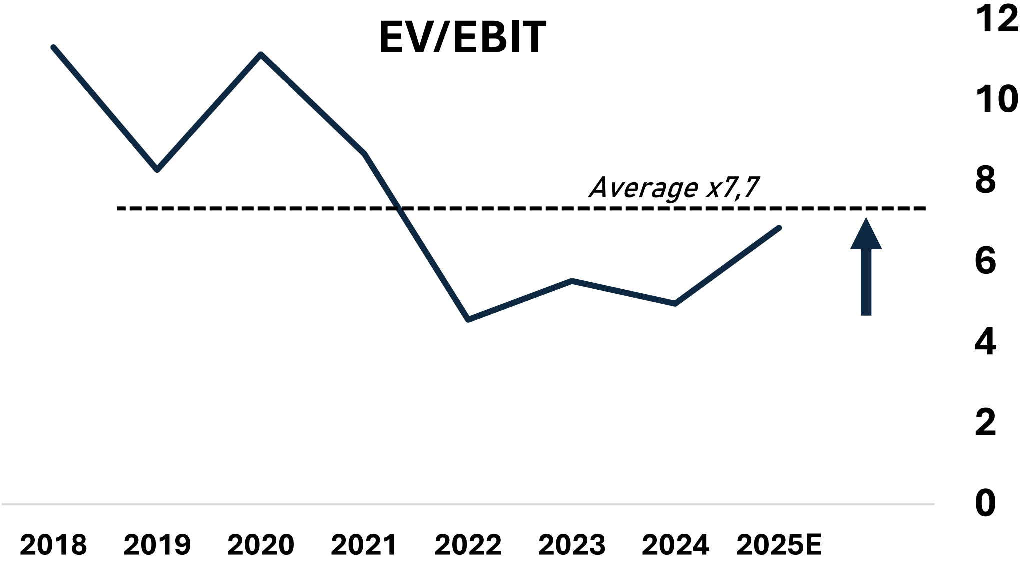
Thesis #1

Best-in-class margins will bounce back H2 - should trigger multiple expansion

TRIGANO







Over the years, Trigano has historically delivered top-tier EBIT-margins, averaging 10,6% since 2018. We suspect this is due to the quality products Trigano offers. CEO, Stephané Gigou says inventory levels should be back to normal H2, which will trigger a margin expansion due to higher volumes.

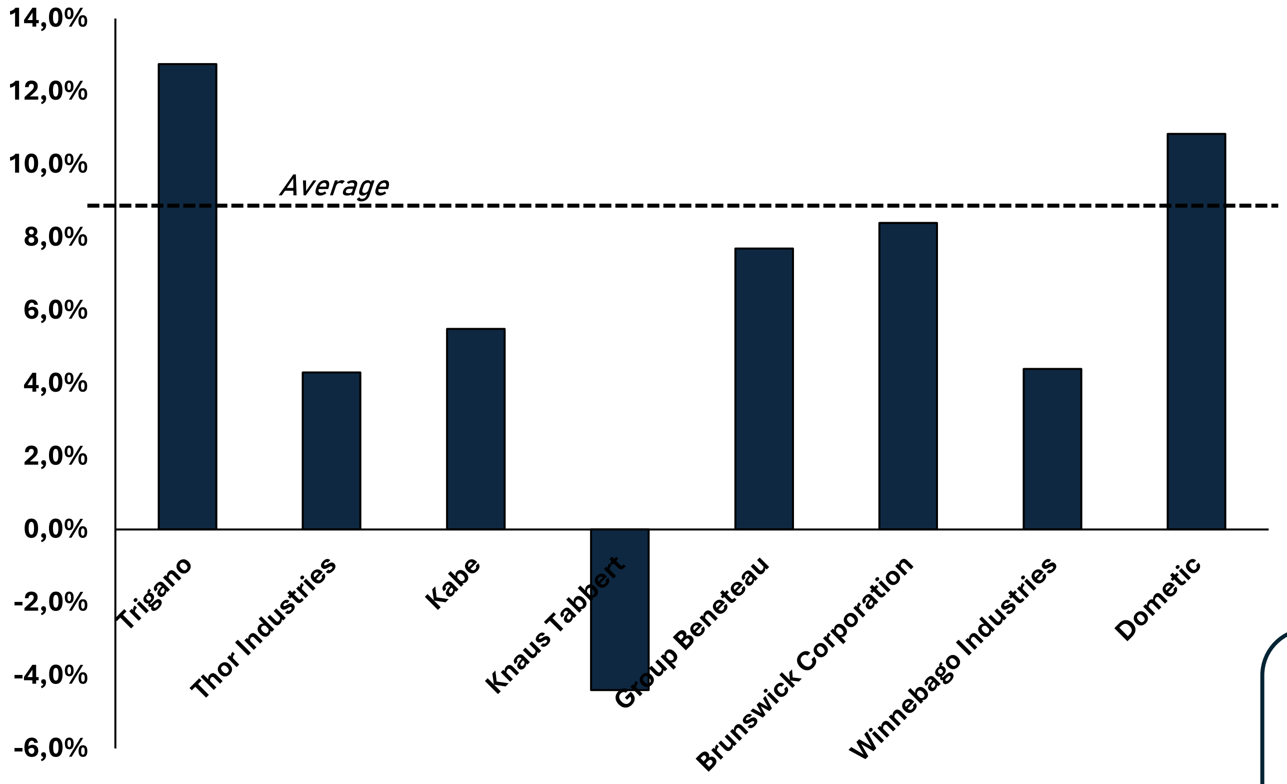
The market still seems to be careful & doubtful.
We see this as a great opportunity and think an revaluation will take place within 3-6 months.

Thesis #1

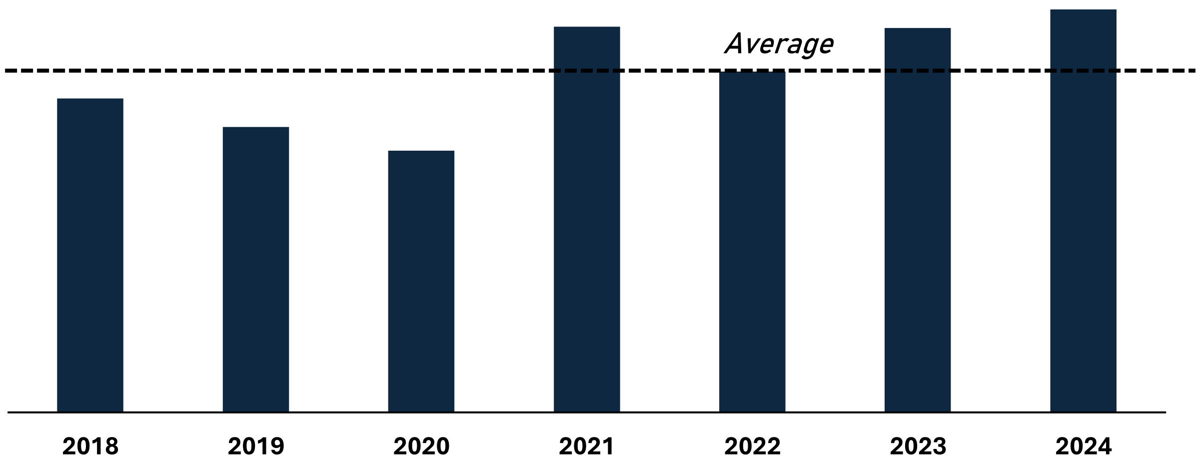
Margins - Peers

TRIGANO

EBIT Margin (%)



Trigano Historic EBIT Margin (%)

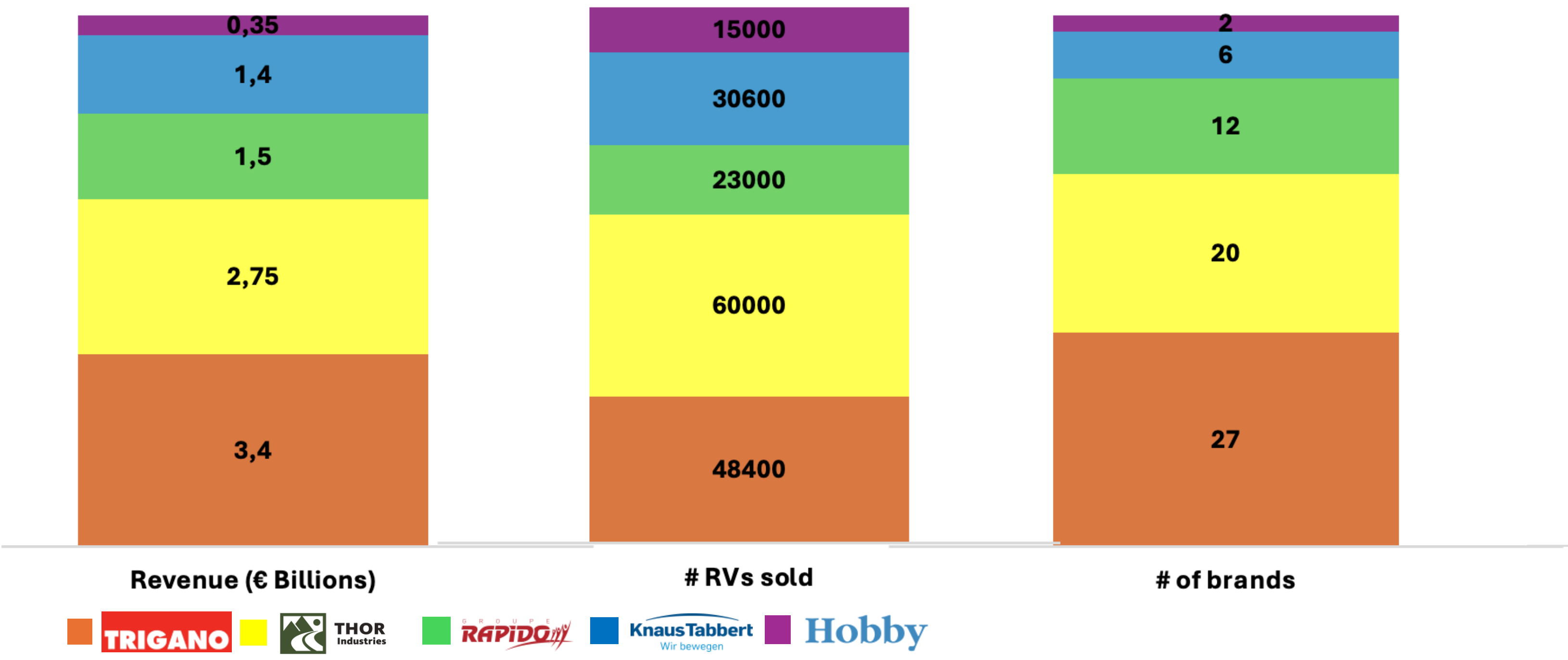


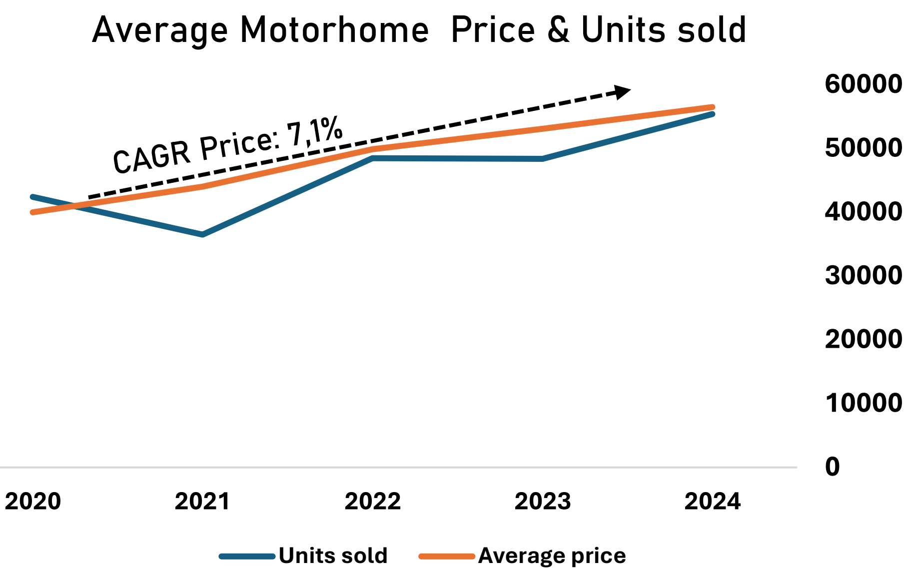
Comments:

Trigano demonstrates strong operational performance with an EBIT margin notably above the peer group average, outperforming major competitors. This indicates better cost control or pricing power. Looking at the historical trend, Trigano has maintained a consistently high EBIT margin over time, close to 10%

Thesis #2

Oligopolistic market structure supports strong pricing power – EBIT% will remain





Europe's RV market is structurally consolidated — the top 5 players control ~90% of the market. In such concentrated markets, pricing tends to be rational and margin-destructive price wars are rare.

With no major new entrants or disruptive price players on the horizon, we expect the current margin structure to remain intact.

Consumers in the RV segment are typically less price-sensitive due to the discretionary nature of the product and long purchase cycle.

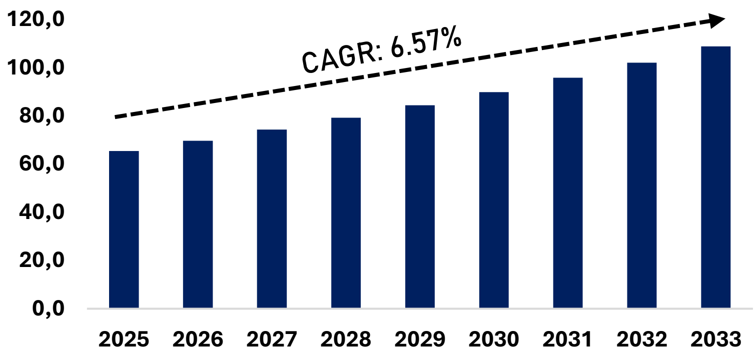
We can notice that Trigano for example, raised their average RV price by 32% between 2019 & 2024, suggesting strong pricing power (from 40 000€ to 56 500€).

Thesis #3

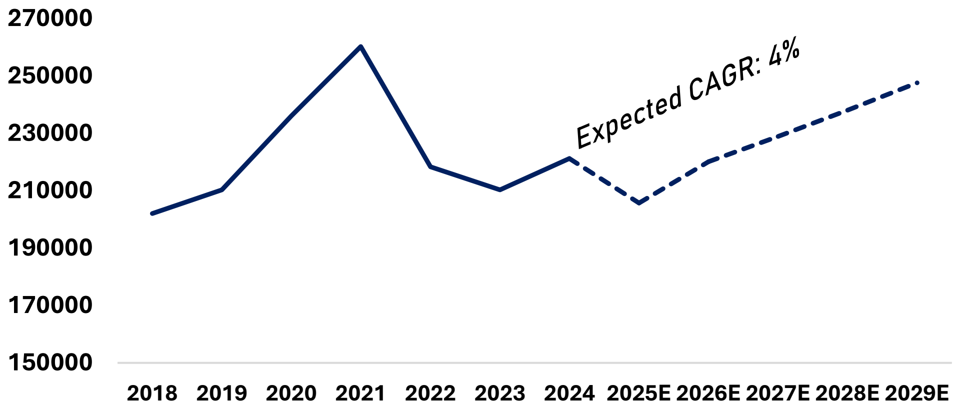
Market outlook is promising

TRIGANO

Caravan & Motorhome Market Forecast (USD B)



Registration of new Lesure Vehicles in Europe



Expected growth by market analysis

- The global caravan and motorhome market size was valued at USD 61.4 Billion in 2024. Looking forward, IMARC Group estimates the market to reach USD 108.8 Billion by 2033, exhibiting a CAGR of 6.57% during 2025-2033. Europe currently dominates the market, holding a significant market share of over 42.8% in 2024.

- The growing popularity of outdoor and adventure tourism, demand for leisure and adventure travel among individuals across the globe, rising preference for staycations among the masses, and increasing popularity of retirement travel are some of the major factors propelling the market across the European region.

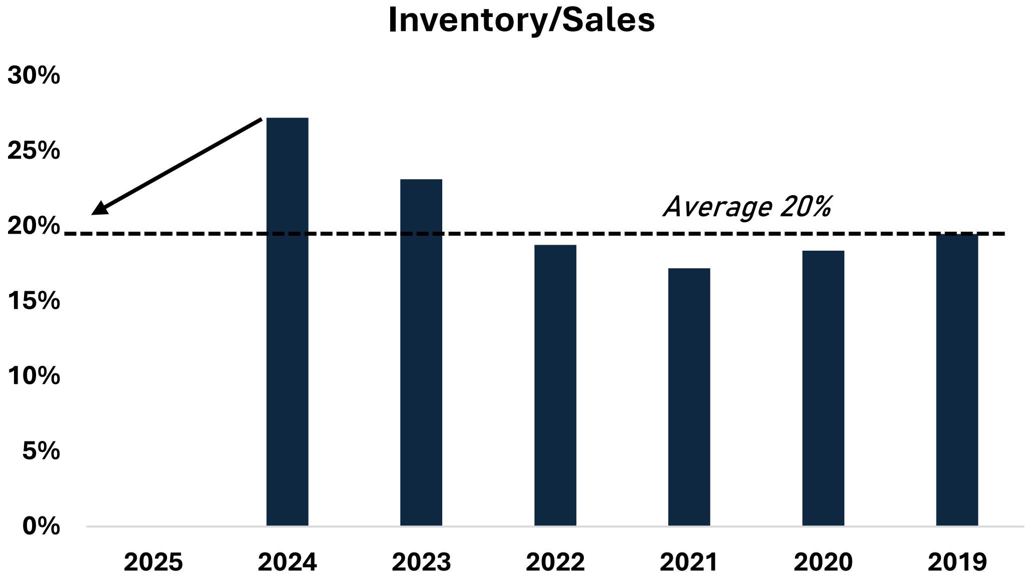
- According to statistical data from the European Commission, the European population of over-50s is expected to grow by around 15 million people by 2035; this trend is associated with an increase in healthy life expectancy and should fuel further market growth in the coming years.

Source: European Caravan Federation, IMARC Group

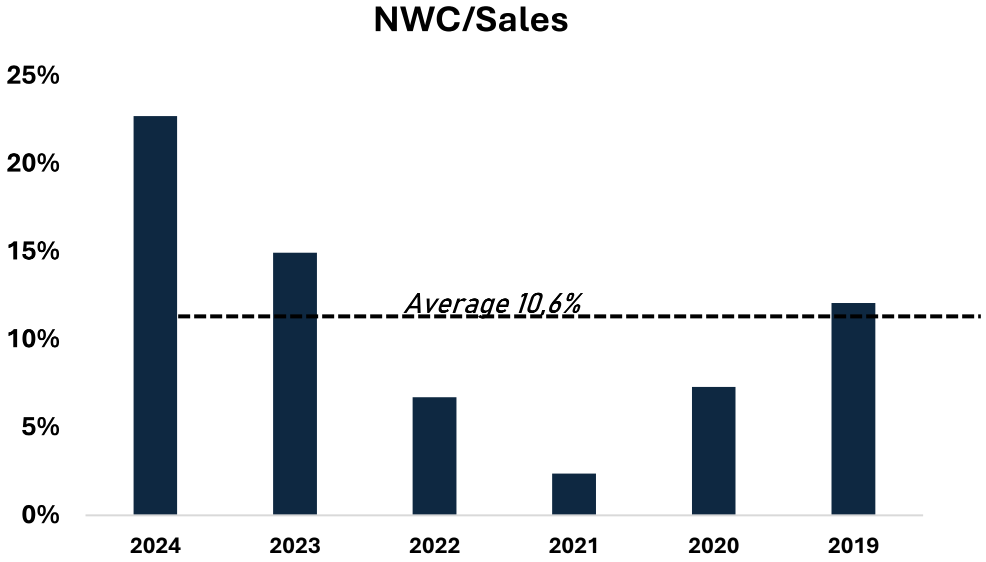
Thesis #4

Working Capital normalization unlocks free cash flow upside

TRIGANO



ATH in inventory was due to overstocking & supply chain bottlenecks as communicated in H1-report. Inventory levels is normalizing in the distribution chain, meaning.



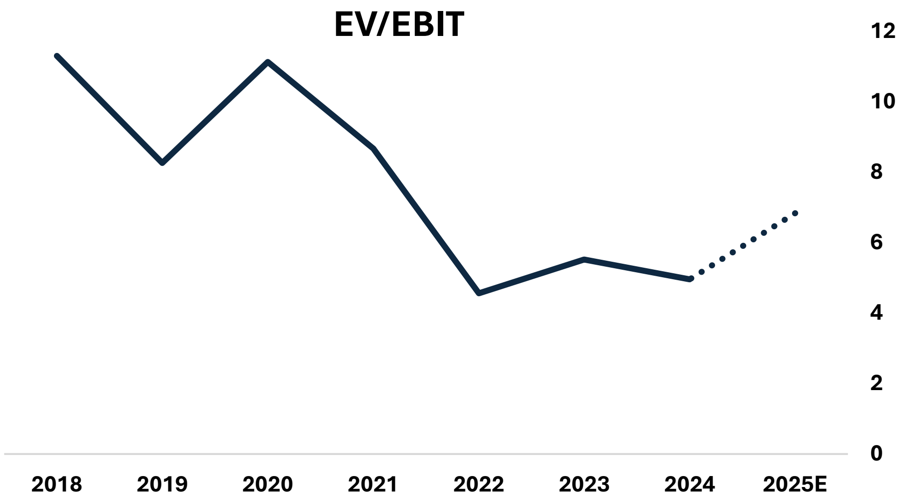
NWC/Sales ATH, like communicated in the H1 report. As supply chains normalize and demand visibility improves, Trigano is actively reducing inventory levels without sacrificing revenue growth. For the first half year, it was communicated that NWC decreased €44M & the reversion to normal will continue.

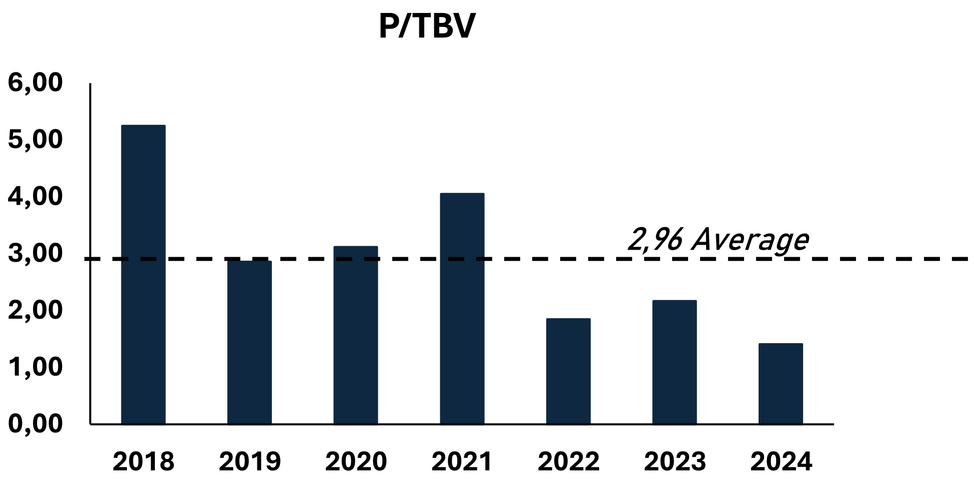
We project an normalization of NWC which for 2024 would be 416, indicating an decrease in NWC of €-475M over the coming years.

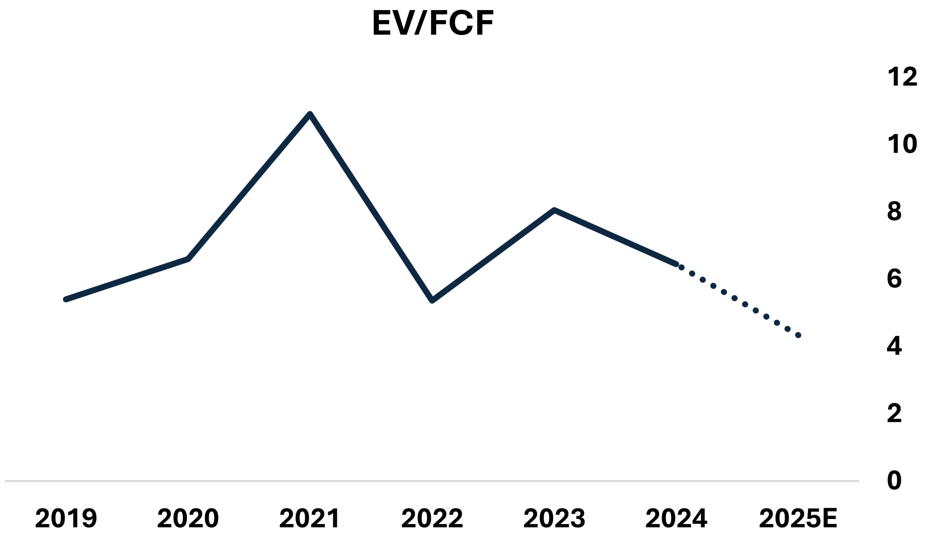
This will leverage the free cashflow.

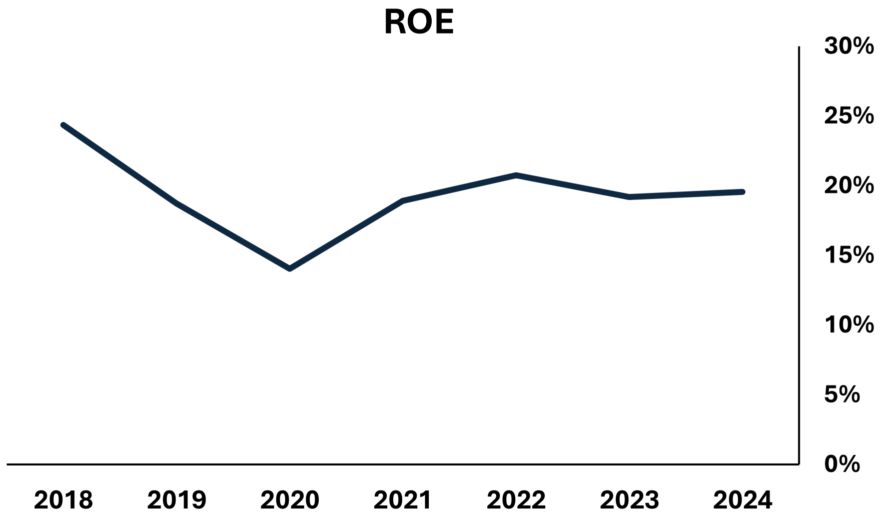
Thesis #5

Valuation ATL across key metrics – market is pricing in a structural decline

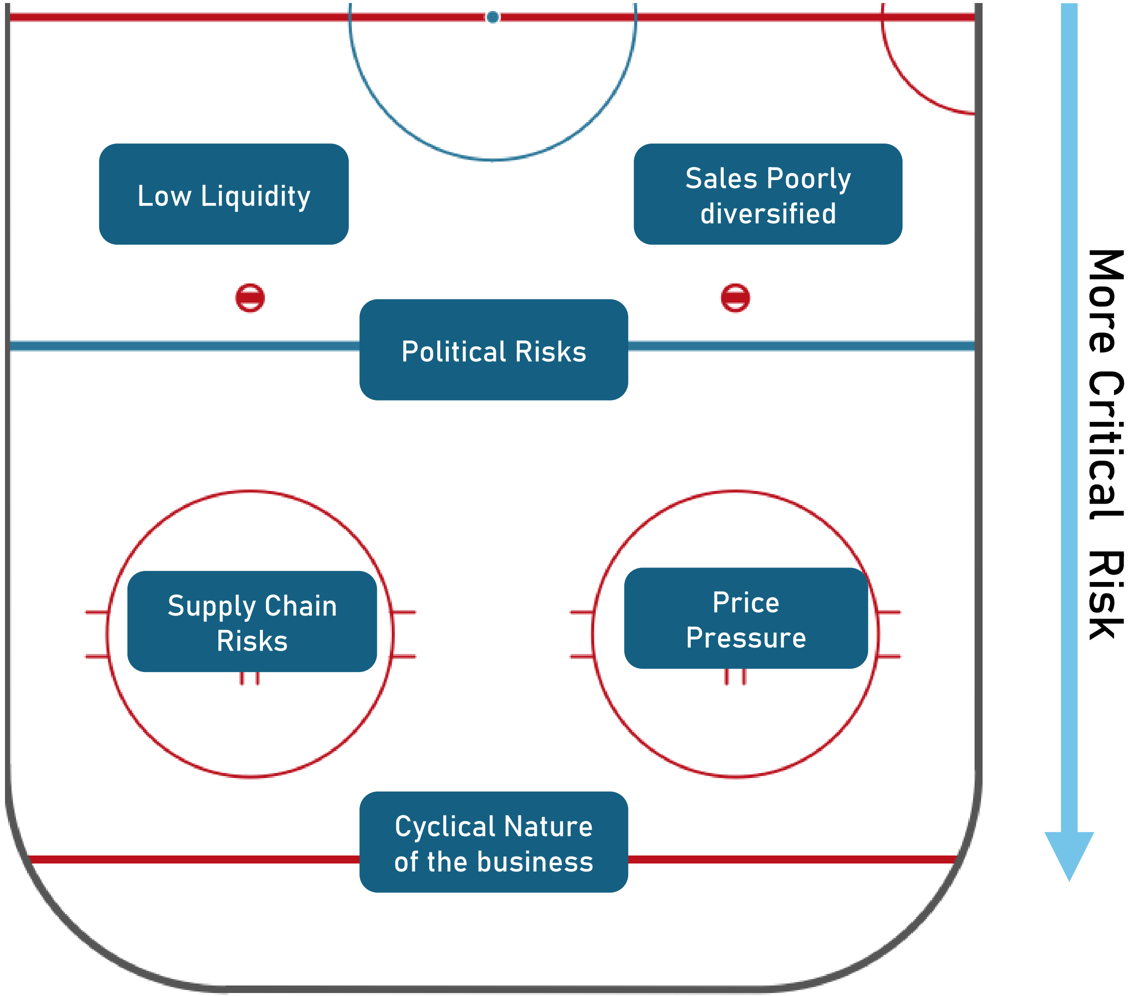








Risks & SWOT



TRIGANO

Strenghts	Weaknesses
Vertical Integration European Market Leader Proven Acquisition history Generating good cashflows	Limited EV development High Fixed Costs Overconcentrated geographically
Expanding beyond Europe Rising interest in outdoor travel Buybacks/Paying more dividends to close value gap	Cyclical company Chinese Competition Environmental Regulations
Opportunities	**Threats**

Valuation Summary

Valuation analysis derives a share price of 170 – 191 Euro

TRIGANO

Method

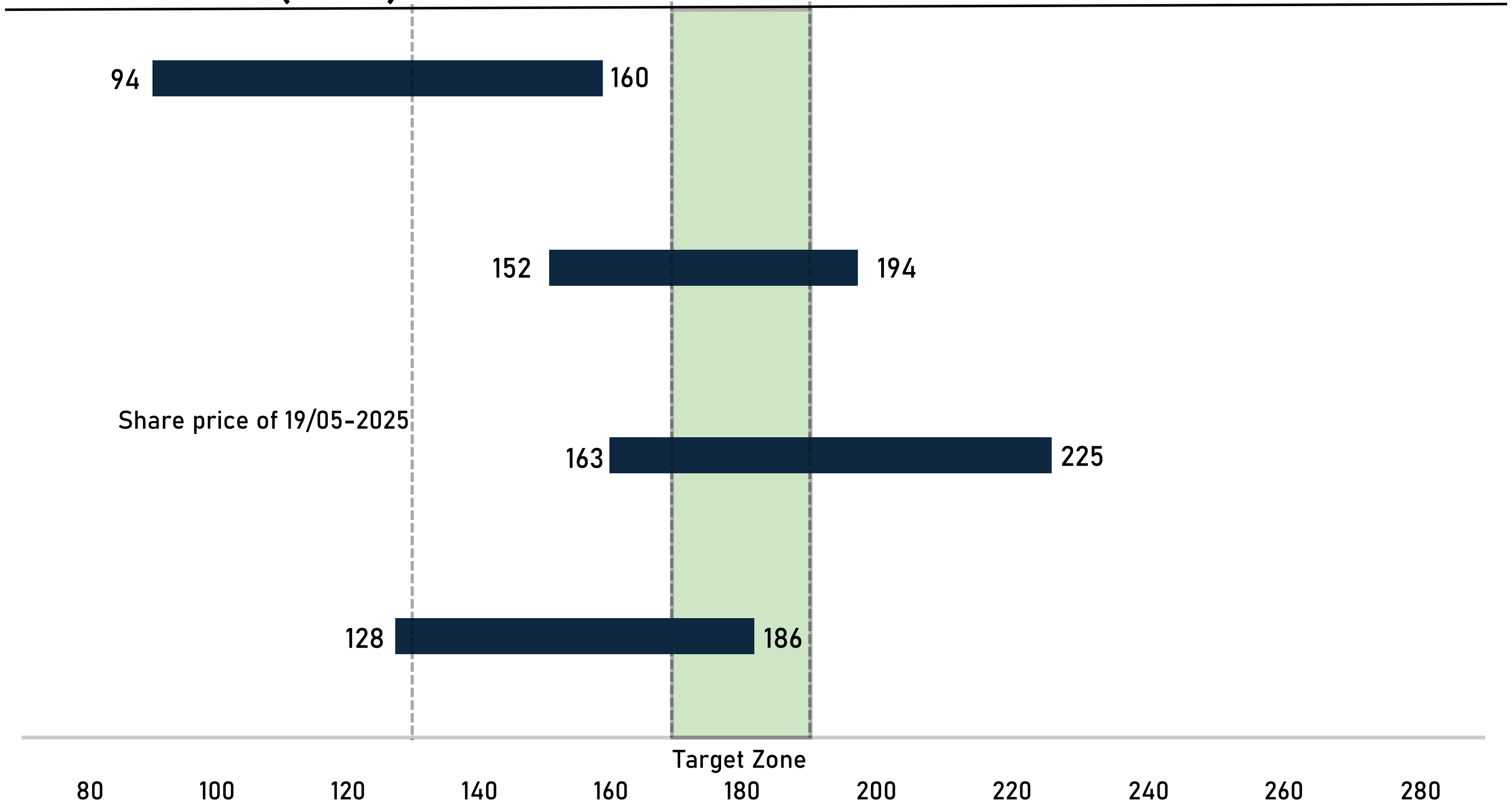
LTM Trading
- EV/EBIT LTM: 4,9x – 8,3x

DCF
- WACC: 8,9% – 10,9%
- EV/EBIT LTM: 7,9x – 10,1x

Relative Valuation
- Based on EV/EBIT 2027
- EV/EBIT LTM : 10,9x – 14,5x

Analyst Price Target
- EV/EBIT LTM : 6,7x – 9,7x

Share Price (Euro)



Q&A

Appendix

Relative Valuation

TRIGANO

	Company Info				EV/SALES		EV/EBITDA		EV/EBIT		
Company	**MKT CAP (MEURO)**	**EV**	**EBIT%**	**CAGR 2026E**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2027**
Trigano	2520	2473	12,8%	1,3%	0,66	0,61	6,08	5,03	6,84	5,58	5,26
Thor Industries	3920	4563	4,3%	2,1%	0,55	0,51	8,70	7,2	17,49	12,17	9,26
Kabe	188	185	5,5%	4,3%	0,50	0,47	7,20	5,88	8,09	6,72	7,75
Knaus Tabbert	143	439	-4,4%	-0,2%	0,44	0,42	8,22	6,22	15,8	10,88	7,18
Group Beneteau	678	635	7,7%	0,8%	0,67	0,6	5,43	4,54	13,2	8,89	6,71
Brunswick Corporation	3125	5082	8,4%	1,5%	1,12	1,06	9,38	8,19	15,72	12,68	10,22
Winnebago Industries	920	1348	4,4%	2,4%	0,53	0,48	8,80	6,97	12,76	9,27	5,8
Dometic	1167	2379	10,8%	-3,4%	1,15	1,12	7,92	6,69	11,97	9,41	8,43
75th percentile	3125	4563	8,4%	2,4%	1,12	1,06	8,80	7,20	15,80	12,17	9,26
Average	**1582**	**2138**	**6,2%**	**1,1%**	**0,71**	**0,67**	**7,95**	**6,53**	**13,58**	**10,00**	**7,91**
Median	**920**	**1348**	**5,5%**	**1,5%**	**0,55**	**0,51**	**8,22**	**6,69**	**13,20**	**9,41**	**7,75**
25th percentile	188	439	4,3%	-0,2%	0,50	0,47	7,20	5,88	11,97	8,89	6,71

DCF - Valuation
WACC

TRIGANO

Unlevered beta	number	1,16	
Debt / equity	%	2,04%	
Applied Beta	number	1,16	
Expected market return	%	8,53%	NYU stern
Market risk premium	%	5,23%	
Equity risk premium adjusted for valuation object	%	6,07%	
Risk-free rate	%	3,30%	
Size premium	%	0,00%	
Political risk	%	0,59%	
Cost of equity capital	**%**	**9,96%**	
Base rate	%	3,30%	
Credit risk premium	%	4,00%	
Pre-tax cost of debt capital	%	7,30%	
Tax rate	%	25,00%	
Cost of debt capital	**%**	**5,48%**	
Equity in capital structure	%	98,00%	
Debt in capital structure	%	2,00%	
Weighted Average Cost of Capital	**%**	**9,87%**	

DCF - Valuation
Forecast

TRIGANO

Item	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal
Revenue	3730,0	4028,4	4270,1	4526,3	4797,9	5061,8	5340,1	5633,9	5943,7	6270,6	6270,6
Growth%	-5,0%	8,0%	6,0%	6,0%	6,0%	5,5%	5,5%	5,5%	5,5%	5,5%	2,0%
EBIT	**361,8**	**443,1**	**469,7**	**475,3**	**479,8**	**480,9**	**507,3**	**535,2**	**564,7**	**595,7**	**595,7**
EBIT %	9,7%	11,0%	11,0%	10,5%	10,0%	9,5%	9,5%	9,5%	9,5%	9,5%	9,5%
D&A	44,8	48,3	51,2	54,3	57,6	60,7	64,1	67,6	71,3	75,2	62,7
% of sales	1,2%	1,2%	1,2%	1,2%	1,2%	1,2%	1,2%	1,2%	1,2%	1,2%	1,0%
EBITDA	**406,6**	**491,5**	**521,0**	**529,6**	**537,4**	**541,6**	**571,4**	**602,8**	**636,0**	**671,0**	**658,4**
Margin	10,9%	12,2%	12,2%	11,7%	11,2%	10,7%	10,7%	10,7%	10,7%	10,7%	10,5%
Free cash flow to firm (FCFF)											
NOPLAT	271,4	332,3	352,3	356,4	359,8	360,6	380,5	401,4	423,5	446,8	446,8
D&A	44,8	48,3	51,2	54,3	57,6	60,7	64,1	67,6	71,3	75,2	62,7
CAPEX	-67,1	-108,8	-112,0	-115,4	-118,9	-122,4	-126,1	-129,9	-133,8	-137,8	62,7
% of sales	-1,8%	-2,7%	-2,7%	-2,7%	-2,7%	-2,7%	-2,7%	-2,7%	-2,7%	-2,7%	1,0%
Working capital changes	70,0	40,3	-64,1	-135,8	-143,9	-151,9	-160,2	-169,0	-178,3	-244,6	-251,9
% of sales	1,9%	1,0%	-1,5%	-3,0%	-3,0%	-3,0%	-3,0%	-3,0%	-3,0%	-3,9%	3,9%
Free cash flow to firm (FCFF)	**319,0**	**312,2**	**227,4**	**159,6**	**154,6**	**147,1**	**158,3**	**170,1**	**182,7**	**139,7**	**320,3**
Terminal Value											**4071,4**
Discounting Period	-0,17	0,83	1,83	2,83	3,83	4,83	5,83	6,83	7,83	8,83	8,83
Present value of cash flows	**324,1**	**288,7**	**191,5**	**122,3**	**107,8**	**93,4**	**91,4**	**89,5**	**87,5**	**60,9**	**1773,7**

Linear Regression Analysis

Regression showing an upside of 20%

The scatter plot compares the response variable EV/Sales with the predictor variable EBIT margin.

The analysis includes Trigano and a selection of industry peers, revealing a correlation coefficient (R) of 0.96,

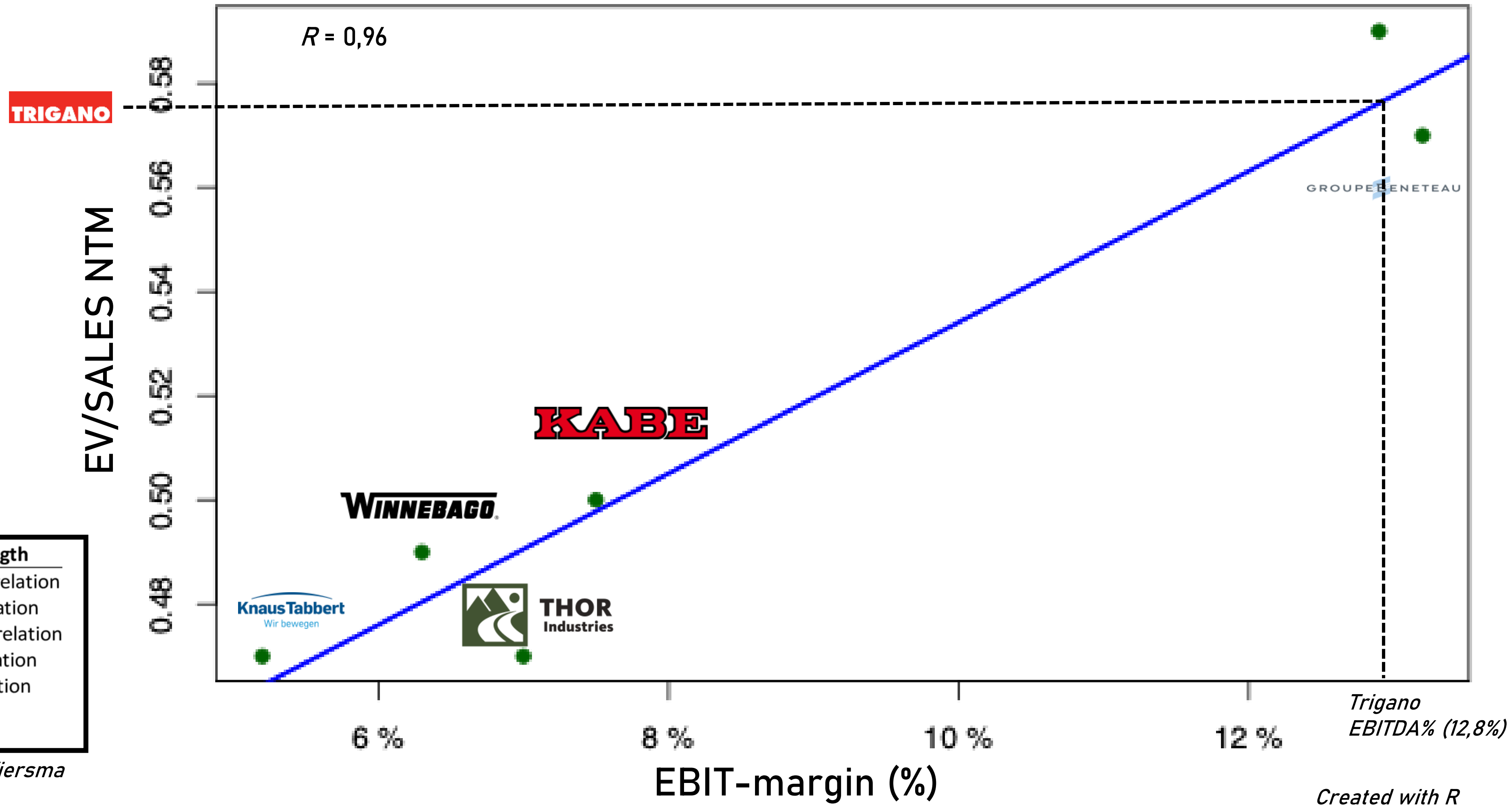
According to Hinkle's correlation value theory, this indicates a very strong positive correlation between EV/Sales and EBIT margin.

Based on this relationship, Trigano's current EBIT margin suggests a 20% upside in EV/Sales relative to its peers — assuming a target multiple of 0.5775 vs. their current 0.48.

Correlation Value	Relationship Strength
.90 to 1.00	Very high positive correlation
.70 to .90	High positive correlation
.50 to .70	Moderate positive correlation
.30 to .50	Low positive correlation
.00 to .30	Little if any correlation
0	No relationship

Correlation value Interpreted according to Hinkle, Wiersma and Jurs (2003)

Scatter Plot: EV/SALES vs EBIT-margin



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