

RESEARCH UPDATE
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Market Statistics in USD

Price	\$ 2.18
52 week Range	\$1.67 - \$3.50
Daily Vol (3-mo. average)	621,791
Market Cap (M)	\$ 223.4
Enterprise Value (M)	\$ 128.9
Shares Outstanding: (M)	102.5
Float (M)	57.1

Financial Summary in USD

Cash & Cash Equivalents (M)	\$ 131.0
Cash/Share	\$ 1.28
Debt (M)	\$ -
Equity (M)	\$ 116.5
Equity/Share	\$ 1.14

Valuation Summary in USD

Average Range of Valuation	\$4.43 - \$5.41
Average Midpoint of Valuation	\$4.88

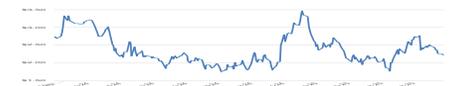
EV/Revenue Multiple Range	4.0x - 5.0x
EV/Revenue Valuation Range	\$4.50 - \$5.30
EV/Revenue Valuation Midpoint	\$4.90
DCF Discount Range	9.5% - 10.5%
DCF Valuation Range	\$4.36 - \$5.52
DCF Valuation Midpoint	\$4.87

FYE: Dec	2024	2025E	2026E
<i>(all figures in M, expect per share information)</i>			

Rev	\$ 57.9	\$ 68.2	\$ 82.5
Chng%	-31%	18%	21%

Adj. EBITDA	\$ (21.1)	\$ (20.0)	\$ (9.7)
Net Income	\$ (36.6)	\$ (33.8)	\$ (28.0)
Adj. EPS	\$ (0.15)	\$ (0.18)	\$ (0.10)

EV/Revenue	2.6x	1.9x	1.6x
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COMPANY DESCRIPTION

Valens Semiconductor Ltd., founded in 2006 and headquartered in Hod Hasharon, Israel, is a leader in high-speed connectivity solutions for the audio-video (AV) and automotive markets. Known for its HDBaseT technology, Valens enables the transmission of ultra-high-definition digital video, audio, Ethernet, USB, control signals, and power over a single cable. The Company's MIPI A-PHY compliant chipsets support advanced driver-assistance systems (ADAS) and infotainment in the automotive sector. Valens went public on the NYSE in September 2021. Over the years, it has expanded its product offerings and established itself as a market leader across various industries and geographies.

VALENS SEMICONDUCTOR (NYSE: VLN)
Company Updates

Valens Semiconductor posted 2Q25 revenue of \$17.1M, above guidance of \$16.5–\$16.8M, marking its fifth consecutive quarter of growth and up from \$16.8M in 1Q25 and \$13.6M in 2Q24. GAAP gross margin was 63.5% (non-GAAP 67.2%), within guidance and up from 62.9% in 1Q25. Adjusted EBITDA loss of \$(4.0)M was better than the expected \$(4.9)–\$(4.4)M range. While momentum remains strong, tariff impacts, most notable in automotives, continue to pose a headwind for the Company. Overall we are impressed with the quarter, see an uncertain end to FY25, and expect steady growth through 2026 and beyond as ProAV inventories correct, the automotive outlook improves, and machine vision markets come into focus.

Cross-Industry Business: Revenue of \$12.8M (~75% of total revenues) increased from \$11.7M in 1Q25 and \$8.1M in 2Q24. Growth was supported by strong adoption of the VS3000 chipset in ProAV, where the number of end products using the chip rose from ~100 at year-end 2024 to ~150. We believe this kind of product growth is a strong indicator of how quickly adoption can take place in the industry. Awards at InfoComm events in Beijing and Orlando reinforced technology leadership, while partnerships such as D3 Embedded's launch of the first MIPI A-PHY platform in industrial machine vision positioned VLN for long-term growth. CIB gross margin was 67.8, down from 69.1% in 1Q25 due to product mix.

Automotive Segment: Valens' Automotive segment reported revenues of \$4.3M, reflecting a sequential decrease from 1Q25 of \$5.1 million and a y/y decrease from \$5.5M. Continued weakness in the automotive market due to the current tariff environment was the primary driver of this decrease, though we expect gradual improvement over the coming quarters. Automotive gross margins notably improved to 50.5%, primarily due to optimized product costs.

Growth Strategy: Valens expanded its presence in industrial machine vision through integration of the VA7000 chipset, enabling next-generation factory automation and inspection systems. In the medical market, the Company advanced its endoscopy initiatives with roadshows, showcasing the chipset's reliability and image quality advantages to leading industry players. Given the long term nature of getting qualified in the medical end market we expect that it will be several quarters before this initiative takes shape, however, once underway there is significant headroom in this market for Valen's premium offerings. In the ProAV segment, Valens further strengthened its ecosystem through multiple customer product launches, award wins, and growing adoption of its chipsets, underscoring the Company's technology leadership and positioning it for sustained long-term growth.

Strong Financial Position: VLN ended the second quarter with a solid financial standing, holding \$102.7M in cash, cash equivalents, and short-term deposits, despite a \$10.2M expenditure on share repurchases. While closely monitoring tariff developments and their potential market impacts, Valens maintains zero debt, further underscoring its financial resilience and readiness for future growth opportunities, including strategic acquisitions. We are encouraged by the Company's strong balance sheet position and expect management to convey further capital priorities following more clarity in the macro environment.

Guidance: The Company expects 3Q25 revenue to range between \$15.1M and \$15.6M, and adjusted EBITDA loss to range between \$(7.4)M and \$(6.8)M with gross margins expected between 58.0% and 71.0%. Full year 2025 revenue guidance of \$66.0M to \$71.0M is a y/y gain of 18% at the midpoint.

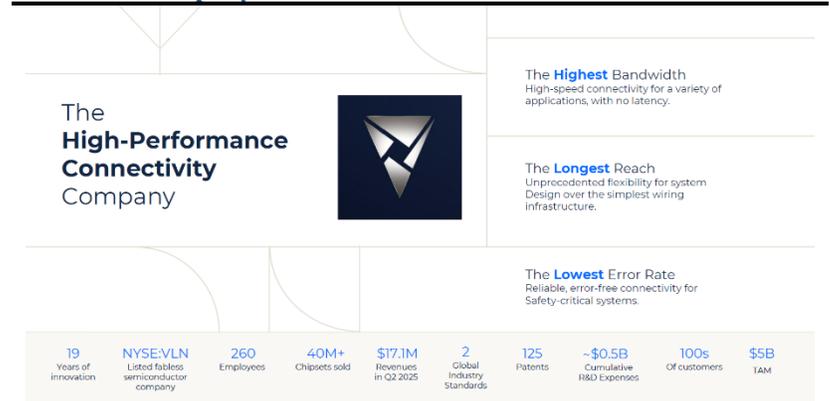
Valuation: We use a DCF Model and EV/Revenue comp analysis to guide our valuation. Our DCF analysis produces a valuation range of \$4.36 to \$5.52 with a mid-point of \$4.87. Our EV/Revenue valuation results in a range of \$4.50 to \$5.30 with a mid-point of \$4.90.

Business Overview

Valens Semiconductor Ltd. is a leading provider of high-performance connectivity solutions for the Audio-Video (AV), Industrial, Machine Vision, Medical and Automotive markets. Founded in 2006 and headquartered in Hod Hasharon, Israel, Valens has established itself as a pioneer in HDBaseT technology, which integrates multiple interfaces over a single cable for long-reach connectivity. The Company operates globally with offices in Israel, China, the United States, Japan, and Germany.

Valens' core technologies include HDBaseT for the AV market and MIPI A-PHY for the automotive market. HDBaseT technology enables the transmission of ultra-high-definition digital video and audio, Ethernet, USB, control signals, and power over a single cable up to 100 meters, simplifying installation and reducing costs. In the automotive sector, Valens' chipsets enable high-performance connectivity for advanced driver-assistance systems (ADAS), infotainment, telematics, and backbone connectivity. Valens' technology is backed by over 120 patents, giving the Company an extensive IP position across numerous end markets and customers.

Exhibit 1: Company Overview



Source: Company Reports

Exhibit 2: Valens' Recent Acquisition

ACRONAME

Pioneer in advanced automation and control technologies

Applications:



Industrial



Robotic control-systems



Audio-Video conference rooms

Synergy: Enabling Valens to expand its position in the industrial and Audio-Video markets with Acroname's leading high-end programmable USB hubs, switches, and test automation systems

2024 Revenue (starting from June 1, 2024) expected to be above \$3 million

Source: Company Presentation

Key Milestones: Valens Semiconductor has achieved several significant milestones since its inception. In 2010, the Company revolutionized the AV industry with the introduction of its HDBaseT technology, which quickly became the industry standard for long-reach video connectivity. This innovation allows for the transmission of ultra-high-definition video, audio, Ethernet, USB, and control signals over a single 100 meter category cable. In 2016, the first design win for their automotive chipsets was announced with initial sales to Mercedes-Benz starting in 2019. By 2020, Valens' technology was already operational and on the road in Mercedes cars, with mass production commencing in 2021. Valens is also the first company on the market to release chipsets that comply with the MIPI A-PHY standard for high-speed sensor connectivity and in 2024 these chipsets were awarded three design wins with leading European automotive manufacturers.

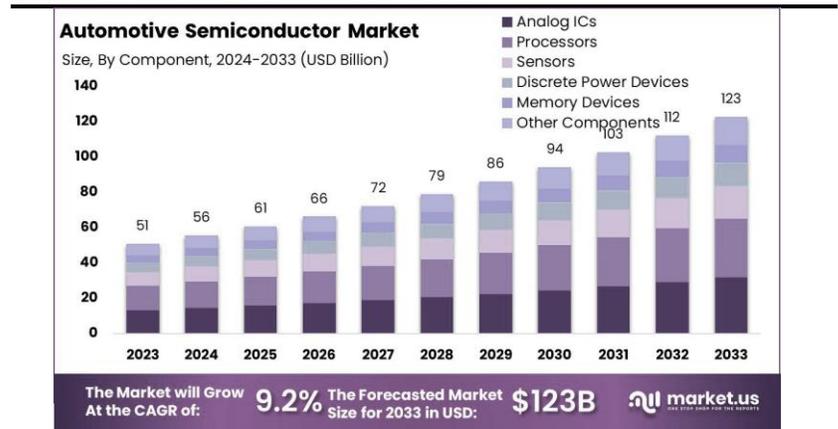
In recent years, Valens has continued to innovate and grow. The Company went public on the New York Stock Exchange (NYSE) under the ticker symbol VLN in 2021, providing the capital to further expand its technological capabilities and market presence. Valens has also been focusing on diversifying into new growth areas such as video conferencing, industrial machine vision, and medical applications, aiming to leverage its core technologies to address new market opportunities. These efforts are part of Valens' long-term strategy to diversify its revenue streams and enhance shareholder value. On May 31, 2024, Valens Semiconductor acquired Acroname, a company specializing in advanced automation and control technologies, for \$7.8 million. This acquisition enhances Valens' USB-focused offerings for the industrial market. Looking ahead, we anticipate that Valens will continue to grow, penetrate new markets and expand its technological capabilities, driving further innovation and market leadership.

Market Overview

Valens Semiconductor operates in markets with significant growth potential:

Audio-Video Market: The AV market is driven by the increasing demand for high-definition video and audio solutions in various sectors, including video conferencing, education, entertainment, and digital signage. One example of this growing demand is video conferencing, which is expected to grow with the transition to hybrid work and education. Valens’ HDBaseT technology services a total addressable market (TAM) of approximately \$350 million in video conferencing by 2029.

Exhibit 3: Automotive Market Forecast



Source: Market.us

Automotive Market: The automotive semiconductor market is experiencing rapid growth due to the increasing adoption of ADAS and infotainment systems. Valens’ automotive solutions are well-positioned to capitalize on the trend towards connected and autonomous vehicles. The TAM for in-vehicle connectivity is estimated to be around \$4.5 billion, with over 95 million cars produced annually, each potentially using up to 12 connectivity links.

Semiconductor Industry Trends: The global semiconductor industry is poised for significant growth, with revenues expected to rebound strongly in 2024 after a challenging 2023. The semiconductor market is forecasted to grow by 18.2% in 2024, reaching approximately \$630 billion, according to research conducted by Gartner Inc. This growth can be attributed to increasing demand for semiconductors in various applications, including AI, cloud computing, and automotive technologies. The industry’s cyclical nature means that while there are periods of downturn, the long-term outlook remains positive, supported by continuous technological advancements and expanding applications.

Geopolitical and Supply Chain Factors: The semiconductor industry is also influenced by geopolitical factors and supply chain dynamics. A 2024 Deloitte Global Semiconductor report expects that the ongoing efforts to diversify supply chains and increase domestic chip production in regions like the United States and Europe are expected to enhance the industry’s resilience.

Segment Overview

Cross Industry Business Unit:

The Company’s newly formed Cross Industry Business Unit encompasses verticals including Audio-Video, Industrial Machine Vision, and Medical.

Pro-AV Technology:

The Company’s HDBaseT technology is the cornerstone of Valens’ Cross Industry segment, providing high-performance connectivity solutions for various applications, including video conferencing for enterprise and education, industrial applications, digital signage, and medical markets. The HDBaseT technology integrates multiple interfaces over a single cable, simplifying installation and reducing costs. This capability makes it indispensable for delivering exceptional digital experiences in professional audio-video markets. HDBaseT technology is used by the largest players in the industry, including Crestron, EPSON, Extron, Harman, Legrand | AV, LG Electronics, Logitech, NEC, Panasonic, Samsung, Siemens, Sony, and many more.

By integrating multiple interfaces into one streamlined solution, HDBaseT technology not only simplifies installation but also significantly reduces costs, making it a preferred choice across diverse sectors. Key products within the HDBaseT portfolio include the VS100, VS2000, VS3000, and VS6320 as well as the Valens USB and power extender.

Pro-AV Outlook:

The demand for HDBaseT technology is set to soar, driven by the increasing need for high-quality video conferencing systems for enterprise and education, digital signage, entertainment and other related applications. The rise of hybrid work and education has further accelerated the adoption of HDBaseT solutions. According to Frost and Sullivan, the global video conferencing devices market is expected to grow significantly [16.8% CAGR from 2023-2028 to \$7.7 billion] with Valens well-positioned to capitalize on this trend.

Exhibit 4: Chipset Overview



Source: Company Presentation

Looking ahead, Valens aims to target an expected 2029 total addressable market (TAM) of \$350 million in the video conferencing market alone. The Company's strong financial position, with no debt and substantial cash reserves, allows for continued investment in innovation and market expansion. Valens is poised to lead the industry with its future-proof, scalable technology, continuously developing new product offerings to maintain leadership and increase market share. This is expected to translate to revenues of \$90-\$100 million and gross margin of between 65% to 75% by 2029.

Exhibit 5: Video Conferencing TAM



Source: Company Presentation

We believe the Pro-AV subsegment will thrive due to Valens' strategic focus on the video conferencing market, which is expected to grow in the next few years due to hybrid work and education. The Company's robust financial health, with a strong cash position, supports continuous innovation and market expansion. Valens' ability to leverage its HDBaseT technology across diverse applications ensures broad market reach and risk mitigation. Additionally, the Company's strong balance sheet allows it to take a proactive approach to mergers and acquisitions that will further enhance its market presence and technological capabilities.

Industrial Machine Vision:

Industrial Machine Vision falls under the Cross Industry segment. Valens Semiconductor is revolutionizing the industrial machine vision market with its VA7000 series chipsets and VS6320 chipsets. The VA7000 series provides an 8Gbps link and offers 20 times better electromagnetic interference (EMI) resistance than competitors, while maintaining a small form factor and low power consumption. This makes it ideal for applications requiring high-speed, reliable data transmission, such as factory automation, quality inspection, and robotic control systems. The VS6320 is the first ASIC-based USB 3.2 high performance extension solution on the market. Using the VS6320 chipset removes the key limitation of USB-based industrial cameras –short link distance – while maintaining all of the advantages.

Industrial Machine Vision Tech Advancements and Applications:

Valens is leveraging its automotive and Pro-AV chipsets to advance its offerings in the industrial and machine vision market. The Company's solutions enable AI-based applications, which are critical in the modern industrial environment. The rise of machine vision is driven by increased factory automation, tighter inspection regulations, and the growth of e-commerce, which necessitates advanced automation solutions.

Industrial Machine Vision Outlook:

The industrial machine vision market is expected to grow significantly, with an expected TAM of \$460 million by 2028/29. Valens’ innovative solutions, such as the VS6320 and VA7000 chipsets, position the Company to capture a substantial share of this market. Valens’ focus on high-performance connectivity solutions for industrial applications ensures it remains competitive in this rapidly evolving sector.

Looking ahead, Valens projects revenues of \$35-\$50 million and gross margins of 55% to 65% by 2029 in this subsegment with the adoption of the VS6320 and VA7000 chipsets expected to drive growth. The Company believes its technology is integral to the advancement of vision-driven automation, setting new benchmarks for performance and reliability.

Exhibit 7: Industrial Machine Vision TAM



Source: Company Presentation

Valens’ advanced chipsets for this market offer superior EMI resistance and high-speed data transmission essential for modern industrial applications. The Company’s products that support machine vision applications meet the growing demand for automation solutions in various industries. Valens’ strong and robust operational health as well as proven commitment to innovation ensures it will continue to lead in this dynamic market. Additionally, the Company’s M&A strategy and partnerships will enhance its technological capabilities and market reach, driving long-term growth.

Single Use Endoscopy Future Growth Opportunity:

Valens’ VA7000 chipset also has applications in the medical industry. The chipsets offer the reliable, high-quality video transmission necessary to power a new generation of endoscopes. The market innovating VA7000 chipset includes a

built-in electro-surgical noise canceller, that can coexist with other instruments in a noisy electromagnetic environment. Furthermore, with the small form factor and low power consumption, the chipsets are ideal for the disposable architecture being promoted by the FDA for enhanced patient safety.

Automotive Segment:

In-Vehicle Connectivity:

Valens’ automotive VA6000 and VA7000 chipsets enable high-speed, resilient connectivity for in-vehicle connectivity supporting multimedia, infotainment, and telematics. The VA7000 series is designed to meet the stringent requirements of ADAS systems, providing low-latency, high-bandwidth connections that are essential for modern vehicle architectures.

Technological Superiority and Strategic Partnerships:

The VA7000 series is the first MIPI A-PHY standard-compliant SerDes on the market, ensuring error-free high-resolution sensor connectivity crucial for ADAS and autonomous applications. These chipsets offer unparalleled electromagnetic interference (EMI) resilience, handling harsh environmental interferences and cable degradation due to aging, temperature changes, and physical impacts. The VA6000 series supports symmetric high-bandwidth interfaces over simple infrastructures, ideal for infotainment systems.

Valens’ strategic partnerships with leading automotive manufacturers, including Mercedes-Benz and new partners whose names were not yet disclosed, enhance its competitive edge. As of 4Q24, the Company has secured three new design wins with leading European OEMs in the automotive sector, establishing its leadership position in ADAS connectivity solutions.

Exhibit 8: VA7000 Chip

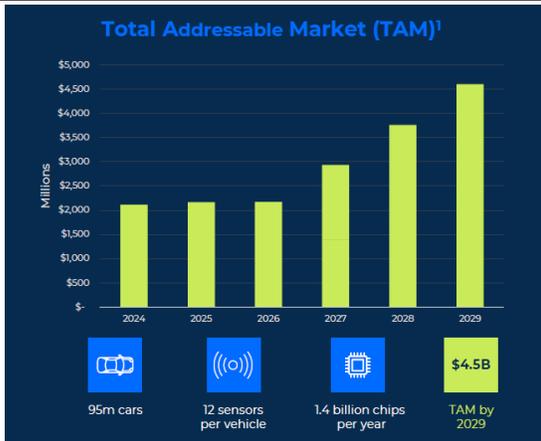


Source: Company Presentation

Automotive Outlook:

The automotive segment is driven by the increasing adoption of connected and autonomous vehicles. Valens projects a TAM of \$4.5 billion by 2029, reflecting the immense growth potential in this sector. The Company’s strong cash position supports ongoing research and development, ensuring Valens remains at the forefront of automotive connectivity solutions with its standard setting technology.

Exhibit 9: Automotive TAM



Source: Company Presentation

In the future, Valens expects further commercialization of ADAS-based models, and it aims to expand its market presence by leveraging its technological advancements and strategic partnerships. The Company’s vision includes becoming a key player in the global automotive market, driving innovation and setting new standards for in-vehicle connectivity. This is expected to translate to revenues of \$65-\$110 million and gross profit margins between 35% to 45% by 2029 with significant growth potential during the following years with full ADAS deployment.

We are confident in the success of the Automotive segment because of Valens' pioneering VA7000 series, which addresses the critical needs of ADAS and autonomous vehicles. The Company's strategic

partnerships with industry leaders like Mercedes-Benz and the announcement of the new design wins provide a competitive edge in driving the adoption of its technologies. Valens' strong cash reserves enable sustained investment in research and development, ensuring it remains at the forefront of automotive innovation. Furthermore, the Company's clear roadmap to ultra-high bandwidth and end-to-end safety solutions positions it well for growth.

Long Term Outlook

Valens has outlined ambitious financial goals for 2029, aiming to significantly increase its revenue and market share across its core segments. The Company plans to leverage its technological advancements and strategic partnerships to drive growth in the video conferencing, automotive, industrial machine vision, and medical sectors. Key milestones include the commercialization of ADAS-based models, the adoption of the MIPI A-PHY standard, and the expansion into new markets such as single-use medical devices.

Exhibit 10: Growth Strategy



Source: Company Presentation

Given the Company’s existing position as a technological leader, we are optimistic that VLN will be able to execute its growth strategy. This is further de-risked by the Company’s robust balance sheet lending to its ability to leverage macro tailwinds and be strategic when adding accretive opportunities. We believe that the Company’s equity is significantly undervalued and that there is significant upside potential to be realized over the coming quarters and years. We expect further upside from potential M&A transactions to contribute an additional \$30-\$40 million in revenue to the Company by 2029. We expect VLN to target companies that are revenue generating with a path to profitability.

Growth Drivers

1. Technological Leadership and Innovation

Valens is a pioneer in high-speed connectivity solutions, particularly with its HDBaseT and MIPI A-PHY technologies. HDBaseT technology integrates multiple interfaces over a single cable, providing a robust solution for AV applications. The Company's continuous innovation, such as the introduction of the VS6320 chipset for USB3.2 extension, positions Valens at the forefront of technological advancements. This chipset addresses the growing demand for high bandwidth and resilience required by AI-based computer vision, opening new opportunities in industrial and medical segments for mission critical applications.

2. Expanding Automotive Market

The automotive segment is a significant growth driver for Valens. The Company's VA7000 chipsets support advanced driver-assistance systems (ADAS), and telematics. The VA7000 series, which offers superior electromagnetic interference (EMI) resistance and high bandwidth, is gaining traction in the automotive industry. Valens' strategic partnerships with highly recognized technology leaders to deploy A-PHY-compliant chipsets, enhance Valens' competitive edge. The increasing adoption of connected and autonomous vehicles further boosts demand for Valens' automotive solutions. Notably, Valens has secured three new design wins in the ADAS sector, underscoring its growing influence and success in the automotive market.

Exhibit 11: Extensive Video Link Requirements in Automotive Market



Source: Company Presentation

3. Diversified Market Applications

Valens' products are used across a wide range of applications, like video conferencing, digital signage, entertainment, education, industrial, medical and automotive. The Company's HDBaseT technology is particularly well-suited for video conferencing systems that have recently grown due to hybrid work and education environments, which have seen increased demand due to the shift towards remote and flexible arrangements. This diversification not only broadens Valens' market reach but also mitigates risks associated with reliance on a single market.

4. Strategic Partnerships and Collaborations

Valens has established strong partnerships with leading companies, enhancing its market presence and technological capabilities. Collaborations with companies like iCatch Technology for multi-camera videoconferencing solutions and strategic alliances in the automotive sector; including major manufacturers such as Mercedes-Benz, underscores Valens' commitment to innovation and market expansion. These partnerships enable Valens to leverage complementary technologies and accelerate the adoption of its solutions.

5. Financial Stability and Investment in Growth

Valens maintains a robust financial position with significant cash reserves and no debt, providing the Company with the flexibility to invest in research and development, strategic acquisitions, and market expansion. This financial stability allows Valens to navigate market fluctuations and invest in long-term growth initiatives, ensuring sustained competitive advantage. The Company's strong cash flow and balance sheet mitigates downside risk and supports continuous innovation and expansion.

In summary, Valens Semiconductor's growth is driven by its technological leadership, expanding presence in the automotive market, diversified applications, strategic partnerships, proven technologies, and strong financial health. These factors collectively position Valens to capitalize on emerging trends and opportunities in the high-speed connectivity landscape.

Risks

1. Market Cyclicality

The semiconductor industry is known for its cyclical nature, with periods of high demand followed by downturns. Valens Semiconductor may experience significant fluctuations in revenue and profitability due to these cycles. Economic conditions, such as global recessions or booms, can greatly influence the demand for semiconductor products. Investors should be aware that during downturns, The Company's financial performance could be adversely affected, potentially leading to a lower share price.

2. Competitive Landscape

Valens operates in a highly competitive market where rapid technological advancements are the norm. The Company must continuously innovate and adapt to maintain its market position against larger, well-established competitors. Failure to keep pace with new technologies or to anticipate market trends could result in a loss of market share. This competitive pressure can also lead to increased R&D expenses, which may impact profitability.

3. Geopolitical and Supply Chain Challenges

The semiconductor industry relies on a complex global supply chain, and any disruptions can have significant impacts. Valens could face challenges such as shortages of raw materials, delays in production, or logistical issues. Managing inventory levels is crucial; overstocking can tie up capital, while understocking can lead to missed sales opportunities. These supply chain issues can affect the Company's ability to meet customer demand and maintain operational efficiency. Additionally, challenges such as talent shortages and geopolitical tensions can impact the industry's stability and growth. Companies like Valens must navigate these complexities to maintain their competitive edge and capitalize on emerging opportunities.

VALUATION SUMMARY

We use a DCF Model and EV/Revenue comp analysis to guide our valuation. When we combine these valuation results it returns a median range of \$4.43 to \$5.41 with a mid-point of \$4.88. We believe this premium over current market prices is reasonable due to the Company's technological leadership and significant catalyst on the horizon, further supported by the current gross margin of 60.9%, compared to median comps of 55.7%.

DCF Analysis

Our DCF analysis relies on a range of discount rates between 9.50% and 10.50% with a midpoint of 10.00%. This arrives at a valuation range of \$4.36 to \$5.52 with a mid-point of \$4.87.

Comp Analysis

We are also using an EV/Revenue framework to inform our VLN valuation. Currently VLN is trading at a FY26 EV/Revenue of 1.6x compared to comps at an average of 8.5x. We are using our F26 expected Revenue, and an EV/Revenue range of 4.0x to 5.0x with a midpoint of 4.5x which moves VLN closer to comp companies. This arrives at a valuation range of \$4.50 to \$5.30 with a mid-point of \$4.90.

Sensitivity Analysis:

		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	9.00%	\$5.18	\$5.43	\$5.70	\$6.02	\$6.40
	9.50%	\$4.82	\$5.02	\$5.26	\$5.52	\$5.83
	10.00%	\$4.50	\$4.67	\$4.87	\$5.09	\$5.35
	10.50%	\$4.21	\$4.36	\$4.53	\$4.72	\$4.94
	11.00%	\$3.96	\$4.09	\$4.23	\$4.40	\$4.58

Comparative Analysis (all figures in M, except per share information)

Company Name	Symbol	Price ⁽¹⁾	Mrkt Cap	EV	Gross Margin	BV/Share	EV/Revenue ^(2,3)			EV/EBITDA ^(2,3)			P/E ^(2,3)		
							2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
Ambarella, Inc.	AMBA	\$ 64.36	\$ 2,729.8	\$ 2,474.8	60.3%	\$ 13.50	9.87x	7.11x	6.43x	N/A	92.0x	44.0x	N/A	570.9x	203.2x
Analog Devices, Inc.	ADI	\$224.12	\$ 111,216.7	\$ 116,059.4	58.8%	\$ 70.55	11.90x	10.52x	9.50x	27.0x	23.8x	21.3x	67.4x	28.6x	24.2x
Astera Labs, Inc.	ALAB	\$179.43	\$ 29,824.7	\$ 28,791.9	75.5%	\$ 6.83	50.77x	37.06x	28.34x	N/A	98.1x	76.8x	N/A	113.2x	90.0x
Credo Technology Group Holding	CRDO	\$118.57	\$ 20,351.6	\$ 19,936.3	64.8%	\$ 3.98	33.20x	25.97x	20.83x	N/A	65.2x	54.0x	2179.5x	80.1x	64.0x
indie Semiconductor, Inc.	INDI	\$ 3.89	\$ 772.4	\$ 973.5	N/A	\$ 1.99	4.03x	4.36x	3.33x	N/A	N/A	51.8x	N/A	N/A	166.7x
Marvell Technology, Inc.	MRVL	\$ 77.28	\$ 66,630.8	\$ 70,256.9	48.7%	\$ 15.44	17.17x	8.52x	7.17x	N/A	21.6x	17.8x	N/A	27.6x	21.7x
MaxLinear, Inc.	MXL	\$ 15.07	\$ 1,312.3	\$ 1,351.4	55.7%	\$ 5.62	4.64x	2.94x	2.50x	N/A	19.6x	11.2x	N/A	56.2x	19.1x
Mobileye Global Inc.	MBLY	\$ 13.50	\$ 10,919.4	\$ 9,266.4	48.8%	\$ 14.80	9.01x	5.02x	4.58x	N/A	N/A	N/A	N/A	39.7x	31.7x
Semtech Corporation	SMTC	\$ 48.56	\$ 4,207.0	\$ 4,806.8	52.1%	\$ 6.57	7.03x	4.46x	4.07x	N/A	22.7x	19.0x	N/A	29.3x	22.6x
Silicon Laboratories Inc.	SLAB	\$124.82	\$ 4,096.0	\$ 3,680.5	55.0%	\$ 32.34	6.26x	4.67x	3.91x	N/A	75.3x	34.3x	N/A	172.9x	50.4x
Synaptics Incorporated	SYNA	\$ 64.12	\$ 2,471.5	\$ 2,853.8	53.8%	\$ 36.14	3.13x	2.52x	2.32x	54.9x	12.9x	11.1x	17.9x	15.7x	13.6x
Texas Instruments Incorporated	TXN	\$183.71	\$167,017.6	\$ 175,701.6	58.0%	\$ 18.05	11.31x	9.95x	9.04x	25.8x	21.5x	18.3x	35.8x	32.4x	27.1x
				Average	57.4%	\$ 18.82	14.0x	10.3x	8.5x	35.9x	45.3x	32.7x	575.2x	106.1x	61.2x
				Median	55.7%	\$ 14.15	9.4x	6.1x	5.5x	27.0x	23.3x	21.3x	51.6x	39.7x	29.4x
Valens Semiconductor Ltd.	VLN	\$ 2.18	\$ 223.4	\$ 128.9	60.9%	\$ 1.14	2.6x	1.9x	1.6x	-7.1x	-6.5x	-13.3x	-16.8x	-12.2x	-22.5x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

Source: Company reports, CapitalIQ, Stonegate Capital Partners

DISCOUNTED CASH FLOW

Valens Semiconductor Ltd.														
Discounted Cash Flow Model														
<i>(in \$M, except per share)</i>														
Estimates:	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal Value
Revenue	90.7	84.2	57.9	68.2	82.5	113.4	153.1	199.0	238.8	286.6	329.6	379.0	417.0	
Operating Income	(28.4)	(26.9)	(41.3)	(35.3)	(28.3)	(17.0)	(15.3)	10.9	17.9	22.4	33.0	37.9	52.1	
Less: Taxes (benefit)	(0.5)	(0.1)	(0.1)	(0.2)	(0.1)	(0.0)	(0.0)	0.0	0.1	0.1	0.1	0.1	0.2	
NOPAT	(27.9)	(26.8)	(41.2)	(35.1)	(28.3)	(17.0)	(15.3)	10.9	17.9	22.3	32.9	37.8	52.0	
Plus: Depreciation & Amortization	1.4	1.6	2.5	3.0	3.0	4.1	5.2	6.4	7.2	8.3	9.6	11.0	12.1	
Plus: Changes in WC	19.6	5.0	25.2	6.1	4.1	3.4	3.1	4.0	4.8	2.9	3.3	3.8	4.2	
Less: Capex	(1.1)	(1.2)	(1.9)	(1.0)	(1.2)	(1.7)	(2.3)	(3.0)	(3.6)	(4.3)	(4.9)	(5.7)	(6.3)	
Free Cash Flow	(8.0)	(21.4)	(15.4)	(26.9)	(22.3)	(11.2)	(9.3)	18.3	26.2	29.2	40.8	46.9	62.0	790.2
Discount period - months				6	18	30	42	54	66	78	90	102	114	
Discount period - years				0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	
Discount factor				0.95	0.87	0.79	0.72	0.65	0.59	0.54	0.49	0.44	0.40	
PV of FCF				(25.7)	(19.4)	(8.8)	(6.7)	11.9	15.5	15.7	20.0	20.9	25.1	319.5
Growth rate assumptions:														
Revenue		-7.2%	-31.3%	17.9%	20.9%	37.5%	35.0%	30.0%	20.0%	20.0%	15.0%	15.0%	10.0%	
Operating Income		-5.1%	53.6%	-14.7%	-19.6%	-40.0%	-10.0%	#####	63.6%	24.8%	47.4%	15.0%	37.5%	
EBITDA		-6.3%	53.4%	-17.0%	-21.4%	-48.9%	-21.8%	#####	44.8%	22.3%	38.6%	15.0%	31.3%	
Free Cash Flow		166.2%	-28.1%	75.1%	-17.0%	-50.0%	-16.8%	#####	43.4%	11.2%	39.8%	15.0%	32.2%	
Margin assumptions:														
Operating Income	-31.3%	-32.0%	-71.5%	-51.7%	-34.4%	-15.0%	-10.0%	5.5%	7.5%	7.8%	10.0%	10.0%	12.5%	
D&A as a % of sales	1.5%	1.9%	4.4%	4.5%	3.7%	3.6%	3.4%	3.2%	3.0%	2.9%	2.9%	2.9%	2.9%	
EBITDA	-29.8%	-30.0%	-67.1%	-47.2%	-30.7%	-11.4%	-6.6%	8.7%	10.5%	10.7%	12.9%	12.9%	15.4%	
Taxes	1.6%	0.4%	0.2%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	
Changes in WC	21.6%	5.9%	43.5%	9.0%	5.0%	3.0%	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%	1.0%	
Capex as a % of sales	-1.2%	-1.4%	-3.2%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	
Valuation:														
Shares outstanding	102.5													
PV of FCF	48.5													
PV of Terminal Value	319.5													
Enterprise Value	368.0													
less: Net Debt	(131.0)													
Estimated Total Value:	499.0													
Est Equity Value/share:	\$4.87													
Price	\$2.18													

Sensitivity Analysis:						
		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	9.00%	\$5.18	\$5.43	\$5.70	\$6.02	\$6.40
	9.50%	\$4.82	\$5.02	\$5.26	\$5.52	\$5.83
	10.00%	\$4.50	\$4.67	\$4.87	\$5.09	\$5.35
	10.50%	\$4.21	\$4.36	\$4.53	\$4.72	\$4.94
	11.00%	\$3.96	\$4.09	\$4.23	\$4.40	\$4.58

Source: Company Reports; Stonegate Capital Markets

BALANCE SHEET

Valens Semiconductor Ltd.										
Consolidated Balance Sheets (\$M)										
Fiscal Year End: December										
ASSETS	FY 2021	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25
Cash and Cash Equivalents	56.8	20.0	17.3	35.1	24.7	35.4	35.4	35.4	41.0	46.6
Short-Term Deposits	117.6	128.4	124.8	104.7	105.9	97.7	95.5	95.5	71.5	56.1
Restricted Short-Term Deposits	-	-	-	-	-	-	1.1	1.1	1.2	1.2
Trade Accounts Receivable	7.1	11.5	14.6	9.9	10.0	7.2	7.8	7.8	9.6	8.1
Prepaid Expenses and Other	9.3	4.8	4.2	4.0	4.0	3.0	3.9	3.9	2.6	3.8
Inventories	8.3	23.8	13.8	12.5	14.1	11.7	10.2	10.2	10.9	11.5
Total Current Assets	199.0	188.5	174.7	166.2	158.7	155.1	153.9	153.9	136.7	127.3
Property and Equipment, net	2.7	2.8	3.0	2.7	2.7	2.9	3.6	3.6	3.5	3.3
Operating Lease ROU Assets	-	3.8	2.2	1.7	6.8	6.5	7.5	7.5	7.3	7.3
Intangible Assets	-	-	-	-	5.2	4.9	4.7	4.7	4.5	4.2
Goodwill	-	-	-	-	1.8	1.8	1.8	1.8	1.8	1.8
Other Assets	0.8	0.5	0.7	0.6	0.6	0.7	0.7	0.7	0.8	0.8
Total Assets	202.6	195.7	180.6	171.3	175.8	171.9	172.2	172.2	154.6	144.8
LIABILITIES AND SHAREHOLDERS' EQUITY										
Trade Accounts Payable	4.5	10.7	5.0	-	3.5	4.1	6.0	6.0	4.3	5.1
Accrued Compensation	4.6	6.2	4.3	-	4.2	4.7	5.0	5.0	3.3	4.8
Current Maturities of Operating Lease Liabilities	-	1.8	1.8	-	2.9	2.8	1.0	1.0	1.1	1.4
Other Liabilities	6.6	6.1	5.0	-	5.7	7.4	8.4	8.4	8.3	10.0
Total Current Liabilities	15.7	24.8	15.9	12.9	16.3	18.9	20.3	20.3	16.9	21.3
Forfeiture Shares	4.7	1.8	0.0	0.0	0.0	-	0.0	0.0	0.0	0.0
Non-Current Operating Leases Liabilities	-	1.6	0.2	0.1	3.8	3.6	6.6	6.6	6.4	6.9
Earnout Liability	-	-	-	-	2.1	2.3	2.4	2.4	2.6	-
Other Liabilities	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Liabilities	20.4	28.2	16.3	13.1	22.3	24.9	29.5	29.5	26.0	28.3
Ordinary Shares	0.0	0.0	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0
Treasury Shares at Cost	-	-	-	-	-	-	(1.6)	(1.6)	(11.2)	(21.4)
Additional Paid-In Capital	312.2	325.1	341.6	-	349.7	353.5	357.6	357.6	361.9	365.9
Accumulated Other Comprehensive Income	-	-	-	-	-	-	0.6	0.6	0.1	1.3
Accumulated Deficit	(130.0)	(157.7)	(177.3)	-	(196.2)	(206.6)	(213.9)	(213.9)	(222.2)	(229.4)
Total Parent Net Equity	182.2	167.4	164.3	158.2	153.5	147.0	142.7	142.7	128.6	116.5
Total Liabilities and Shareholders' Equity	202.6	195.7	180.6	171.3	175.8	171.9	172.2	172.2	154.6	144.8
Liquidity										
Current Ratio	12.7x	7.6x	11.0x	12.9x	9.7x	8.2x	7.6x	7.6x	8.1x	6.0x
Quick Ratio	9.3x	6.5x	10.5x	12.4x	7.0x	6.1x	5.1x	5.1x	5.2x	4.4x
Working Capital (\$M)	183.3	163.7	158.8	153.3	142.3	136.1	133.58	133.58	119.8	106.0

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Valens Semiconductor Ltd.																		
Consolidated Statements of Income (in \$M, except per share amounts)																		
Fiscal Year End: December																		
	FY 2021	FY 2022	FY 2023	Q1	Q2	Q3	Q4		Q1	Q2	Q3 E	Q4 E		Q1 E	Q2 E	Q3 E	Q4 E	
				Mar-24	Jun-24	Sep-24	Dec-24	FY 2024	Mar-25	Jun-25	Sep-25	Dec-25	FY 2025E	Mar-26	Jun-26	Sep-26	Dec-26	FY 2026E
Revenue	\$ 70.7	\$ 90.7	\$ 84.2	\$ 11.6	\$ 13.6	\$ 16.0	\$ 16.7	\$ 57.9	\$ 16.8	\$ 17.1	\$ 15.4	\$ 19.0	\$ 68.2	\$ 19.3	\$ 20.7	\$ 20.7	\$ 21.8	\$ 82.5
Total Revenues	70.7	90.7	84.2	11.6	13.6	16.0	16.7	57.9	16.8	17.1	15.4	19.0	68.2	19.3	20.7	20.7	21.8	82.5
Costs of Revenues	20.1	27.3	31.6	4.7	5.3	7.0	6.6	23.6	6.2	6.2	6.3	7.1	25.8	7.3	7.6	7.8	8.6	31.3
Gross Profit	50.6	63.4	52.6	6.8	8.3	9.0	10.1	34.3	10.6	10.8	9.1	11.9	42.4	12.0	13.1	12.9	13.2	51.2
Research and Development Expenses	46.9	58.2	48.2	10.1	10.0	10.3	10.1	40.5	10.6	10.2	10.3	10.3	41.4	10.4	10.4	10.4	10.4	41.6
Sales and Marketing Expenses	14.2	17.0	17.3	4.4	4.4	4.9	4.7	18.3	5.6	5.2	5.3	5.3	21.3	5.5	5.5	5.5	5.5	22.0
General and Administrative Expenses	16.6	16.6	14.0	3.6	3.4	5.8	3.7	16.5	3.7	3.7	4.1	4.1	15.5	4.1	4.1	4.1	4.1	16.3
Change in Equity Liabilities	-	-	-	-	0.0	0.3	0.1	0.4	0.2	(0.8)	0.1	0.1	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)
Total Operating Expenses	77.6	91.8	79.5	18.1	17.8	21.3	18.5	75.6	20.0	18.2	19.7	19.7	77.7	19.9	19.9	19.9	19.9	79.5
Operating Income	(27.1)	(28.4)	(26.9)	(11.3)	(9.4)	(12.2)	(8.4)	(41.3)	(9.5)	(7.4)	(10.6)	(7.8)	(35.3)	(7.9)	(6.8)	(7.0)	(6.6)	(28.3)
Change in FV of Forfeiture Shares	(0.2)	2.9	1.7	0.0	0.0	0.0	(0.0)	0.0	-	-	-	-	-	-	-	-	-	-
Financial Income, net	1.1	(1.8)	5.6	1.2	0.5	1.9	1.1	4.8	1.2	0.2	0.1	0.1	1.7	0.1	0.1	0.1	0.1	0.4
Profit Before Taxes	(26.1)	(27.2)	(19.6)	(10.0)	(8.9)	(10.3)	(7.3)	(36.5)	(8.2)	(7.2)	(10.5)	(7.7)	(33.6)	(7.8)	(6.7)	(6.9)	(6.5)	(27.9)
Income Taxes	(0.4)	(0.5)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
Net Income	(26.5)	(27.7)	(19.7)	(10.0)	(8.9)	(10.4)	(7.3)	(36.6)	(8.3)	(7.2)	(10.5)	(7.7)	(33.8)	(7.8)	(6.7)	(6.9)	(6.6)	(28.0)
Basic EPS	\$ (1.15)	\$ (0.28)	\$ (0.19)	\$ (0.10)	\$ (0.08)	\$ (0.10)	\$ (0.07)	\$ (0.35)	\$ (0.08)	\$ (0.07)	\$ (0.10)	\$ (0.08)	\$ (0.33)	\$ (0.08)	\$ (0.07)	\$ (0.07)	\$ (0.07)	\$ (0.29)
Diluted EPS	\$ (1.15)	\$ (0.28)	\$ (0.19)	\$ (0.10)	\$ (0.08)	\$ (0.10)	\$ (0.07)	\$ (0.35)	\$ (0.08)	\$ (0.07)	\$ (0.10)	\$ (0.08)	\$ (0.33)	\$ (0.08)	\$ (0.07)	\$ (0.07)	\$ (0.07)	\$ (0.29)
Adjusted Diluted EPS	\$ (1.15)	\$ (0.28)	\$ (0.05)	\$ (0.06)	\$ (0.04)	\$ (0.03)	\$ (0.02)	\$ (0.15)	\$ (0.03)	\$ (0.04)	\$ (0.07)	\$ (0.04)	\$ (0.18)	\$ (0.03)	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.10)
WTD Shares Out - Basic	33.0	97.8	102.0	104.0	105.1	106.1	106.7	105.5	105.3	103.6	102.0	100.6	102.9	99.1	97.7	96.2	94.8	97.0
WTD Shares Out - Diluted	33.0	97.8	102.0	104.0	105.1	106.1	106.7	105.5	105.3	103.6	102.0	100.6	102.9	99.1	97.7	96.2	94.8	97.0
EBITDA	(26.0)	(27.0)	(25.3)	(10.8)	(8.9)	(11.4)	(7.6)	(38.8)	(8.7)	(6.6)	(9.9)	(7.0)	(32.2)	(7.2)	(6.1)	(6.2)	(5.9)	(25.3)
Adjusted EBITDA	\$ (16.1)	\$ (14.9)	\$ (10.3)	\$ (7.1)	\$ (5.2)	\$ (5.1)	\$ (3.7)	\$ (21.1)	\$ (4.3)	\$ (4.0)	\$ (7.2)	\$ (4.4)	\$ (20.0)	\$ (3.3)	\$ (2.2)	\$ (2.3)	\$ (2.0)	\$ (9.7)
Margin Analysis																		
Gross Margin	71.6%	69.9%	62.5%	59.0%	61.4%	56.4%	60.4%	59.2%	62.9%	63.5%	59.1%	62.8%	62.2%	62.1%	63.1%	62.4%	60.6%	62.0%
Operating Margin	-38.3%	-31.3%	-32.0%	-97.7%	-69.2%	-76.3%	-50.5%	-71.5%	-56.2%	-43.3%	-69.0%	-41.2%	-51.7%	-41.0%	-33.0%	-33.7%	-30.4%	-34.4%
EBITDA Margin	-22.8%	-16.4%	-12.2%	-61.2%	-38.0%	-32.0%	-22.1%	-36.4%	-25.8%	-23.5%	-46.5%	-23.4%	-29.3%	-16.9%	-10.5%	-11.2%	-9.1%	-11.8%
Pre-Tax Margin	-37.0%	-30.0%	-23.2%	-86.8%	-65.2%	-64.5%	-43.7%	-63.1%	-48.8%	-42.0%	-68.3%	-40.6%	-49.2%	-40.5%	-32.5%	-33.2%	-29.9%	-33.9%
Net Income Margin	-37.6%	-30.5%	-23.4%	-86.9%	-65.3%	-64.6%	-43.9%	-63.3%	-49.4%	-42.1%	-68.5%	-40.7%	-49.5%	-40.6%	-32.6%	-33.3%	-30.0%	-34.0%
Tax Rate	1.6%	1.7%	0.6%	0.2%	0.2%	0.1%	0.6%	0.3%	1.1%	0.3%	0.3%	0.3%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%
Growth Rate Y/Y																		
Total Revenue	#DIV/0!	28.3%	-7.2%	-51.6%	-43.8%	13.2%	-24.0%	-31.3%	45.6%	25.5%	-4.1%	13.7%	17.9%	14.5%	21.2%	34.5%	15.2%	20.9%
Total cost of revenues	#DIV/0!	18.2%	-13.4%	-20.8%	-11.7%	0.0%	21.1%	-4.9%	10.7%	2.6%	-7.4%	6.6%	2.7%	-0.8%	9.1%	0.9%	0.9%	2.4%
Operating Income	#DIV/0!	4.8%	-5.1%	59.9%	81.6%	-5.5%	384.4%	53.6%	-16.2%	-21.5%	-13.3%	-7.2%	-14.7%	-16.3%	-7.7%	-34.3%	-14.9%	-19.6%
Pre-Tax Income	#DIV/0!	4.2%	-28.1%	87.1%	94.3%	-17.1%	-356.5%	86.6%	-18.1%	-19.1%	1.6%	5.9%	-8.0%	-5.0%	-6.2%	-34.6%	-15.1%	-16.8%
Net Income	#DIV/0!	4.3%	-28.9%	86.7%	93.7%	-17.1%	-362.8%	86.0%	-17.3%	-19.1%	1.7%	5.5%	-7.8%	-5.7%	-6.2%	-34.6%	-15.1%	-17.0%

Source: Company Reports, Stonegate Capital Partners estimates

CASH FLOW STATEMENT

Valens Semiconductor Ltd. Consolidated Cash Flow Statements (\$M) Fiscal Year End: December														
CASH FLOW	FY 2021	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25
Operating Activities														
Net Income/(Loss) for the Period	(26.5)	(27.7)	(5.4)	(4.6)	(12.5)	2.8	(19.7)	(10.0)	(8.9)	(10.4)	(7.3)	(36.6)	(8.3)	(7.2)
Depreciation and Amortization	1.1	1.4	0.4	0.4	0.4	0.4	1.6	0.5	0.5	0.8	0.8	2.5	0.8	0.8
Stock-Based Compensation	9.9	12.1	3.8	4.0	3.7	3.5	15.0	3.8	3.7	3.8	3.9	15.1	4.2	3.8
Exchange Rate Differences	(0.5)	4.3	1.3	1.0	1.4	(2.7)	0.9	0.5	0.7	0.1	(0.7)	0.7	0.1	0.0
Losses on Non-Designated Derivative Instruments	-	-	-	-	-	-	-	-	-	-	0.6	0.6	(0.2)	0.8
Interest on Short-Term Deposits	0.1	(1.2)	(0.6)	0.2	0.0	(0.5)	(0.8)	0.3	0.6	(0.3)	(0.4)	0.2	0.5	0.3
Change in FV of Forfeiture Shares	0.2	(2.9)	(1.5)	(0.0)	(0.1)	(0.1)	(1.7)	(0.0)	(0.0)	(0.0)	0.0	(0.0)	-	-
Change in Earnout Liability	-	-	-	-	-	-	-	-	0.0	0.3	0.1	0.4	0.2	(0.8)
Reduction in the Carrying Amount of ROU Assets	-	1.7	0.5	0.5	0.5	0.4	1.9	0.5	0.2	0.9	(0.1)	1.5	0.4	0.3
Equity in Earnings on Investee, net	0.0	-	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	(0.0)	0.0	(0.0)	0.0
Cash flow from operating activities before working capital changes	(15.8)	(12.3)	(1.5)	1.5	(6.6)	3.9	(2.7)	(4.6)	(3.0)	(4.8)	(3.2)	(15.5)	(2.3)	(2.1)
Trade Accounts Receivable	1.6	(4.4)	(1.4)	(3.2)	8.4	(7.0)	(3.2)	4.7	0.2	2.8	(0.5)	7.2	(1.8)	1.4
Prepaid Expenses and Other Current Assets	(5.3)	3.5	(0.6)	1.0	0.6	(0.6)	0.5	0.2	0.1	1.0	(0.3)	1.0	0.8	0.1
Inventories	(6.2)	(14.5)	0.3	4.5	2.1	3.1	10.0	1.3	1.1	2.3	1.5	6.2	(0.8)	(0.7)
Long-Term Assets	(0.4)	0.3	0.0	(0.0)	(0.0)	(0.2)	(0.2)	0.1	(0.0)	(0.1)	0.0	0.0	(0.1)	0.0
Current Liabilities	4.5	7.0	(5.1)	(3.1)	1.9	(2.9)	(9.2)	(2.8)	1.7	2.7	1.9	3.5	(3.2)	1.3
Change in Operating Lease Liabilities	-	(1.6)	(0.4)	(0.5)	(0.4)	(0.3)	(1.6)	(0.4)	(0.2)	(0.9)	0.2	(1.3)	(0.2)	(0.2)
Other Long Term Liabilities	0.0	0.0	0.1	0.0	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0
Cash flow generated/(absorbed) from operating Activities	(21.6)	(22.1)	(8.7)	0.4	6.1	(4.1)	(6.4)	(1.4)	(0.2)	3.0	(0.3)	1.0	(7.6)	(0.2)
Investing Activities														
Investment in Short-Term Deposits	(121.9)	(214.5)	(40.7)	(68.4)	(64.2)	(32.7)	(206.0)	(37.8)	(49.4)	(16.4)	(37.9)	(141.5)	(30.0)	(22.5)
Maturities of Short-Term Deposits	39.3	203.9	44.1	74.8	47.8	41.8	208.6	57.0	47.1	25.4	40.7	170.1	53.3	38.6
Purchase of Property and Equipment	(1.4)	(1.1)	(0.1)	(0.8)	(0.2)	(0.1)	(1.2)	(0.0)	(0.2)	(0.7)	(0.9)	(1.9)	(0.4)	(0.2)
Cash Paid for Business Combination, net	-	-	-	-	-	-	-	-	(7.8)	-	-	(7.8)	-	-
Investment in Restricted Short-Term Deposits	-	-	-	-	-	-	-	-	-	-	(1.1)	(1.1)	(0.3)	(0.4)
Derivative Investments in Non-Designated Hedges	-	-	-	-	-	-	-	-	-	-	(0.0)	(0.0)	-	-
Cash flow generated by Investing Activities	(84.1)	(11.7)	3.3	5.6	(16.6)	9.0	1.4	19.1	(10.4)	8.2	0.8	17.8	22.7	15.5
Financing Activities														
Exercise of Stock Options	1.2	0.8	0.9	0.1	0.3	0.2	1.5	0.1	0.5	0.1	0.2	0.9	0.2	0.2
Exercise of Stock Options	-	-	-	-	-	-	-	-	-	-	(1.0)	(1.0)	(9.6)	(10.2)
Proceed from Transactions Related to Merger, net	134.2	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flow generated/(absorbed) by financing Activities	135.4	0.8	0.9	0.1	0.3	0.2	1.5	0.1	0.5	0.1	(0.8)	(0.2)	(9.4)	(10.0)
Effect of Exchange Rate	0.8	(3.8)	(0.1)	(0.1)	(0.0)	0.9	0.7	(0.0)	(0.3)	(0.5)	0.3	(0.5)	(0.1)	0.3
Net Cash flow in the year	30.5	(36.8)	(4.5)	5.9	(10.2)	6.1	(2.8)	17.8	(10.4)	10.7	(0.0)	18.2	5.6	5.6
Cash and Cash Equivalents														
Beginning Cash balance	26.3	56.8	20.0	15.5	21.4	11.2	20.0	17.3	35.1	24.7	35.4	17.3	35.4	41.0
Ending Cash balance	56.8	20.0	15.5	21.4	11.2	17.3	17.3	35.1	24.7	35.4	35.4	35.4	41.0	46.6

Source: Company Reports, Stonegate Capital Partners

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