



Valens Semiconductor (NYSE:VLN)

May 2026



Forward-Looking Statements

Certain statements in this presentation (this "Presentation") are "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding our anticipated future results, including financial results, our anticipated growth projections, our ability to concentrate our resources on our core businesses, our expectations regarding future revenues, gross margin, and adjusted EBITDA loss, and future economic and market conditions. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of Valens Semiconductor's ("Valens") management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as and must not be relied on by any investor as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Valens Semiconductor. These forward-looking statements are subject to a number of risks and uncertainties, including the cyclical nature of the semiconductor industry; the effect of inflation and a rising interest rate environment on our customers and industry; the ability of our customers to absorb inventory; competition in the semiconductor industry, and the failure to introduce new technologies and products in a timely manner to compete successfully against competitors; if Valens fails to adjust its supply chain volume due to changing market conditions or fails to estimate its customers' demand; disruptions in relationships with any one of Valens' key customers or suppliers; any difficulty selling Valens' products if customers do not design its products into their product offerings; Valens' dependence on winning selection processes; even if Valens succeeds in winning selection processes for its products, Valens may not generate timely or sufficient net sales or margins from those wins; sustained yield problems or other delays or quality events in the manufacturing process of products; our ability to effectively manage, invest in, grow, and retain our sales force, research and development capabilities, marketing team and other key personnel; our ability to timely adjust product prices to customers following price increase by the supply chain; our ability to adjust our inventory level due to reduction in demand due to inventory buffers accrued by customers; our expectations regarding the outcome of any future litigation in which we are named as a party; our ability to adequately protect and defend our intellectual property and other proprietary rights; risks related to our use of AI technologies; our ability to successfully integrate or otherwise achieve anticipated benefits from acquired businesses; the market price and trading volume of the Valens ordinary shares may be volatile and could decline significantly; further deterioration of macroeconomic conditions due to ongoing global political and economic uncertainty, including with respect to China-Taiwan relations and increasing trade and other tariff-related tensions (as our current guidance assumes the estimated production and/or demand impact on us of current tariff conditions); political, economic, governmental and tax consequences, as well as geopolitical tensions, associated with our incorporation and location in Israel; and those factors discussed in Valens' Form 20-F filed with the SEC on February 25, 2026 under the heading "Risk Factors," and other documents of Valens filed, or to be filed, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Valens does not presently know or that Valens currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Valens' expectations, plans or forecasts of future events and views as of the date of this press release. Valens anticipates that subsequent events and developments may cause Valens' assessments to change. However, while Valens may elect to update these forward-looking statements at some point in the future, Valens specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Valens' assessment as of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

GAAP and non-GAAP Measures

This presentation includes GAAP and non-GAAP measures. Non-GAAP Gross Margin is defined as GAAP Gross Profit excluding share-based compensation, depreciation and amortization expenses, divided by revenue. Non-GAAP Operating Expenses is defined as GAAP Operating Expenses excluding share-based compensation, depreciation and amortization expenses.

Adjusted EBITDA is defined as net profit (loss) before financial income (expense), net, income taxes, equity in earnings of investee, depreciation and amortization, further adjusted to exclude share-based compensation, certain batch production incident expenses and change in the fair value of the Forfeiture Shares and earnout liability, which may vary from period-to-period. We caution investors that amounts presented in accordance with our definition of Adjusted EBITDA may not be comparable to similar measures disclosed by other issuers, because not all issuers calculate Adjusted EBITDA in the same manner. Adjusted EBITDA should not be considered as an alternative to net loss or any other performance measures derived in accordance with GAAP or as an alternative to cash flows from operating activities as a measure of our liquidity. For reconciliation of GAAP to non-GAAP measures, see Appendix.

Although we provide guidance for Adjusted EBITDA, we are not able to provide guidance for projected Net profit (loss), the most directly comparable GAAP measures. Certain elements of Net profit (loss), including share-based compensation expenses and forfeiture share valuations, are not predictable due to the high variability and difficulty of making accurate forecasts. As a result, it is impractical for us to provide guidance on Net profit (loss) or to reconcile our Adjusted EBITDA guidance without unreasonable efforts. Consequently, no disclosure of projected Net profit (loss) is included. For the same reasons, we are unable to address the probable significance of the unavailable information.

Industry and Market Data; Trademarks, Service Marks and Copyrights

In this Presentation, we rely on and refer to certain information and statistics obtained from third-party sources which we believe to be reliable. We have not independently verified the accuracy or completeness of any such third-party information. You are cautioned not to give undue weight to such industry and market data. This Presentation may include trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. Solely for convenience, some of the trademarks, service marks, trade names and copyrights referred to in this Presentation may be listed without the TM, SM, (c) or (r) symbols, but the Company will assert, to the fullest extent under applicable law, the right of the applicable owners, if any, to these trademarks, service marks, trade names and copyrights.

The High-Performance Connectivity Company



The **Highest** Bandwidth
High-speed connectivity for a variety of applications, with no latency.

The **Longest** Reach
Unprecedented flexibility for system Design over the simplest wiring infrastructure.

The **Lowest** Error Rate
Reliable, error-free connectivity for Safety-critical systems.

20	NYSE:VLN	230+	50M+	\$16.9M	2	134	~\$0.5B	100s	\$5B
Years of innovation	Listed fabless semiconductor company	Employees	Chipsets sold	Revenues in Q1 2026	Global Industry Standards	Patents	Cumulative R&D Expenses	Of customers	TAM

The Pain Points of Wired Connectivity



Too many cables

At our homes, offices, plants & vehicles



Distance limitations

Extended reach compromises signal integrity



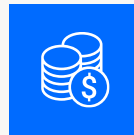
Video resolution

Handling high-throughput, time-sensitive content transmission



Rough environments

EMC, EMI, temperature changes, cable aging



High costs

Design, development, infrastructure & maintenance costs



Installation complexity

Time consuming, complex architectures, not plug & play

Select Customers & Products Empowered by Valens

Entertainment



Digital Signage



Education



Video Conferencing



Industrial Machine Vision



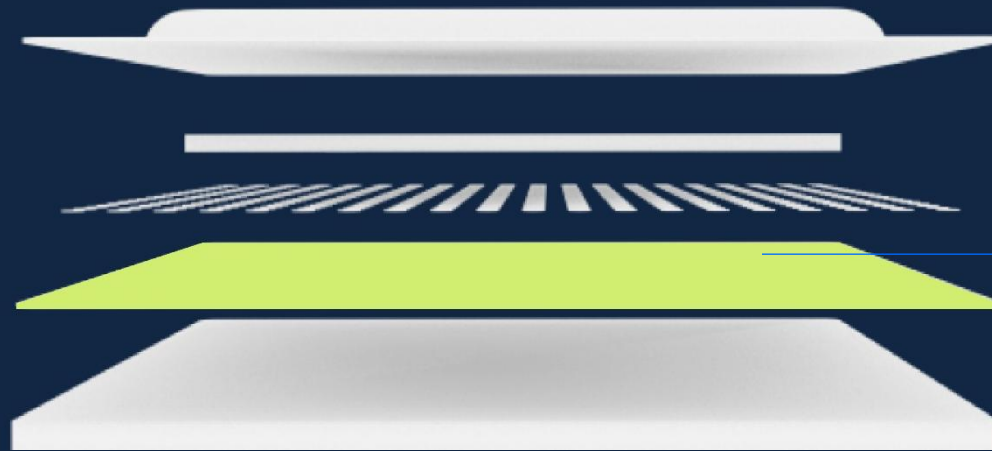
Medical



Automotive



Sticking to our CORE

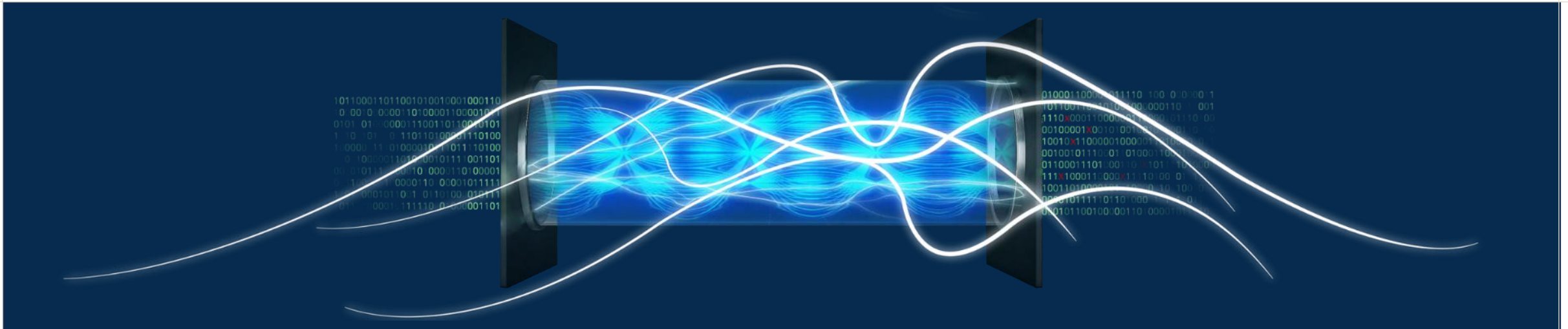


The Valens Edge:
A DSP-Based
Approach to Error
Handling

Backed by
134 Patents

Valens delivers the most optimized connectivity solutions for long-reach, high-resolution video.
We provide superior performance wherever others can't.

The Valens Difference: Best-in-class EMC Performance



Legacy connectivity solutions are **RESTRICTED** by noise, forcing OEMs to:

- Reduce bandwidth
- Deploy expensive wiring
- Shorten cable length
- Rely on sub-optimal architecture



Valens' unique approach to noise handling **LIBERATES** Customers, offering them:

- Scalable Bandwidth
- Simple Wiring
- Long-reach
- Flexible Architecture



Spotlight on **Audio-Video** Success

Valens Created the Leading Industry Standard and **Largest Interoperable Ecosystem**



Founding Members



SAMSUNG



- Inventor of HDBaseT technology – an audio-video industry standard
- Co-Founder of the HDBaseT Alliance, with Samsung, LG and Sony Pictures. Over 200 members developing HDBaseT-enabled products
- Market leader with unmatched technology for the distribution of ultra high-resolution video and audio



logitech

SONY

Panasonic

SAMSUNG

EPSON

NEC

Extron



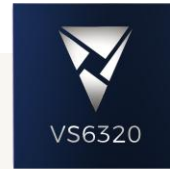
LG Electronics





Audio-Video: Strong Growth Opportunities

- 4K** Hybrid work/education leading to growing demand for 4K/8K video, higher frame rates, and uncompressed content
- AI** Advancements in AI-based video conferencing technology, increasing the need for high-bandwidth, low-latency links
- Settings** Strong moats around HDBaseT chipsets, including the cutting-edge VS3000 chipset
- USB** Commodification of meeting room peripherals requiring USB3.2 extension, addressed by the VS6320 chipset



Select products based on the VS6320 chipset, all released to market in 2025



Select products based on the VS3000 chipset, all released to market in 2025





Spotlight on Automotive Success



Enabling State-of-the-Art Infotainment Systems In Mercedes-Benz Vehicles

- On the road with Mercedes since 2020
- The only multi-gig connectivity over unshielded cabling (UTP)



4 Design Wins with Leading OEMs

- Valens is the first A-PHY silicon provider with multiple design wins
- Start of Production expected in 2026/2027



Powering Mobileye's Next-Generation of ADAS and Autonomous Projects

- Valens chips will form the connectivity infrastructure for a variety of Mobileye EyeQ™6 High projects
- Mobileye testing found Valens superior across a variety of parameters

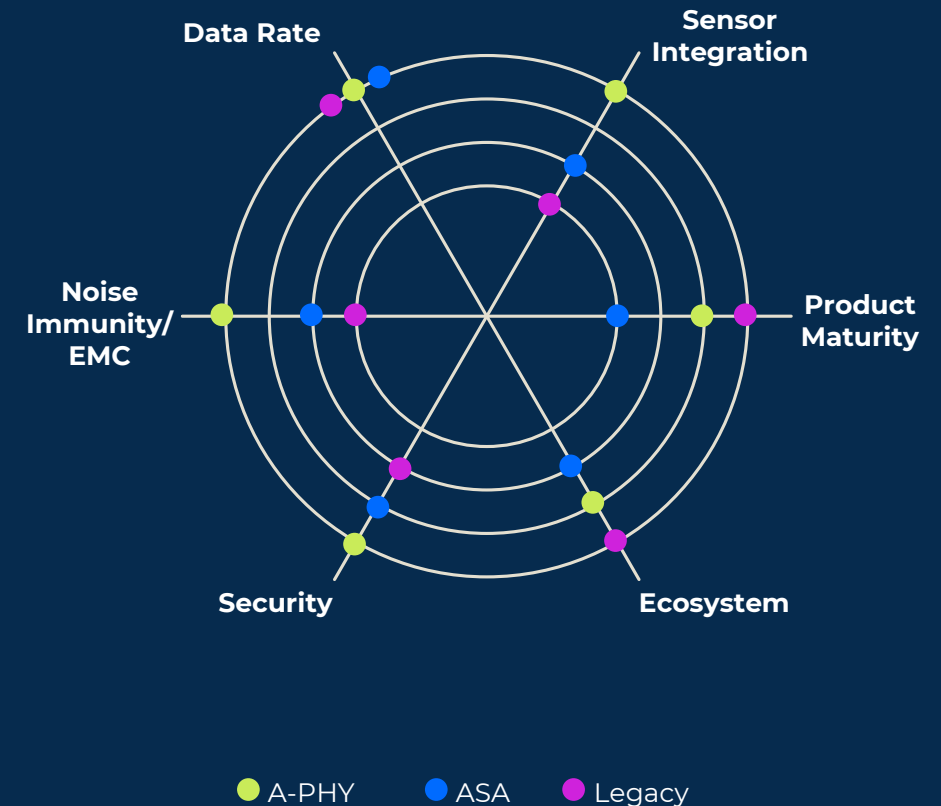


Automotive OEMs have called for a global standard for next-generation sensor connectivity.
That standard is MIPI A-PHY.



- Best-in-class EMC performance
 - Clear roadmap to ultra-high bandwidth
 - Simple architecture
 - End-to-end safety
- **Valens technology was selected as the basis of the A-PHY standard, and the company is the first in the industry to offer A-PHY-compliant chipsets**

Technological Superiority

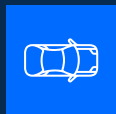
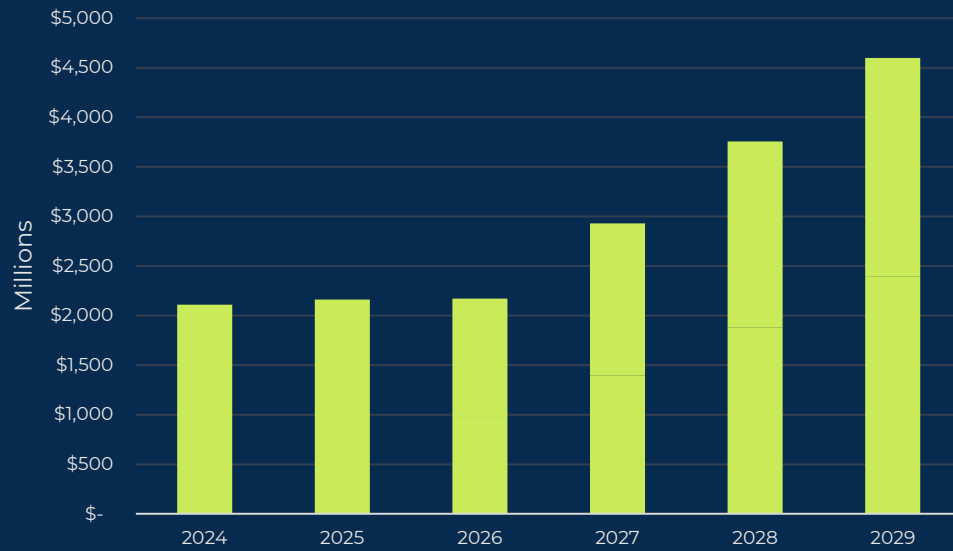




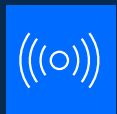
Growth Engine

Automotive: The Foundation for Next-Gen ADAS & Autonomous Systems

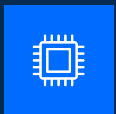
Total Addressable Market (TAM)¹



95m cars



12 sensors per vehicle



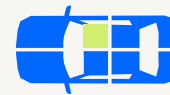
1.4 billion chips per year



TAM by 2029

Market Drivers

- Race towards higher levels of ADAS and Software-Defined Vehicles, leading to:
 - Increasing number of high-resolution sensors
 - Complex, centralized architectures
- Industry striving for standardized connectivity
- Platform lifecycle shortened (due to competition from 'newer' companies like Tesla and Chinese OEMs)



Cameras, radars, lidars, displays



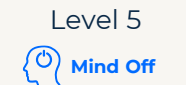
Level 2/2+ Feet Off 4-14



Level 3 Hands Off 11-23



Level 4 Eyes Off 13-35



Level 5 Mind Off 19-36+

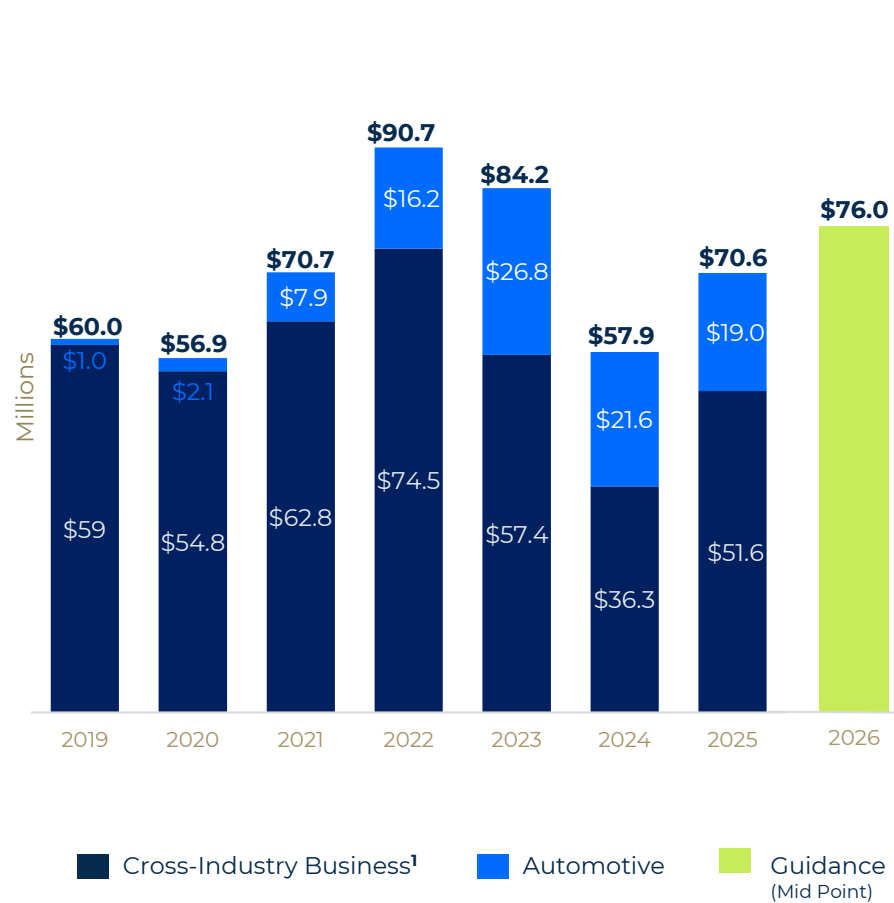
Only Valens' error-free connectivity can guarantee passenger safety and provide the resilient foundation upon which OEMs can build the cars of the future



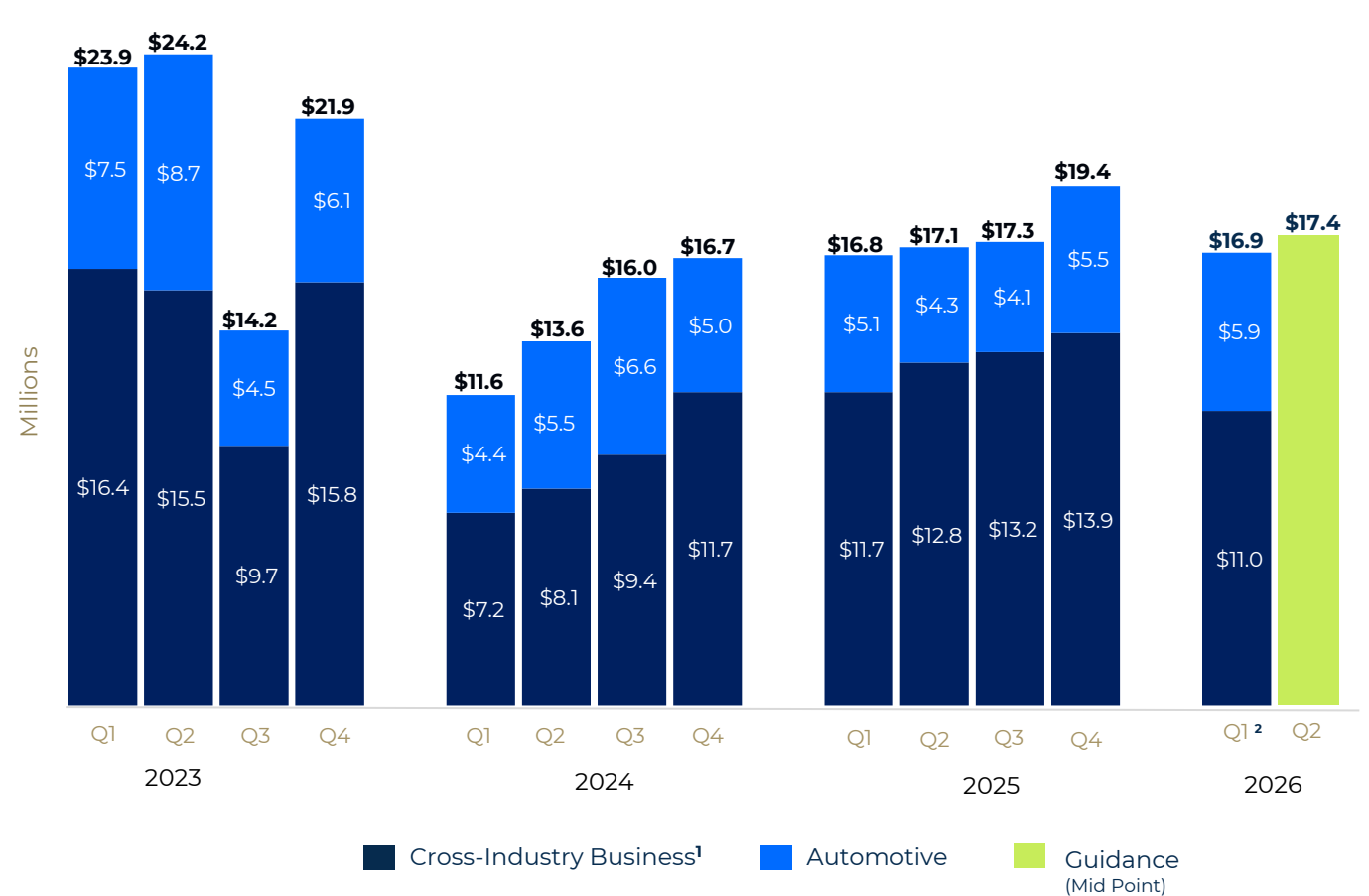
Financial Outlook

Revenues

Annual



Quarterly



¹ Cross-Industry Business revenues defined as Professional Audio-Video markets (Entertainment, Digital Signage, Education, Video Conferencing) plus Industrial and Medical.

² Exceeding the guidance of \$16.3-\$16.7 million.

Key Financial Data (US\$ Millions)

		Annual 2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025	Annual 2025	Q1-2026
Revenue	Company	\$57.9	\$16.8	\$17.1	\$17.3	\$19.4	\$70.6	\$16.9
	Cross-Industry Business	\$36.3	\$11.7	\$12.8	\$13.2	\$13.9	\$51.6	\$11.0
	Automotive	\$21.6	\$5.1	\$4.3	\$4.1	\$5.5	\$19.0	\$5.9
GAAP Gross Margin %	Company	59.2%	62.9%	63.5%	63.0%	60.5%	62.4%	62.2%
	Cross-Industry Business	71.0%	69.1%	67.8%	69.1%	66.4%	68.1%	70.8%
	Automotive	39.5%	48.4%	50.5%	43.2%	45.9%	47.0%	46.2%
Adjusted EBITDA (Loss)	Company	\$(21.1)	\$(4.3)	\$(4.0)	\$(4.3)	\$(4.3)	\$(16.9)	\$(5.5)
Loss Per Share		\$(0.35)	\$(0.08)	\$(0.07)	\$(0.07)	\$(0.09)	\$(0.31)	\$(0.08)

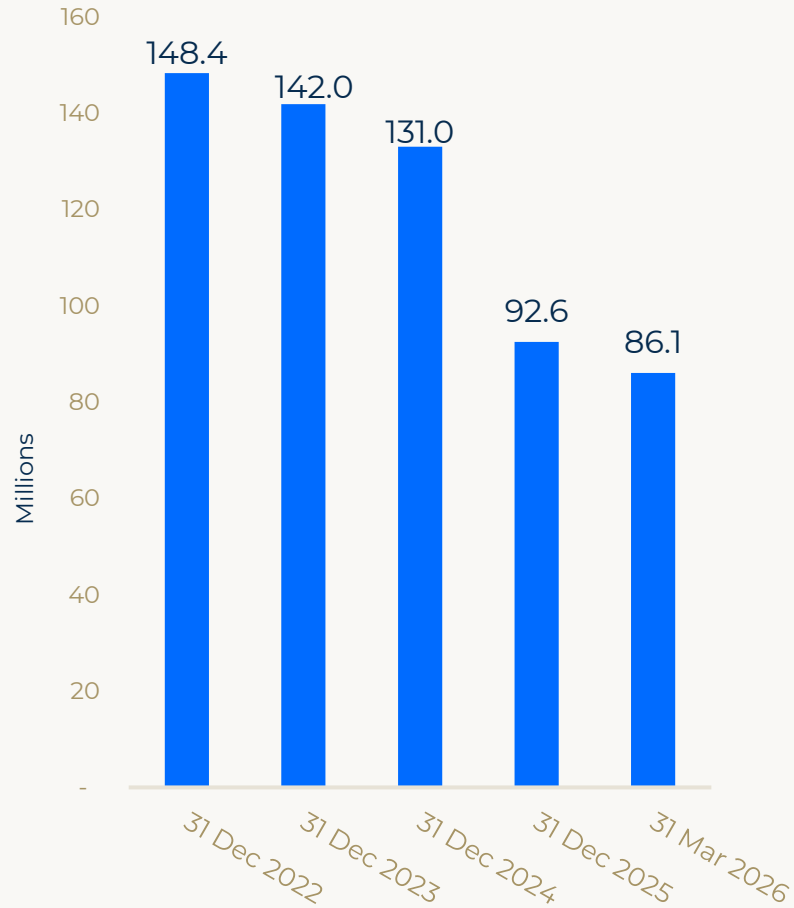
Second Quarter 2026 Guidance

- **Revenue:** \$17.2 - \$17.6 Million
- **Gross Margin:** 60.0%-62.0%
- **Adjusted EBITDA (Loss)**^{1,2}: \$(4.9)-\$(4.4) Million

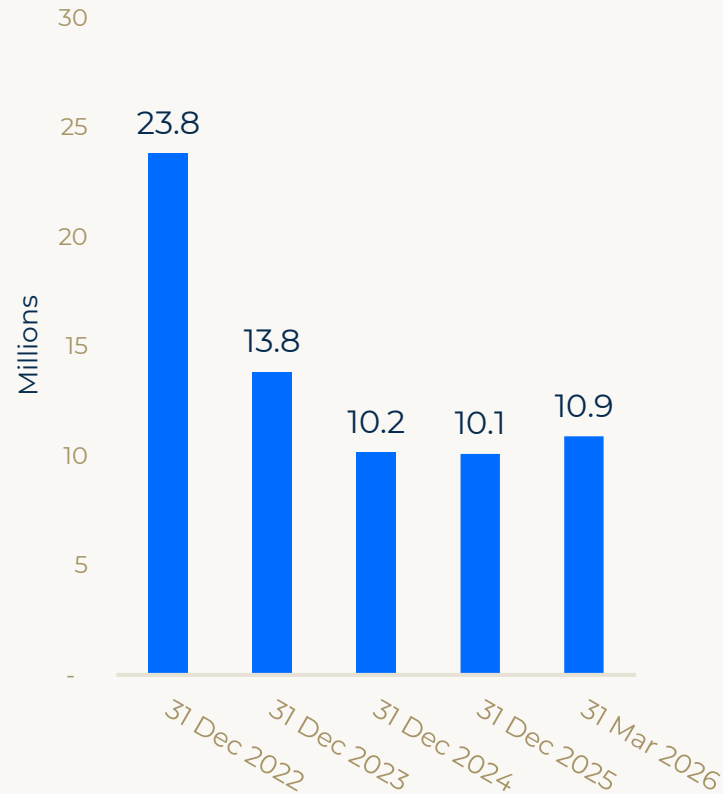
2026 Annual Guidance

- **Revenue:** \$75.0-\$77.0 Million

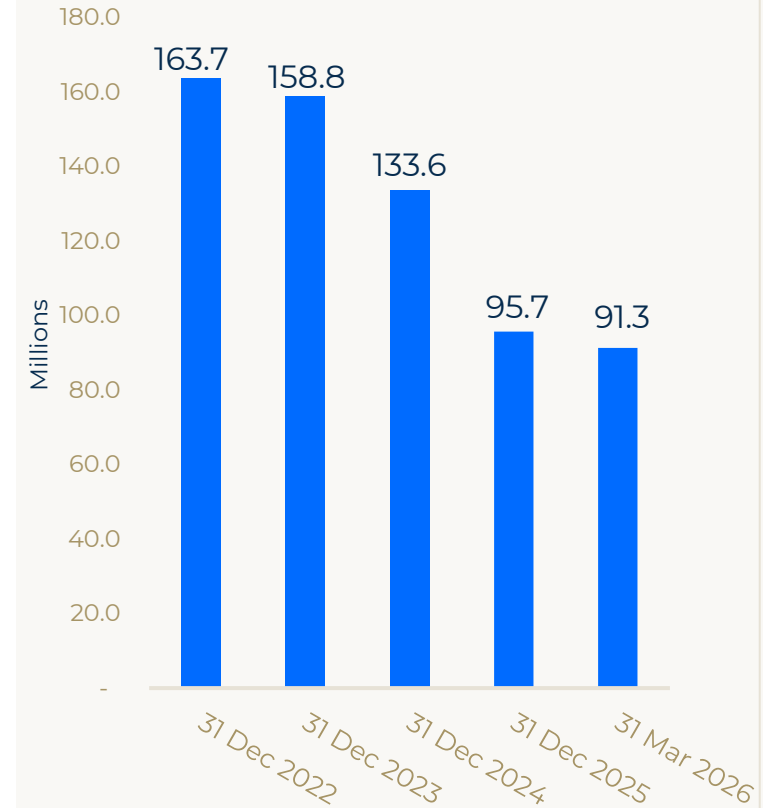
Cash Balance^{1,3}



Inventory Level



Working Capital²



**Think Outside
The Square**



investors@valens.com

Appendix - GAAP to Non-GAAP Reconciliation (\$ Thousands)

	Q1/26	Q4/25	Q3/25	Q2/25	Q1/25	Q4/24	Q3/24	Q2/24	Q1/24
Revenues	16,859	19,403	17,335	17,059	16,828	16,665	16,038	13,597	11,559
COGS	6,372	7,657	6,413	6,224	6,246	6,592	6,993	5,253	4,744
GAAP gross profit	10,487	11,746	10,922	10,835	10,582	10,073	9,045	8,344	6,815
GAAP gross margin	62.2%	60.5%	63.0%	63.5%	62.9%	60.4%	56.4%	61.4%	59.0%
Depreciation and amortization	304	361	382	384	400	433	446	180	116
Share-based compensation	204	293	255	246	250	247	238	243	231
NON-GAAP gross profit	10,995	12,400	11,559	11,465	11,232	10,753	9,729	8,767	7,162
NON-GAAP gross margin	65.2%	63.9%	66.7%	67.2%	66.7%	64.5%	60.7%	64.5%	62.0%
GAAP net loss	-8,290	-8,770	-7,321	-7,184	-8,308	-7,317	-10,355	-8,869	-10,042
Depreciation and amortization	618	709	743	758	770	788	823	480	456
Share-based compensation	3,136	4,870	3,728	3,775	4,166	3,859	3,760	3,735	3,764
Financial income, net	-673	-431	-726	-225	-1,238	-1,136	-1,885	-540	-1,234
Income Taxes	27	30	14	21	93	44	14	21	17
Equity in earnings of investee	-2	-2	-3	-1	-3	-2	-4	-12	-5
Change in fair value of Forfeiture Shares	-	-	-1	-	0	1	-3	-10	-25
Change in earnout liability	-282	-250	744	-837	174	85	264	28	0
Certain batch production incident expenses	0	-412	-1,476	-323	0	-10	2,249	0	0
Adjusted EBITDA	-5,466	-4,256	-4,298	-4,016	-4,346	-3,688	-5,137	-5,167	-7,069

Appendix - Company's Profit And Loss

	Q1	Year ended December 31			
	2026	2025	2024	2023	2022
REVENUES	16,859	70,625	57,859	84,161	90,715
COST OF REVENUES	(6,372)	(26,540)	(23,582)	(31,569)	(27,325)
GROSS PROFIT	10,487	44,085	34,277	52,592	63,390
OPERATING EXPENSES:					
Research and development expenses	(10,294)	(42,655)	(40,475)	(48,171)	(58,207)
Sales and marketing expenses	(5,396)	(21,390)	(18,302)	(17,314)	(16,959)
General and administrative expenses	(4,017)	(14,264)	(16,465)	(14,024)	(16,593)
Change in earnout liability	282	169	(377)	-	-
TOTAL OPERATING EXPENSES	(19,425)	(78,140)	(75,619)	(79,509)	(91,759)
OPERATING LOSS	(8,938)	(34,055)	(41,342)	(26,917)	(28,369)
Change in fair value of Forfeiture Shares	-	1	37	1,713	2,907
Financial income (expenses), net	673	2,620	4,795	5,637	(1,770)
LOSS BEFORE INCOME TAXES	(8,265)	(31,434)	(36,510)	(19,567)	(27,232)
INCOME TAXES	(27)	(158)	(96)	(112)	(451)
LOSS AFTER INCOME TAXES	(8,292)	(31,592)	(36,606)	(19,679)	(27,683)
Equity in earnings of investee	2	9	23	18	16
NET LOSS	(8,290)	(31,583)	(36,583)	(19,661)	(27,667)
Basic and diluted net loss per Ordinary Share	(0.08)	(0.31)	(0.35)	(0.19)	(0.28)
Weighted average number of shares and vested RSUs used in computing net loss per Ordinary Share	105,047,377	103,142,173	105,477,191	101,985,939	97,820,782
Other comprehensive income:					
Change in unrealized gains on cash flow hedges	(364)	(172)	601	-	-
TOTAL COMPREHENSIVE LOSS	(8,654)	(31,755)	(35,982)	(19,661)	(27,667)

Appendix - Company's Consolidated Balance Sheet

(U.S. dollars in thousands, except for number of shares and par value)

	March 31, 2026	December 31, 2025
CURRENT ASSETS:		
Cash and cash equivalents	28,970	27,863
Short-term deposits	57,147	64,733
Restricted short-term deposit	1,144	1,132
Trade accounts receivable	10,475	9,971
Inventories	10,906	10,117
Prepaid expenses and other current assets	4,316	4,842
TOTAL CURRENT ASSETS	112,958	118,658
LONG-TERM ASSETS:		
Property and equipment, net	2,776	2,901
Operating lease right-of-use assets	6,645	6,901
Intangible assets	3,526	3,762
Goodwill	1,847	1,847
Other assets	668	632
TOTAL LONG-TERM ASSETS	15,462	16,043
TOTAL ASSETS	128,420	134,701

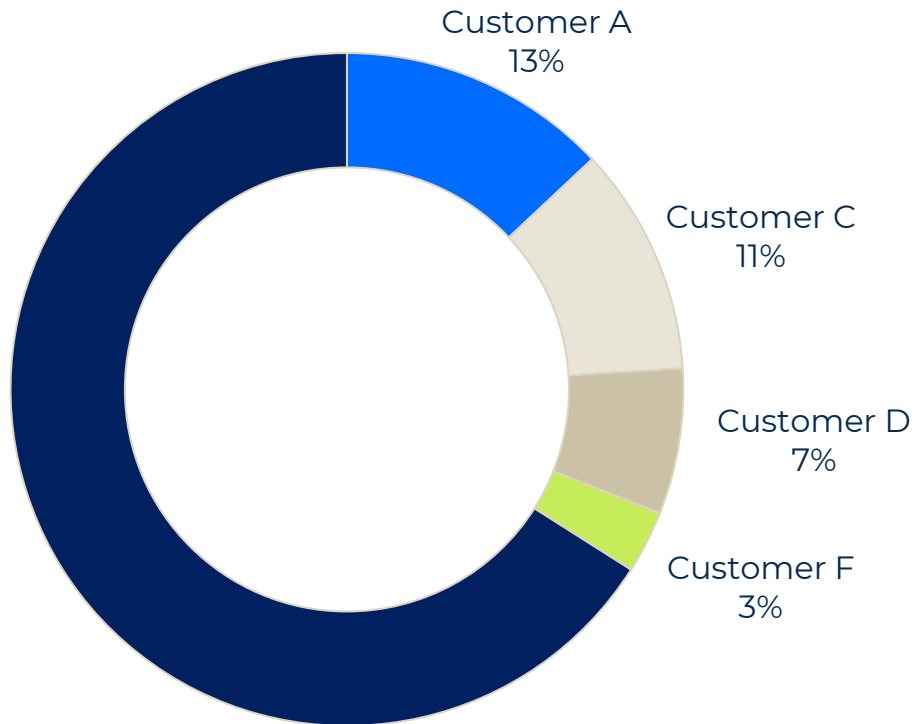
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(U.S. dollars in thousands, except for number of shares and par value)

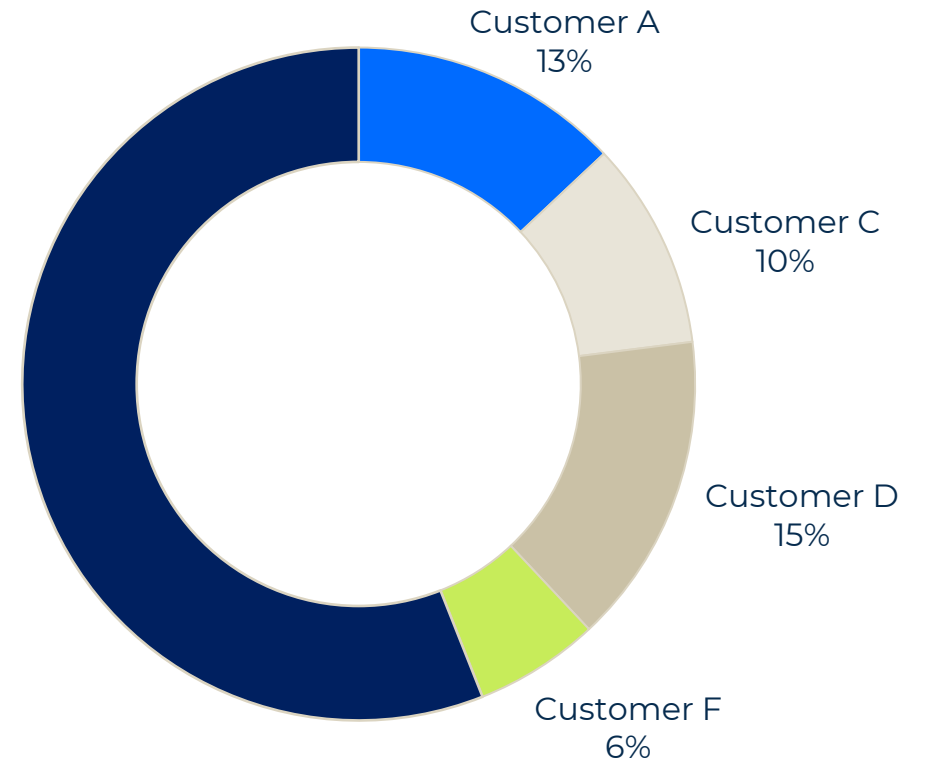
Liabilities and Shareholders' Equity	March 31, 2026	December 31, 2025
CURRENT LIABILITIES:		
Trade accounts payable	4,447	4,698
Accrued compensation	7,767	7,298
Earnout liability	-	282
Current maturities of operating leases liabilities	1,587	1,526
Other current liabilities	7,878	9,130
TOTAL CURRENT LIABILITIES	21,679	22,934
LONG-TERM LIABILITIES:		
Non-current operating leases liabilities	6,390	6,717
Other long-term liabilities	111	67
TOTAL LONG-TERM LIABILITIES	6,501	6,784
COMMITMENTS AND CONTINGENT LIABILITIES		
TOTAL LIABILITIES	28,180	29,718
SHAREHOLDERS' EQUITY:		
Ordinary shares, no par value: 700,000,000 shares authorized as of March 31, 2026 and December 31, 2025; 105,722,413 and 106,352,460 shares issued and 105,722,413 and 103,050,266 shares outstanding as of March 31, 2025 and December 31, 2025, respectively	49	49
Treasury shares at cost: 0 and 3,302,194 shares as of March 31, 2026, and December 31, 2025, respectively	-	(10,006)
Additional paid-in capital	353,918	360,013
Accumulated other comprehensive income	65	429
Accumulated deficit	(253,792)	(245,502)
TOTAL SHAREHOLDERS' EQUITY	100,240	104,983
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	128,420	134,701

Appendix - Revenue Diversity Across Customers

FY-2025



FY-2024



Appendix - Revenues Diversity Across Geography

