NICKELPIE RESEARCH · 23 JULY 2026

Valens Semiconductor

NYSE: VLN

$1.63

100 shares = $163

Makes the chips that send **video down long, cheap, thin cables** — in conference rooms, and in cars, connecting the cameras that self-driving systems rely on.

Written for beginners | 5-minute read | Free

1 · What this company does

Makes the chips that send **video down long, cheap, thin cables** — in conference rooms, and in cars, connecting the cameras that self-driving systems rely on.

OF THE PRICE IS CASH	REVENUE A YEAR	PER CONTRACT
44%	**$70.7M**	**~$150**

SCORE −3 OF −3 · THE CLEAREST SETUP HERE

Sell a put.

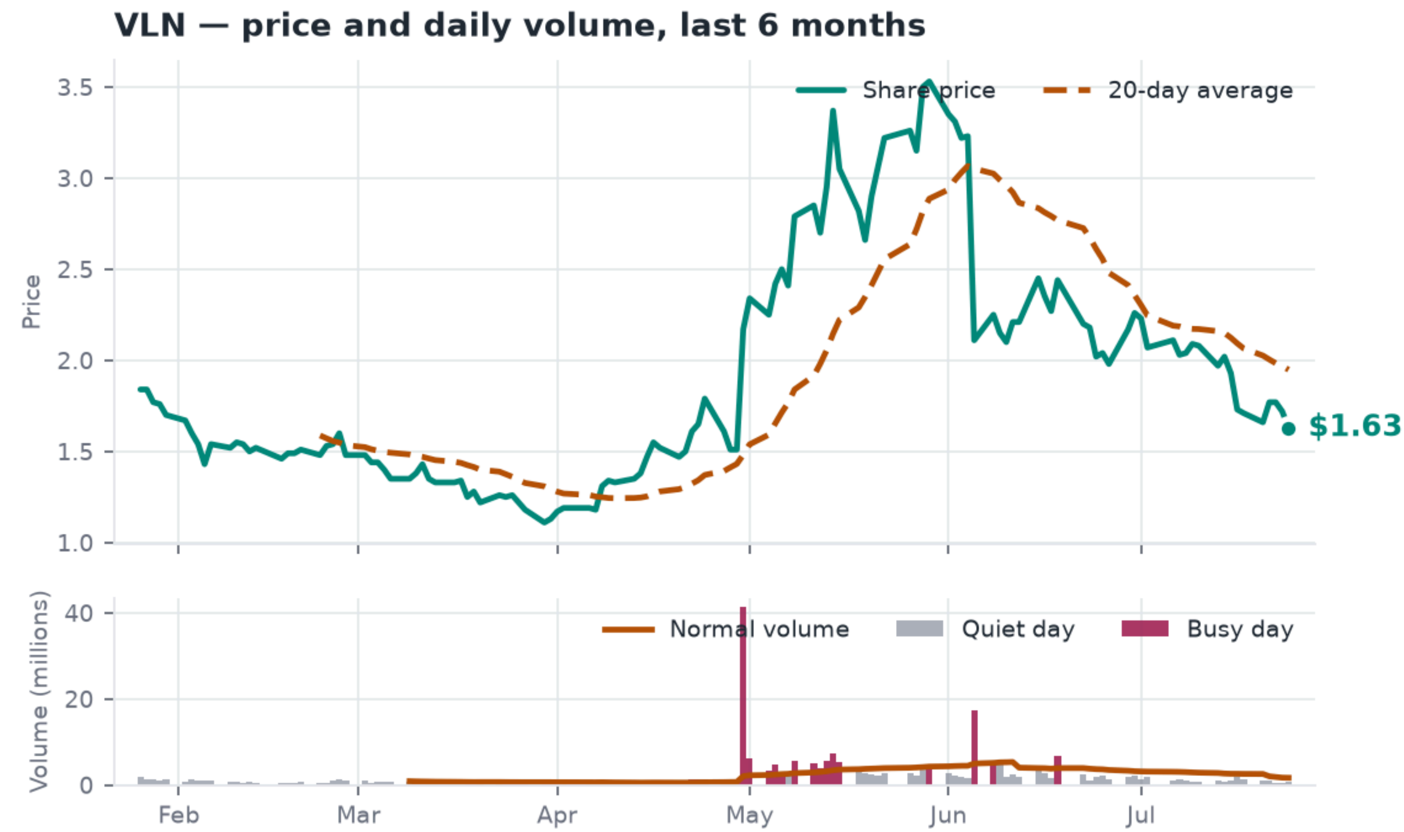
Price low, momentum low, volume low. All three. This is what the strategy was built for.

EARNINGS DATE — CHECK THIS BEFORE YOU TRADE

12 August 2026, 8:30am ET (confirmed). Never sell an option across an earnings report by accident. Look it up on the company's own investor-relations page, every time.

2 · The only two numbers you need

Every day, look at just two things: **the price**, and **how many shares traded**. That is it. Here they both are for the last six months.



A slow six-week bleed lower, and almost all of it on quiet, below-average volume. That is fear price barely moved — the sellers ran out.

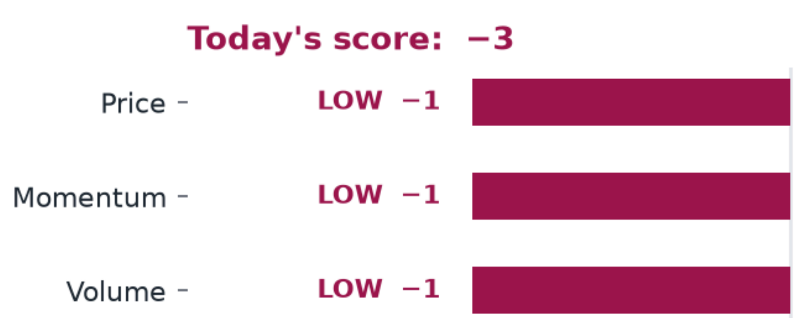
HOW TO READ THE BOTTOM PANEL

Grey bars = a quiet day. Fewer people trading than normal. **Pink bars = a busy day.** More than normal.

A price falling on **grey** bars means hardly anyone is selling — usually just fear, and it tends to bounce back. A price falling on **pink** bars means real selling. Respect that one and wait.

3 · Today's score

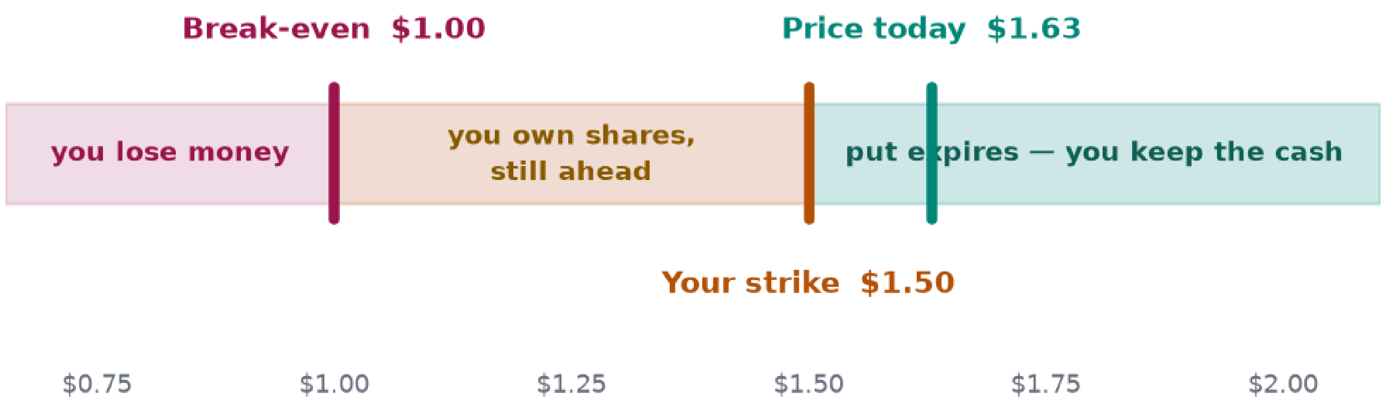
Score three things, each −1 (low), 0 (neutral) or +1 (high). Add them up.



Price = where it sits versus its 20-day average. Momentum = RSI and trend direction. Volume = today versus a normal day.

TOTAL SCORE	WHAT IT MEANS	WHAT YOU DO
−2 or −3	Cheap, ignored, quiet	**Sell a cash-secured put**
−1, 0, +1	No edge either way	**Do nothing.** Patience is a position.
+2 or +3	Expensive, crowded, hot	**Sell a covered call** (if you own shares)

4 · The trade



Sell the November $1.50 put and you are paid about $50. Below $1.00 you start to lose — and the company holds $0.72 a share in cash, so that break-even is below its 52-week low.

THE ORDER	DETAIL
Sell to open — **1 put**	VLN 20 Nov 2026
Strike price	**$1.50**
Limit price (never use a market order)	**$0.50**
Cash you must set aside	**$150**
Cash paid to you, immediately	**$50**
Your real cost if you end up owning shares	**$1.00**

Placing it, step by step

1. Open the **option chain** for VLN and pick the expiry **20 Nov 2026**.
2. Switch to the **puts** side and find the **$1.50** strike.
3. Choose **Sell to Open**, quantity **1**.
4. Set a **limit** of $0.50 and make it **Good-Til-Cancelled**. Never a market order.
5. Check the cash it holds equals $150, then submit — and leave it alone.

THEN ONE OF TWO THINGS HAPPENS — AND YOU WIN IN BOTH

It never falls to $1.50. The option expires, your $150 is released, you keep the $50. Free money. Do it again next month.

It does fall. You buy 100 shares at $1.50 and keep the $50 — so your real cost is **$1.00**, cheaper than today. You wanted to own it anyway.

5 · Both sides, honestly

THE CASE FOR

- **42% of the share price is just cash** — $78M net cash against a $187M company.
- Real revenue: $70.7 million a year at a 62% gross margin.
- Ships into **Mercedes-Benz** and Barco today.
- Bought back **$24 million of its own stock** last year.
- Two of Wall Street's most accurate chip analysts both value it at **$4.00** — it is $1.63.

THE CASE AGAINST

- It loses money — $31.6 million last year.
- Growing at 7% a year while the chip industry grows at 22%.
- Insiders have sold 19 times and bought **zero**.
- The big automotive payoff is a **2027** event. That is a long wait.

THE ONE THING TO BE CAREFUL ABOUT

The November expiry is the safer choice — it skips the 12 August earnings report entirely.

Want the whole story?

This is the short version. The full report — every number, the bear case in detail, the complete option chain, insider and institutional activity, and the sources for all of it — is free at:

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