Marvell Technology, Inc. (MRVL)

Three- to Six-Month Investment Outlook

Edition: November 14, 2026 | Information cutoff: November 14, 2026 at 7:00 PM ET

Reference price: $156.76 | Nov 13, 2026 regular-session close, 4:00 PM ET

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1. Investment decision

Recommendation: Avoid

Avoid initiating at the reference. The six-month Base leaves insufficient evidence of upside on standalone earnings, and the proposed deal introduces valuation and execution risk. Existing holders should review concentration and deal exposure on each filing.

Custom silicon and optical networking must convert booked demand into higher earnings while investors assess the cost of buying Lumentum. [S1] [S2] [S3] [S4] [S5]

Potential return and downside

Horizon / endpoint	Base	Bear	Bull
3 months February 14, 2027	-32.1%	-71.5%	+17.3%
6 months May 14, 2027	-14.6%	-72.6%	+48.2%

Forecast values use the listed security’s USD common-share basis. Headline returns use Base. Returns exclude ordinary cash dividends, fees and taxes. Each endpoint uses the last completed regular session on or before its calendar date. [S1] [S2] [S3] [S4] [S5]

At roughly USD 88.34 per original reference share, the six-month Base gain and Bear loss would be equal in magnitude. A price below that level improves this two-case tradeoff. The decision also requires the operating evidence below, with the investor’s own required return and downside tolerance relative to cash or diversified exposure.

Bear outcomes show ordinary operating and valuation stress. Cash calls, regulatory action or delayed funding may add loss beyond the modeled range. [S1] [S2] [S3] [S4] [S5]

2. Business, liquidity and earnings assumptions

Marvell posted $2.739bn in fiscal Q2 sales, 53.1% GAAP versus 58.9% issuer-adjusted gross margin, and diluted EPS of $0.33 GAAP and $0.94 adjusted. Data Center revenue rose 46% year over year. The original Q3 $3.150bn revenue midpoint had a ±5% range. Diluted-share guidance was 921m. [S1]

Marvell reported $3.933bn cash and $4.963bn carrying debt, with no short-term debt at August 1. First-half CFO was $1.244bn versus $0.795bn. Celestial AI revenue milestones can require up to about $233m in cash and 22.4m common shares. Cash conversion must be tested after capacity commitments and capital spending. [S2]

Operating bridge

The updated Q3 midpoint annualizes to $12.6bn. Three-month Base moves to $14.4bn, then $16bn at six months, allowing design-win shipments and connectivity to spread beyond the current quarter. Three-month Base adjusted gross margin is 57%, slightly below the 58% issuer guidance midpoint to retain equity costs and reflect mix. Bull requires sustained custom deployment and a richer optical mix. Bear captures delayed custom programs and flatter near-term gross profit. [S1] [S2] [S3] [S4] [S5]

Valuation basis

Use an earnings model after recurring stock compensation and financing, with acquired-intangible amortization and one-time deal costs normalized out. The expected first-half 2028 merger close follows both valuation endpoints. Multiples reflect the deal risk before closing. No Lumentum earnings, deal synergies or merger shares are in 2027 EPS. The Google warrant and Celestial milestones warrant higher modeled diluted shares as orders ramp, without assuming full issuance. [S1] [S2] [S3] [S4] [S5]

3. Scenarios and valuation sensitivity

Annual forward standalone earnings power after each endpoint in USD billions and billions of diluted Marvell common shares. [S1] [S2] [S3] [S4] [S5]

3 months: February 14, 2027

Case	P/E	Price	Price return	Weight
Bear	19x	$44.75	-71.5%	Unassigned
Base	28x	$106.51	-32.1%	Unassigned
Bull	35x	$183.93	+17.3%	Unassigned
Base case		**$106.51**	**-32.1%**	

6 months: May 14, 2027

Case	P/E	Price	Price return	Weight
Bear	20x	$42.88	-72.6%	Unassigned
Base	30x	$133.80	-14.6%	Unassigned
Bull	38x	$232.25	+48.2%	Unassigned
Base case		**$133.80**	**-14.6%**	

What drives the valuation range

Use 19–38× recurring earnings. A low-20s level corresponds to a roughly 5% earnings yield, which the bear case needs due to uncertain custom ramps and deal risk. Base 28–30× permits high earnings growth but discounts the absence of a filed combined earnings bridge. Bull 35–38× requires final results confirming gross margin and cash and an improved deal read. These are implied-yield judgments without a claimed historical trading range. [S1] [S2] [S3] [S4] [S5]

Base-case sensitivity

Change to Base only	3-month return	6-month return
Base case	-32.1%	-14.6%
EPS 10% lower; other inputs fixed	-38.8%	-23.2%
Multiple 1x lower; other inputs fixed	-34.5%	-17.5%

4. Catalysts and decision conditions

The August 18 Google warrant is for up to 58.971m shares at $206.58 initially. About 1.361m vest over the first year. The remainder vest in tranches tied to $500m of qualifying discretionary custom product sales each, through fiscal 2033. Full dilution does not occur at issuance. [S4]

The agreement provides 4.500 Marvell shares for each Lumentum share at closing, giving Lumentum holders approximately 33% pro forma ownership. Closing is expected in the first half of calendar 2028, with shareholder and regulatory conditions. Separately, Marvell maintained the $3.150bn preliminary fiscal Q3 revenue midpoint and narrowed the range to ±2%. Final margins and earnings were not reported in the exhibit. [S3]

Marvell reiterated that both companies would continue operating independently pending an expected first-half calendar 2028 close. The memo discusses investor and customer outreach. This analysis excludes the memo’s historical price comparisons and external market data. [S5]

What changes the decision

Wait for final Q3 results and evidence that connectivity and custom volume leave gross margin and collections intact. A larger market discount is warranted while substantial all-stock issuance remains possible. [S1] [S2] [S3] [S4] [S5]

Existing holders should review customer or product-specific delays and any changes to merger terms. Reassess on cash-conversion erosion, new conditions or dilution beyond management’s headline accretion case. [S1] [S2] [S3] [S4] [S5]

Each new deal filing should be checked for pro forma debt, ownership and integration requirements. Do not move 2028 synergies into six-month earnings. Review actual design-win shipments over two quarters. [S1] [S2] [S3] [S4] [S5]

5. Model assumptions

Case	Sales $bn	Gross %	OpEx $bn	Net other $bn	Dil. shares m
3m Bear	11.9	55	3.55	-0.37	925.000
3m Base	14.4	57	3.75	-0.34	931.000
3m Bull	17.0	59	4.02	-0.32	942.000
6m Bear	12.0	54	3.65	-0.42	933.000
6m Base	16.0	58	4.05	-0.35	941.000
6m Bull	19.1	60	4.40	-0.33	958.000

First edition. The comparison baseline is dated issuer results and guidance. A qualified like-for-like market forecast and an empirical historical or peer valuation range are unavailable. Case probabilities are unassigned. [S1] [S2] [S3] [S4] [S5]

Sources

[Q1] Stock Analysis historical closing price (S&P Global Market Intelligence). 2026-11-13.

[S1] Marvell fiscal second-quarter results, 8-K Exhibit 99.1. 2026-08-27.

[S2] Marvell Form 10-Q for August 1, 2026. 2026-08-28.

[S3] Marvell Form 8-K and joint merger exhibit. 2026-11-02.

[S4] Marvell Form 8-K on Google warrant. 2026-08-19.

[S5] Marvell filed merger-related communication under Rule 425. 2026-11-10.