Twitter Thread by Hindenburg Research

Hindenburg Research
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We are short $MVIS. In a market gone mad, this $1.2 billion market cap corporate husk with almost no revenue or intellectual property value is a standout.

It has risen 5,000% from lows this year on misguided retail euphoria over its LiDAR IP portfolio amid a broad EV bubble.

Retail investors have latched onto the company's portfolio of 250+ active patents, but an IP attorney we engaged found that only ~10 $MVIS issued patents even mention LiDAR.

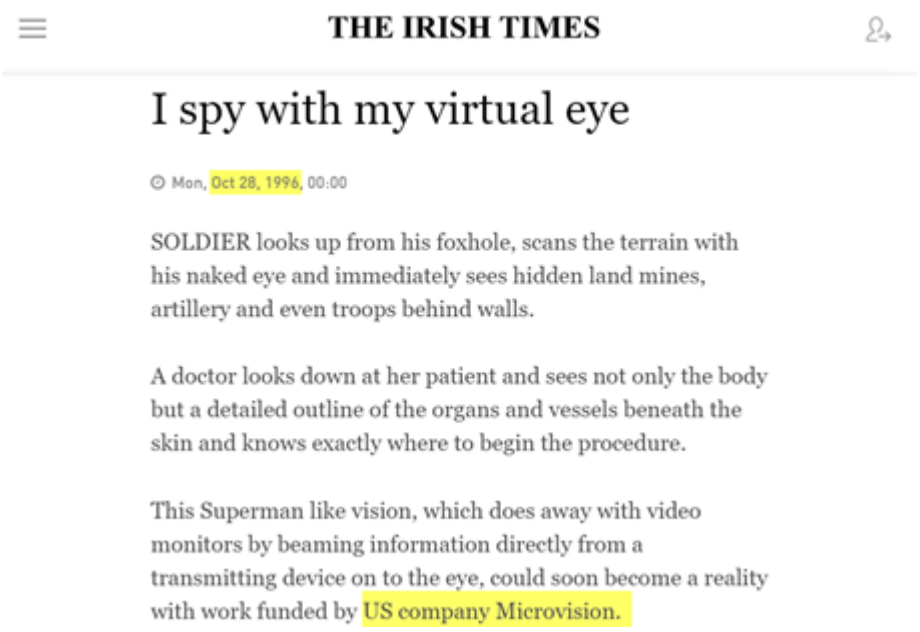
Of those, many are oriented toward consumer/non-automotive use.

These patents haven't faced inter partes review (IPR) challenges yet, significantly reducing their value.

“No one buys patents these days for any real money unless the patents have been put through the test of at least an IPR,” our IP attorney told us.

The recent excitement all belies the fact that $MVIS is essentially a science project that has gone nowhere after 25 years.

It was trading around $0.20 in April of this year and contemplating sale or liquidation.



THE IRISH TIMES

I spy with my virtual eye

Mon, Oct 28, 1996, 00:00

SOLDIER looks up from his foxhole, scans the terrain with his naked eye and immediately sees hidden land mines, artillery and even troops behind walls.

A doctor looks down at her patient and sees not only the body but a detailed outline of the organs and vessels beneath the skin and knows exactly where to begin the procedure.

This Superman like vision, which does away with video monitors by beaming information directly from a transmitting device on to the eye, could soon become a reality with work funded by US company Microvision.

But EV mania presented an opportunity.

In November, the company put financing documents in place then announced the very next day that it hopes to have a LiDAR demo product by April 2021.

Adding to this, a chorus of second-tier blogs have pushed the narrative that the company could be acquired by Microsoft or other “tech giants” – an extremely unlikely proposition given the company’s astronomical valuation.



INVESTING STOCKS

MicroVision Buyout Coming: Multiple Tech Giants Interested

BY CARLOS CABRERA · DECEMBER 12, 2020 · 11 SHARES · 2 MINUTE READ

In fact, overzealous $MVIS shareholders had a coup of sorts during a May 12, 2020 Microsoft webinar, in which they forced a Microsoft PR rep to deny that it was buying $MVIS.

Regardless, these perpetual buyout rumors are a factor in the stock’s meteoric rise.



Microsoft Denies They are Buying Microvision

KARL GUTTAG / MAY 12, 2020 / 11 COMMENTS / MAY 12, 2020

The VR/AR Association had a live webinar on May 12, 2020 [today as of this writing]. In the Q&A portion of that webinar, Alison Fehling of Microsoft was asked in the chat many times about the rumors of Microsoft buying Microvision. She first responded that she would check with Microsoft's PR department and give an update shortly. She followed with the follow denying the rumors.

> I just heard from our PR team [at Microsoft] and apparently it is not true. It is [only] a rumor that we are buying Microvision. That is all I have at the moment. Sorry, probably disappointing to a lot of you. Yeah, no truth to the rumor. We don't have anything to add at the moment. Hopefully, that will take care of a lot of these questions.

So the information reported by The Florida Independent on May 10th that was in turn based on a story by TodaysFive story on May 8th, 2012 [a story they subsequently changed — see here] was apparently false. This report is a followup to my report on May 11th reporting on The Florida Independent story.

We have absolutely no doubt that $MVIS will take advantage of this holiday gift and dilute investors through an equity offering as quickly as it can raise money.

As of September 30, 2020, the company notes it has racked up an accumulated deficit of $582.7 million.

This furthers our belief that $MVIS has near-zero long-term intrinsic value.

We assign a short-term price target of $1.50 to $MVIS, representing 80% downside from current levels.

MicroVision, Inc.
Condensed Balance Sheets
(In thousands, except per share data)
(Unaudited)

		September 30, 2020
Assets		
Current assets		
Cash and cash equivalents	$	5,027
Accounts receivable, net of allowances of $0 and $0, respectively		-
Inventory		-
Other current assets		748
Total current assets		5,775
Property and equipment, net		1,515
Operating lease right-of-use asset		1,040
Restricted cash		435
Intangible assets, net		178
Other assets		18
Total assets	$	8,961
Liabilities and shareholders' equity (deficit)		
Current liabilities		
Accounts payable	$	1,513
Accrued liabilities		295
Deferred revenue		-
Contract liabilities		8,160
Other current liabilities		-
Current portion of long-term debt		961
Current portion of operating lease liability		671
Current portion of finance lease obligations		15
Total current liabilities		11,615