



LiveOne, Inc. LVO - Buy

February 12, 2026

LiveOne is Back - Beats Expectations and Posts Positive EBITDA – Reiterate Buy

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- Just a year after the dramatic change in their key Tesla contract, LiveOne is again reporting positive EBITDA after a series of strategic changes to reflect this new reality.
- Revenue came in at \$20.3 million (vs. consensus of \$19.3 million), and EBITDA came in at \$1.6 million (versus consensus of negative \$1.6 million).
- With these results, management raised guidance, and we adjust our estimates upward as well. For FY27, ending March 31, 2027, we now forecast \$93.7 million in revenue and \$4.7 million in EBITDA.
- Prior to December 2024, all Teslas sold in North America, where the owner purchased the connectivity package, generated \$3.50 per month to LiveOne as its Slacker Radio service was included. This ended on December 1, 2024.
- Since then, LiveOne has taken a three-pronged approach: 1. Aggressively marketing ad-based Slacker to Tesla owners using AI-driven marketing with 1.3 million users now, 2. Aggressively targeting other B2B customers with 7 active and roughly 100 more in the sales pipeline, and 3. Aggressively cutting headcount (now 88 versus 350 a year ago) with opex down 52% as the company heavily utilizes AI.
- The strongest business unit is its PodcastOne (PODC) 70% owned sub, which just reported 25% revenue growth and \$2.8 million in EBITDA. See our note on PODC.
- We reiterate our Buy rating and \$10 target on LVO shares. In our opinion, with the significant swing to positive EBITDA, the narrative around the stock has changed. During the call, the CEO also expected to begin reporting positive EPS, to be able to use its over \$200 million in net operating loss tax carryforwards. This would represent a significant development and likely spur quant buying.

Rating	Buy	Earnings Per Share		
Target Price	\$10.00	Normalized to exclude unusual items		
Ticker Symbol	LVO	FYE - March	FY2025	FY206E
Market	NASDAQ			FY207E
Stock Price	\$4.93	1Q - June	(\$0.16)	(\$0.40) A
52 wk High	\$10.65	2Q - September	(\$0.24)	(\$0.51) A
52 wk Low	\$3.70	3Q - December	(\$0.59)	\$0.37 A
Shares Outstanding:	11.6 M	4Q - March	(\$1.13)	(\$0.17)
Public Market Float:	9.5 M	Year	(\$2.08)	(\$1.47)
Avg. Daily Volume	93,633	Revenue (\$mm)	\$114.4	\$78.2
Market Capitalization:	\$57 M	EV/Rev	0.5X	0.8X
Institutional Holdings:	17.3%	EBITDA (\$mm)	\$8.4	\$0.4
Dividend Yield:	0.0%	EV/EBITDA	7.1X	NM
				\$4.7
				12.6X

Risks/Valuation

- The dominant risk and opportunity is how well the transition of Tesla subscribers from an indirect wholesale model to a direct retail model will occur.
- We value LVO shares at 1.5x our F27 revenue estimate. Comps trade at 3.0x, implying a \$22 per share valuation, but we cut this in half out of conservatism to get to our \$10.00 12-month price target.

Company description: LiveOne is a dynamic media company headquartered in Beverly Hills, California with differentiated businesses in streaming music and podcasting. Music goes under the Slacker brand but is mainly sold on a white-label basis to customers such as Tesla. Podcasting is done via 70%-owned publicly traded PodcastOne (PODC - NASD).



LiveOne, Inc.

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LiveOne, Inc. – Income Forecast

Dollars in thousands, except per share data
Fiscal years ended March 31

	FY2025					FY2026E					FY2027E				
	1Q	2Q	3Q	4Q	YEAR	1QA	2QA	3QA	4Q	YEAR	1Q	2Q	3Q	4Q	YEAR
	June	Sept	Dec	March		June	Sept	Dec	March		June	Sept	Dec	March	
PodcastOne Revenue	13,159	12,154	12,710	14,096	52,119	14,994	15,156	15,856	16,210	62,216	17,993	18,187	19,027	19,452	74,660
YoY growth	23.7%	15.6%	21.7%	20.4%	20.4%	13.9%	24.7%	24.8%	15.0%	19.4%	20.0%	20.0%	24.8%	20.0%	20.0%
Seq growth	12.4%	-7.6%	4.6%	10.9%		6.4%	1.1%	4.6%	2.2%		11.0%	1.1%	4.6%	2.2%	
Slacker Revenue	19,919	20,440	16,735	5,192	62,286	4,213	3,606	4,400	3,720	15,939	3,840	3,985	6,926	4,275	19,026
YoY growth	16.3%	13.5%	-19.6%	-72.9%	-17.1%	-78.8%	-82.4%	-73.7%	-28.4%	-74.4%	-8.9%	10.5%	57.4%	14.9%	19.4%
Seq growth	3.8%	2.6%	-18.1%	-69.0%		-18.9%	-14.4%	22.0%	-15.5%		3.2%	3.8%	73.8%	-38.3%	
Revenue	33,078	32,594	29,445	19,288	114,405	19,207	18,762	20,256	19,930	78,155	21,833	22,172	25,953	23,727	93,686
YoY growth	19.1%	14.3%	-5.8%	-37.6%	-3.4%	-41.9%	-42.4%	-31.2%	3.3%	-31.7%	13.7%	18.2%	28.1%	19.1%	19.9%
Seq growth	7.0%	-1.5%	-9.7%	-34.5%		-0.4%	-2.3%	8.0%	-1.6%		9.5%	1.6%	17.1%	-8.6%	
Total Cost of Sales	25,087	24,518	22,292	13,344	85,241	16,825	16,166	16,450	16,133	65,574	17,442	17,703	20,191	18,469	73,805
	75.8%	75.2%	75.7%	69.2%	74.5%	87.6%	86.2%	81.2%	80.9%	83.9%	79.9%	79.8%	77.1%	77.8%	78.8%
Gross Margin	7,991	8,076	7,153	5,944	29,164	2,382	2,596	3,806	3,797	12,581	4,391	4,469	5,762	5,258	19,881
As a percent of revenue	24.2%	24.8%	24.3%	30.8%	25.5%	12.4%	13.8%	18.8%	19.1%	16.1%	20.1%	20.2%	22.2%	22.2%	21.2%
Sales and Marketing	1,431	1,491	1,763	1,711	6,396	1,261	870	1,069	997	4,197	873	887	1,038	949	3,747
As a percent of revenue	4.3%	4.6%	6.0%	8.9%	5.6%	6.6%	4.6%	5.3%	5.0%	5.4%	4.0%	4.0%	4.0%	4.0%	4.0%
Product Development	1,071	1,160	1,115	1,129	4,475	934	442	310	305	1,991	524	532	623	569	2,248
As a percent of revenue	3.2%	3.6%	3.8%	5.9%	3.9%	4.9%	2.4%	1.5%	1.5%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%
General and Administrative	5,505	6,283	5,241	5,717	22,746	4,076	5,706	4,197	3,986	17,965	4,367	4,434	5,191	4,745	18,737
As a percent of revenue	16.6%	19.3%	17.8%	29.6%	26.7%	21.2%	30.4%	20.7%	20.0%	27.4%	20.0%	20.0%	20.0%	20.0%	25.4%
Amortization	592	542	340	473	1,947	145	145	181	160	631	150	150	150	150	600
Operating income	(608)	(1,400)	(1,306)	(3,086)	(6,400)	(4,034)	(4,567)	(1,951)	(1,650)	(12,202)	(1,523)	(1,534)	(1,239)	(1,156)	(5,452)
Operating margin	-1.8%	-4.3%	-4.4%	-16.0%	-5.6%	-21.0%	-24.3%	-9.6%	-8.3%	-15.6%	-7.0%	-6.9%	-4.8%	-4.9%	-5.8%
Interest expense	(859)	(808)	(544)	(501)	(2,712)	(687)	(1,003)	(993)	(900)	(3,583)	(900)	(900)	(900)	(900)	(3,600)
Other	-	-	-	-	-	-	79	-	-	79	-	-	-	-	-
Debt extinguishment	135	-	-	-	135	-	-	-	-	-	-	-	-	-	-
Impairment loss	(176)	-	(3,807)	(7,674)	(11,657)	-	-	(1,144)	-	(1,144)	-	-	-	-	-
Other	-	(118)	34	163	79	857	(173)	(2)	-	682	-	-	-	-	-
	(900)	(926)	(4,317)	(8,012)	(14,155)	170	(1,097)	(2,139)	(900)	(3,966)	(900)	(900)	(900)	(900)	(3,600)
Pretax income	(1,508)	(2,326)	(5,623)	(11,098)	(20,555)	(3,864)	(5,664)	(4,090)	(2,550)	(16,168)	(2,423)	(2,434)	(2,139)	(2,056)	(9,052)
Taxes	49	(9)	15	(240)	(185)	-	19	16	-	35	-	-	-	-	-
Minority interest	(388)	458	405	(475)	-	271	111	39	9	430	(227)	(230)	(299)	(365)	(1,121)
Net income - continuing ops	(1,945)	(1,859)	(5,233)	(11,333)	(20,370)	(3,593)	(5,572)	(4,067)	(2,541)	(15,773)	(2,650)	(2,664)	(2,439)	(2,421)	(10,174)
Net income margin	-5.9%	-5.7%	-17.8%	-58.8%	-17.8%	-18.7%	-29.7%	-20.1%	-12.7%	-20.2%	-12.1%	-12.0%	-9.4%	-10.2%	-10.9%
Diluted shares outstanding	9,842	9,466	9,550	9,612	9,804	9,674	11,171	11,503	11,603	10,988	11,703	11,803	11,903	12,003	11,853
Seq change	(376.2)	84.4	62.0	62.0	1,366.5	11,503.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
EPS diluted	(\$0.16)	(\$0.24)	(\$0.59)	(\$1.13)	(\$2.08)	(\$0.40)	(\$0.51)	\$0.37	(\$0.22)	(\$1.47)	(\$0.21)	(\$0.21)	(\$0.18)	(\$0.17)	(\$0.76)
Adjusted EBITDA															
GAAP Net Income	(1,557)	(2,317)	(5,638)	(2,645)	(20,370)	(3,864)	(5,683)	(4,106)	(2,541)	(15,773)	(2,650)	(2,664)	(2,439)	(2,421)	(10,174)
Addback:															
Depreciation and amortization	1,588	1,353	5,007	1,554	16,981	289	223	340	225	1,077	225	225	225	225	900
Stock-based comp	1,700	2,291	1,375	2,277	7,643	1,456	2,163	2,678	2,500	8,797	2,500	2,500	2,500	2,500	10,000
Other non-recurring	1,172	1,558	797	603	4,130	307	2,280	2,697	1,000	6,284	1,000	1,000	1,000	1,000	4,000
Adjusted EBITDA	2,903	2,885	1,541	1,789	8,384	(1,812)	(1,017)	1,609	1,184	385	1,075	1,061	1,286	1,304	4,726
Growth	31.4%	-7.9%	-61.1%	-35.8%	-23.6%	-162.4%	-135.3%	4.4%	-33.8%	-95.4%	-159.3%	-204.3%	-20.1%	10.1%	1127.0%
Margin	8.8%	8.9%	5.2%	9.3%	7.3%	-9.4%	-5.4%	7.9%	5.9%	0.5%	4.9%	4.8%	5.0%	5.5%	5.0%

Source: Company reports and Litchfield Hills Research LLC



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LVO - Buy

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