LITCHFIELD HILLS
RESEARCH

LiveOne, Inc.

LVO - Buy

August 12, 2026

Turning Up the Volume: B2B and Podcasts Drive the Next Leg

Analyst: Barry M. Sine, CFA, CMT

- EBITDA blows past expectations. Fiscal 1Q27 adjusted EBITDA of $4.3 million was nearly three times our $1.5 million estimate, while cash increased $3.3 million to $8.6 million.

- PodcastOne (PODC – BUY) continues to gain share. 68%-owned PodcastOne generated record revenue of $16.1 million and recently climbed to #6 among U.S. podcast publishers.

- B2B is becoming the growth engine. Relationships with Amazon, Netflix (new), Paramount, Walmart, AT&T, Samsung, LG, and Tesla demonstrate the potential of LiveOne's differentiated white-label strategy. Not all need to hit for revenue to accelerate, but major growth in any should move the needle.

- Netflix highlights why podcasts are different. Music streamers largely license the same songs, while podcast networks control differentiated talent and programming that cannot simply be replicated from a universal catalog. In music, LiveOne is the only streamer to offer white-label packing, allowing the numerous streamers (Netflix, WBD, etc.) and retailers (Costco, Walmart) to match current offerings from Google, Amazon, and Apple.

- $250 million could support a $37 stock. At management's aspirational $250 million revenue run rate, a 20% EBITDA margin and 10x EV/EBITDA imply roughly $37 per share, assuming a clean balance sheet, which we view as realistic given these assumptions.

Rating	Buy	
Target Price	$10.00	
Ticker Symbol	LVO	
Market	NASDAQ	
Stock Price	$3.94	
52 wk High	$7.20	
52 wk Low	$3.60	
Shares Outstanding:	13.8	M
Public Market Float:	9.7	M
Avg. Daily Volume	70,429	
Market Capitalization:	$54	M
Institutional Holdings:	12.6%	
Dividend Yield:	0.0%	

Earnings Per Share	**Normalized to exclude unusual items**		
FYE - March	**FY2026**	**FY2027E**	**FY2028E**
1Q - June	($0.40)	($0.23) A	($0.13)
2Q - September	($0.51)	($0.34)	($0.13)
3Q - December	$0.37	($0.33)	($0.11)
4Q - March	($0.65)	($0.31)	($0.09)
Year	**($1.93)**	**($1.30)**	**($0.45)**
Revenue ($mm)	**$77.1**	**$76.9**	**$91.3**
EV/Rev	0.7X	0.7X	0.6X
EBITDA ($mm)	**($0.9)**	**$6.5**	**$13.4**
EV/EBITDA	NM	8.7X	4.2X

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 $20 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 72%-owned publicly traded PodcastOne (PODC - NASD).

LiveOne, Inc.

LVO - Buy

Turning Up the Volume: B2B and Podcasts Drive the Next Leg

LiveOne reported much better-than-expected EBITDA for its fiscal first quarter ended June 30, 2026, while continuing to strengthen its balance sheet. Adjusted EBITDA was $4.3 million, a $6.1 million improvement from a $1.8 million loss a year ago and nearly three times our $1.5 million estimate. Revenue was $19.4 million, up slightly from $19.2 million last year, while cash increased $3.3 million during the quarter to $8.6 million. The EBITDA result benefited from stock-for-service transactions, which eliminated certain prior liabilities, reduced cash obligations and turned major music labels into partners.

Growth was driven primarily by roughly 68%-owned PodcastOne (PODC – BUY), which generated record revenue of $16.1 million, up about 7.5%, and $1.6 million of adjusted EBITDA. The overall Audio Division generated $18.6 million of revenue and record adjusted EBITDA of $6.3 million.

The major strategic news remains LiveOne's growing roster of B2B partners. LiveOne offers music on a white-label basis, differentiating it from the major consumer-facing music streaming services and unique podcast content. It is working with retailers, automakers, telecom companies and streaming platforms in a model similar to its long-standing relationship with Tesla. Management highlighted relationships with Amazon, Paramount, AT&T, Samsung, LG, Walmart and Netflix, together with a recently signed four-year agreement with another major retailer. Amazon has already grown to more than $20 million of revenue and Paramount to more than $27 million, demonstrating that these relationships can become meaningful businesses once fully ramped.

Netflix is particularly interesting because it illustrates the strategic advantage of podcasting. PodcastOne content is initially being added to Netflix as podcasts, giving PodcastOne access to Netflix's global audience of more than 700 million people. Every music streaming service essentially licenses the same songs, while podcast networks own or control differentiated talent and programming. Netflix can license essentially the same music catalog available to Spotify, Apple or Amazon, but it cannot replicate PodcastOne's programming simply by licensing a universal catalog. PodcastOne therefore is not merely gaining another distribution outlet; it is supplying differentiated content.

PodcastOne recently reached a record #6 ranking among U.S. podcast publishers by unique monthly audience, according to Podtrac, with 5.8 million U.S. unique monthly listeners, 19.1 million monthly downloads and streams and 192 active shows. Its talent roster includes LadyGang, Dr. Phil, Adam Carolla, and Jordan Harbinger, among many others. Podcast advertising also continues to grow rapidly, with U.S. podcast advertising revenue increasing 17.6% in 2025 to $2.9 billion.

LiveOne has also made substantial progress cleaning up its legacy music obligations. Craig Christensen, who joined as Interim CFO effective May 1, 2026, has overseen a series of stock-for-music-rights and other equity settlements with major music counterparties and vendors. These transactions have reduced cash obligations and turned several former creditors and counterparties into shareholders. Most notably, LiveOne issued BMI 1.0 million shares at a deemed $7.50 per share to satisfy specified royalty and payment obligations through March 2027. Based on the 13.6 million LiveOne shares outstanding at June 30, BMI now owns roughly 7.3% of LVO.

Management previously raised FY2027 guidance to $85–95 million of revenue and $8–10 million of adjusted EBITDA, excluding corporate overhead. More significantly for the longer-term investment case, CEO Rob Ellin cited an aspirational target of more than $250 million in annual revenue within three years. Management now describes roughly 10–14 large B2B relationships, and the growth already achieved with Amazon and Paramount demonstrates the potential as these relationships mature. Many B2B deals can take months or years to ramp, but with relationships involving Amazon, Paramount, Walmart, AT&T, Netflix, Samsung, LG, and Tesla, plus additional opportunities under discussion, we believe the $250 million aspiration is realistic if execution continues.

At $250 million of revenue and a 20% EBITDA margin, LiveOne would generate $50 million of EBITDA. Applying a 10x EV/EBITDA multiple implies a $500 million enterprise value. Assuming a clean balance sheet in three years, which we believe appears reasonable under these operating assumptions, and approximately 13.6 million shares outstanding, this would equate to roughly $37 per share.

LITCHFIELD HILLS
RESEARCH

LiveOne, Inc.

LVO - Buy

LiveOne, Inc. – Income Forecast

Dollars in thousands, except per share data			FY2026					FY2027E					FY2028E		
Fiscal years ended March 31	1Q	2Q	3Q	4Q	YEAR	1QA	2Q	3Q	4Q	YEAR	1Q	2Q	3Q	4Q	YEAR
	June	Sept	Dec	March		June	Sept	Dec	March		June	Sept	Dec	March	
PodcastOne Revenue	14,994	15,156	15,856	15,665	61,671	16,125	16,672	17,442	17,232	67,470	19,350	20,006	20,930	20,678	80,964
YoY growth	13.9%	24.7%	24.8%	11.1%	18.3%	7.5%	10.0%	10.0%	10.0%	9.4%	20.0%	20.0%	20.0%	20.0%	20.0%
Seq growth	6.4%	1.1%	4.6%	-1.2%		2.9%	3.4%	4.6%	-1.2%		12.3%	3.4%	4.6%	-1.2%	
Slacker Revenue	4,213	3,606	4,400	3,254	15,473	3,225	2,305	2,390	2,475	9,390	2,460	2,545	2,630	2,715	10,350
YoY growth	-78.8%	-82.4%	-73.7%	-37.3%	-75.2%	-23.5%	-36.1%	-45.7%	-23.9%	-39.3%	-23.7%	10.4%	10.0%	9.7%	10.2%
Seq growth	-18.9%	-14.4%	22.0%	-26.0%		-0.9%	-28.5%	3.7%	3.6%		-0.6%	3.5%	3.3%	3.2%	
Revenue	**19,207**	**18,762**	**20,256**	**18,919**	**77,144**	**19,350**	**18,977**	**19,832**	**19,707**	**76,860**	**21,810**	**22,551**	**23,560**	**23,393**	**91,314**
YoY growth	-41.9%	-42.4%	-31.2%	-1.9%	-32.6%	0.7%	1.1%	-2.1%	4.2%	-0.4%	12.7%	18.8%	18.8%	18.7%	18.8%
Seq growth	-0.4%	-2.3%	8.0%	-6.6%		2.3%	-1.9%	4.5%	-0.6%		10.7%	3.4%	4.5%	-0.7%	
Total Cost of Sales	16,825	16,166	16,450	15,424	64,865	15,411	15,284	15,777	15,468	61,940	17,589	18,186	18,768	18,388	72,932
	87.6%	86.2%	81.2%	81.5%	84.1%	79.6%	80.5%	79.6%	78.5%	80.6%	80.6%	80.6%	79.7%	78.6%	79.9%
Gross Margin	2,382	2,596	3,806	3,495	12,279	3,939	3,692	4,055	4,238	14,919	4,221	4,365	4,792	5,004	18,382
As a percent of revenue	12.4%	13.8%	18.8%	18.5%	15.9%	20.4%	19.5%	20.4%	21.5%	19.4%	19.4%	19.4%	20.3%	21.4%	20.1%
Sales and Marketing	1,261	870	1,069	840	4,040	923	759	793	788	3,264	872	902	942	936	3,653
As a percent of revenue	6.6%	4.6%	5.3%	4.4%	5.2%	4.8%	4.0%	4.0%	4.0%	4.2%	4.0%	4.0%	4.0%	4.0%	4.0%
Product Development	934	442	310	716	2,402	974	955	998	992	3,919	523	541	565	561	2,192
As a percent of revenue	4.9%	2.4%	1.5%	3.8%	3.1%	5.0%	5.0%	5.0%	5.0%	5.1%	2.4%	2.4%	2.4%	2.4%	2.4%
General and Administrative	4,076	5,706	4,197	6,685	20,664	5,539	5,432	5,677	5,641	22,289	3,490	3,608	3,770	3,743	14,610
As a percent of revenue	21.2%	30.4%	20.7%	35.3%	26.8%	28.6%	28.6%	28.6%	28.6%	29.0%	16.0%	16.0%	16.0%	16.0%	16.0%
Amortization	145	145	181	182	653	179	179	179	179	716	150	150	150	150	600
Operating income	**(4,034)**	**(4,567)**	**(1,951)**	**(4,928)**	**(15,480)**	**(3,676)**	**(3,633)**	**(3,593)**	**(3,362)**	**(15,269)**	**(814)**	**(837)**	**(635)**	**(386)**	**(2,672)**
Operating margin	-21.0%	-24.3%	-9.6%	-26.0%	-20.1%	-19.0%	-19.1%	-18.1%	-17.1%	-19.9%	-3.7%	-3.7%	-2.7%	-1.6%	-2.9%
Interest expense	(687)	(1,003)	(993)	(1,211)	(3,894)	(632)	(900)	(900)	(900)	(3,332)	(900)	(900)	(900)	(900)	(3,600)
Change in FV	-	79	-	(79)	-	(35)	-	-	-	(35)	-	-	-	-	-
Debt extinguishment	-	-	-	-		-	-	-	-	-	-	-	-	-	-
Impairment loss	-	-	(1,144)	(913)	(2,057)	-	-	-	-	-	-	-	-	-	-
Other	857	(173)	(2)	(474)	208	1,253	-	-	-	1,253	-	-	-	-	-
	170	(1,097)	(2,139)	(2,677)	(5,743)	586	(900)	(900)	(900)	(2,114)	(900)	(900)	(900)	(900)	(3,600)
Pretax Income	(3,864)	(5,664)	(4,090)	(7,605)	(21,223)	(3,090)	(4,533)	(4,493)	(4,262)	(17,383)	(1,714)	(1,737)	(1,535)	(1,286)	(6,272)
Taxes	-	19	16	(5)	30	8	-	-	-	8	-	-	-	-	-
Minority interest	271	111	39	(133)	288	506	161	114	62	842	(247)	(257)	(333)	(391)	(1,227)
Net income - continuing ops	**(3,593)**	**(5,572)**	**(4,067)**	**(7,733)**	**(20,965)**	**(2,592)**	**(4,372)**	**(4,378)**	**(4,200)**	**(16,548)**	**(1,961)**	**(1,993)**	**(1,868)**	**(1,676)**	**(7,499)**
Net income margin	-18.7%	-29.7%	-20.1%	-40.9%	-27.2%	-13.4%	-23.0%	-22.1%	-21.3%	-21.5%	-9.0%	-8.8%	-7.9%	-7.2%	-8.2%
Diluted shares outstanding	9,674	11,171	11,503	11,607	10,984	13,276	13,376	13,476	13,576	13,426	13,676	13,776	13,876	13,976	13,826
Seq change	62.0	1,366.5	332.4	103.8		1,669.5	100.0	100.0	100.0		100.0	100.0	100.0	100.0	
EPS diluted	**($0.40)**	**($0.51)**	**$0.37**	**($0.65)**	**($1.93)**	**($0.23)**	**($0.34)**	**($0.33)**	**($0.31)**	**($1.30)**	**($0.13)**	**($0.13)**	**($0.11)**	**($0.09)**	**($0.45)**
Adjusted EBITDA															
GAAP Net Inocme	(3,864)	(5,683)	(4,106)	(7,600)	(21,253)	(3,098)	(4,372)	(4,378)	(4,200)	(16,548)	(1,961)	(1,993)	(1,868)	(1,676)	(7,499)
Addback:															
Depreciation and amortization	289	223	340	774	1,626	1,016	225	225	225	1,691	225	225	225	225	900
Stock-based comp	1,456	2,163	2,678	4,225	10,522	6,376	4,000	4,000	4,000	18,376	4,000	4,000	4,000	4,000	16,000
Other non-recurring	307	2,280	2,697	2,898	8,182	22	1,000	1,000	1,000	3,022	1,000	1,000	1,000	1,000	4,000
Adjusted EBITDA	**(1,812)**	**(1,017)**	**1,609**	**297**	**(923)**	**4,316**	**853**	**847**	**1,025**	**6,541**	**3,264**	**3,232**	**3,357**	**3,549**	**13,401**
Growth								-47.4%	245.0%	-808.7%	-24.4%	278.9%	296.5%	246.4%	104.9%
Margin	-9.4%	-5.4%	7.9%	1.6%	-1.2%	22.3%	4.5%	4.3%	5.2%	8.5%	15.0%	14.3%	14.2%	15.2%	14.7%

Source: Company reports and Litchfield Hills Research LLC

Disclosures:

Analyst Certification
We, the Litchfield Hills Research Department, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject company and the underlying securities.

FINRA Compliant Research Report
We, the Litchfield Hills Research Department, hereby certify that this report is compliant with FINRA research rules 2241, 3110.

MiFID II Compliant Research Report
Our research is classified as minor non-monetary benefit under MiFID II. This applies to all forms of transmission, including email, website, and financial platforms such as Bloomberg, FactSet, S&P Global, Refinitiv, and 13 others. We do not seek payment from the asset management community and do not have any execution function. Investors can continue to receive our research under the MiFID II regime without the need for a contract for services to be put in place. This applies to all forms of transmission, including email, website, and financial platforms.

Litchfield Hills Research LLC Rating System

BUY: We expect the stock to provide a total return of 15% or more within a 12-month period.
HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.
SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.
Total return is defined as price appreciation plus dividend yield.

Other Disclosures
Litchfield Hills Research, LLC ("LHR") is not a U.S. broker-dealer registered with the U.S. Securities and Exchange Commission nor a member of the Financial Industry Regulatory Authority. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to law or regulation or which would subject LHR or any divisions, subsidiaries or affiliates to any registration or licensing requirement within such jurisdiction.

All material presented in this report, unless specifically indicated otherwise, is under copyright to LHR and the subject company. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied, or distributed to any other party, without the prior express written permission of LHR or the subject company. All trademarks, service marks, and logos used in this report are trademarks, service marks, registered trademarks, or service marks of LHR or its affiliates. The information, tools, and material presented in this report are provided to you for information purposes only and are not to be used or considered as an offer or the solicitation of an offer to sell or to buy or subscribe for securities or other financial instruments. LHR may not have taken any steps to ensure that the securities referred to in this report are suitable for any particular investor. The investments or services contained or referred to in this report may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about such investments or investment services. Nothing in this report constitutes investment, legal, accounting, or tax advice or a representation that any investment or strategy is suitable, appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you. LHR does not offer advice on the tax consequences of an investment, and you are advised to contact an independent tax adviser. LHR believes the information and opinions in the Disclosure Appendix of this report are accurate and complete. Information and opinions presented in this report were obtained or derived from sources LHR believes are reliable, but LHR makes no representations as to their accuracy or completeness.

Ownership and Material Conflicts of Interest
The analyst owns shares of the subject company. The analyst and his family have no other known material conflicts of interest in authoring this report.

Investment Banking and Fees for Services
Litchfield Hills Research has not received compensation for advisory or investment banking services from the Company in the past 12 months. Litchfield Hills Research LLC has received compensation from the subject company for distribution and investor targeting services.

Market Making
Litchfield Hills Research, LLC does not make a market in the subject company's securities.

Additional information is available upon request. LHR accepts no liability for loss arising from the use of the material presented in this report, except that this exclusion of liability does not apply to the extent that liability arises under specific statutes or regulations applicable to LHR. This report is not to be relied upon in substitution for the exercise of independent judgment.