UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-33937

Live Ventures Incorporated

(Exact name of registrant as specified in its charter)

Nevada	**85-0206668**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
325 E. Warm Springs Road, Suite 102 Las Vegas, Nevada	**89119**
(Address of principal executive offices)	(Zip Code)

(702) 997-5968
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value per share	LIVE	The Nasdaq Stock Market LLC (The Nasdaq Capital Market)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes☐ No ☒

The number of shares of the issuer's common stock, par value $0.001 per share, outstanding as of May 3, 2025 was3,076,802.

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FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2025

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

LIVE VENTURES INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per-share amounts)

	March 31, 2025	September 30, 2024
	(Unaudited)	
Assets		
Cash	$ 6,931	$ 4,601
Trade receivables, net of allowance for doubtful accounts of $ 2.1 million at March 31, 2025 and $ 1.5 million at September 30, 2024	41,205	46,861
Inventories, net	122,304	126,350
Prepaid expenses and other current assets	3,754	4,123
Total current assets	174,194	181,935
Property and equipment, net	80,540	82,869
Right of use asset - operating leases	53,547	55,701
Deposits and other assets	1,557	787
Intangible assets, net	22,591	25,103
Goodwill	61,152	61,152
Total assets	$ 393,581	$ 407,547
Liabilities and Stockholders' Equity		
Liabilities:		
Accounts payable	$ 28,368	$ 31,002
Accrued liabilities	31,164	31,740
Income taxes payable	211	948
Current portion of lease obligations - operating leases	13,203	12,885
Current portion of lease obligations - finance leases	553	368
Current portion of long-term debt	41,423	43,816
Current portion of notes payable related parties	10,070	6,400
Current portion of seller notes - related parties	—	2,500
Total current liabilities	124,992	129,659
Long-term debt, net of current portion	53,687	54,994
Lease obligation long term - operating leases	44,942	50,111
Lease obligation long term - finance leases	42,236	41,677
Notes payable related parties, net of current portion	6,894	4,934
Seller notes - related parties	18,143	40,361
Deferred tax liability	10,607	6,267
Other non-current obligations	3,149	6,655
Total liabilities	304,650	334,658
Commitments and contingencies		
Stockholders' equity:		
Series E convertible preferred stock, $ 0.001 par value, 200,000 shares authorized, 47,840 shares issued and outstanding at March 31, 2025 and September 30, 2024, with a liquidation preference of $0.30 per share outstanding	—	—
Common stock, $ 0.001 par value, 10,000,000 shares authorized, 3,084,351 and 3,131,360 shares issued and outstanding at March 31, 2025 and September 30, 2024, respectively	2	2
Paid in capital	69,792	69,692
Treasury stock common 741,696 and 694,687 shares as of March 31, 2025 and September 30, 2024, respectively	(9,488)	(9,072)
Treasury stock Series E preferred 80,000 shares as of March 31, 2025 and September 30, 2024	(7)	(7)
Retained earnings	28,632	12,274
Total stockholders' equity	88,931	72,889
Total liabilities and stockholders' equity	$ 393,581	$ 407,547

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIVE VENTURES INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(UNAUDITED)
(dollars in thousands, except per-share amounts)

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2025	2024	2025	2024
Revenue	$ 107,013	$ 118,626	$ 218,521	$ 236,219
Cost of revenue	71,865	83,159	148,011	164,425
Gross profit	35,148	35,467	70,510	71,794
Operating expenses:				
General and administrative expenses	28,321	29,824	58,392	57,503
Sales and marketing expenses	4,735	6,481	9,264	11,588
Total operating expenses	33,056	36,305	67,656	69,091
Operating income (loss)	2,092	(838)	2,854	2,703
Other expense:				
Interest expense, net	(3,933)	(4,167)	(8,095)	(8,330)
Gain on extinguishment of debt	—	—	713	—
Gain on settlement of earnout liability	—	—	2,840	—
Gain on modification of seller note	22,784	—	22,784	—
Other income	160	507	580	223
Total other income (expense), net	19,011	(3,660)	18,822	(8,107)
Income (loss) before provision for income taxes	21,103	(4,498)	21,676	(5,404)
Provision for (benefit from) income taxes	5,237	(1,217)	5,318	(1,441)
Net income (loss)	$ 15,866	$ (3,281)	$ 16,358	$ (3,963)
Income (loss) per share:				
Basic	$ 5.10	$ (1.04)	$ 5.25	$ (1.25)
Diluted	$ 5.05	$ (1.04)	$ 5.20	$ (1.25)
Weighted average common shares outstanding:				
Basic	3,109,362	3,154,771	3,113,864	3,159,180
Diluted	3,138,711	3,154,771	3,143,213	3,159,180

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIVE VENTURES INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(dollars in thousands)

	For the Six Months Ended March 31,	
	2025	**2024**
Operating Activities:		
Net income (loss)	$ 16,358	$ (3,963)
Adjustments to reconcile net income (loss) to net cash provided by operating activities, net of acquisition:		
Depreciation and amortization	8,816	8,483
Gain on extinguishment of debt	(713)	—
Amortization of seller note discount	1,048	1,355
Loss on disposal of fixed assets	339	—
Gain on settlement of earnout liability	(2,840)	—
Gain on modification of debt	(22,784)	—
Amortization of debt issuance cost	81	43
Stock based compensation expense	100	100
Amortization of right-of-use assets	2,087	2,008
Change in deferred income taxes	4,340	(2,829)
Change in reserve for uncollectible accounts	580	(449)
Change in reserve for obsolete inventory	(202)	1,557
Changes in assets and liabilities, net of acquisitions:		
Trade receivables	5,075	(2,357)
Inventories	4,248	469
Income taxes payable/receivable	(737)	1,438
Prepaid expenses and other current assets	371	791
Deposits and other assets	(769)	(295)
Accounts payable	(2,636)	(2,511)
Accrued liabilities	(3,131)	(1,709)
Net cash provided by operating activities	9,631	2,131
Investing Activities:		
Acquisition of CRO	—	(1,034)
Acquisition of Johnson	—	(500)
Purchase of property and equipment	(4,314)	(3,373)
Net cash used in investing activities	(4,314)	(4,907)
Financing Activities:		
Net (payments) borrowings under revolver loans	(1,348)	7,731
Proceeds from issuance of notes payable	496	227
Payments on notes payable	(3,384)	(3,359)
Proceeds from issuance of related party notes payable	1,932	1,000
Payments on related party notes payable	(600)	(600)
Net borrowings under related party revolver loans	4,270	—
Purchase of common treasury stock	(416)	(405)
Payments on financing leases	(2,005)	(1,638)
Cash paid for settlement of seller notes	(1,932)	—
Net cash (used in) provided by financing activities	(2,987)	2,956
Change in cash	2,330	180
Cash, beginning of period	4,601	4,309
Cash, end of period	$ 6,931	$ 4,489
Supplemental cash flow disclosures:		
Interest paid	$ 6,903	$ 6,665
Income taxes received, net	$ —	$ 106
Income taxes paid, net	$ 1,740	$ —
Noncash financing and investing activities:		
PMW goodwill adjustment	$ —	$ 233
Noncash items related to CRO acquisition	$ —	$ 725
Noncash items related to Johnson acquisition	$ —	$ 1,501

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIVE VENTURES INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)
(dollars in thousands)

	Series E Preferred Stock		Common Stock			Series E Preferred Stock	Common Stock		
	Shares	Amount	Shares	Amount	Paid-In Capital	Treasury Stock	Treasury Stock	Retained Earnings	Total Equity
Balance, September 30, 2024	47,840	$ —	3,131,360	$ 2	$ 69,692	$ (7)	$ (9,072)	$ 12,274	$ 72,889
Stock based compensation	—	—	—	—	51	—	—	—	51
Purchase of common treasury stock	—	—	(15,686)	—	—	—	(157)	—	(157)
Net income	—	—	—	—	—	—	—	492	492
Balance, December 31, 2024	47,840	$ —	3,115,674	$ 2	$ 69,743	$ (7)	$ (9,229)	$ 12,766	$ 73,275
Stock based compensation	—	—	—	—	49	—	—	—	49
Purchase of common treasury stock	—	—	(31,323)	—	—	—	(259)	—	(259)
Net income	—	—	—	—	—	—	—	15,866	15,866
Balance, March 31, 2025	47,840	$ —	3,084,351	$ 2	$ 69,792	$ (7)	$ (9,488)	$ 28,632	$ 88,931

	Series E Preferred Stock		Common Stock			Series E Preferred Stock	Common Stock		
	Shares	Amount	Shares	Amount	Paid-In Capital	Treasury Stock	Treasury Stock	Retained Earnings	Total Equity
Balance, September 30, 2023	47,840	$ —	3,164,330	$ 2	$ 69,387	$ (7)	$ (8,206)	$ 38,959	$ 100,135
Stock based compensation	—	—	—	—	50	—	—	—	50
Purchase of common treasury stock	—	—	(4,346)	—	—	—	(106)	—	(106)
Net loss	—	—	—	—	—	—	—	(682)	(682)
Balance, December 31, 2023	47,840	$ —	3,159,984	$ 2	$ 69,437	$ (7)	$ (8,312)	$ 38,277	$ 99,397
Purchase of common treasury stock	—	—	(11,849)	—	—	—	(298)	—	(298)
Stock based compensation	—	—	—	—	50	—	—	—	50
Net loss	—	—	—	—	—	—	—	(3,281)	(3,281)
Balance, March 31, 2024	47,840	$ —	3,148,135	$ 2	$ 69,487	$ (7)	$ (8,610)	$ 34,996	$ 95,868

The accompanying notes are an integral part of these condensed consolidated financial statements.

LIVE VENTURES INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2025 AND 2024
(dollars in thousands, except per-share amounts)

Note 1: Background and Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Live Ventures Incorporated, a Nevada corporation, and its subsidiaries (collectively, "Live Ventures" or the "Company"). Live Ventures is a diversified holding company with a strategic focus on value-oriented acquisitions of domestic middle-market companies. The Company has five operating segments: Retail-Entertainment, Retail-Flooring, Flooring Manufacturing, Steel Manufacturing, and Corporate and Other. The Retail-Entertainment segment includes Vintage Stock, Inc. ("Vintage Stock"), which is engaged in the retail sale of new and used movies, music, collectibles, comics, books, games, game systems and components. The Retail-Flooring segment includes Flooring Liquidators, Inc. ("Flooring Liquidators"), which is engaged in the retail sale and installation of floors, carpets, and countertops. The Flooring Manufacturing segment includes Marquis Industries, Inc. ("Marquis"), which is engaged in the manufacture and sale of carpet and the sale of vinyl and wood floor coverings. The Steel Manufacturing Segment includes Precision Industries, Inc. ("Precision Marshall"), which is engaged in the manufacture and sale of alloy and steel plates, ground flat stock and drill rods, The Kinetic Co., Inc. ("Kinetic"), which is engaged in the production of industrial knives and hardened wear products for the tissue and metals industries, Precision Metal Works, Inc. ("PMW"), which is engaged in metal forming, assembly, and finishing solutions across diverse industries, including appliance, automotive, hardware, electrical, electronic, medical products, and devices, and Central Steel Fabricators, LLC ("Central Steel"), a Chicago-based manufacturer of specialized fabricated metal products primarily for data centers and the communications industry. PMW reports on a 13-week quarter, as opposed to the Company's calendar quarter reporting. However, the Company has determined that the difference in reporting periods has no material effect on its reported financial results.

The unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for audited financial statements. In the opinion of the Company's management, this interim information includes all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods. The results of operations for the three and six months ended March 31, 2025 are not necessarily indicative of the results to be expected for the fiscal year ending September 30, 2025. The financial information included in these statements should be read in conjunction with the condensed consolidated financial statements and related notes thereto as of September 30, 2024 and for the fiscal year then ended included in the Company's Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission (the "SEC") on December 19, 2024 (the "2024 Form 10-K").

Note 2: Summary of Significant Accounting Policies

Principles of Consolidation

The unaudited condensed financial statements include the accounts of the Company and its majority owned subsidiaries over which the Company exercises control. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates made in connection with the accompanying consolidated financial statements include the estimated reserve for excess and obsolete inventory, fair values in connection with the analysis of goodwill, other intangibles and long-lived assets for impairment, valuation allowance against deferred tax assets, and estimated useful lives for intangible assets.

Revenue Recognition

General

The Company accounts for its sales revenue in accordance with Accounting Standards Codification (“ASC”) Topic 606, Revenue from Contracts with Customers (“Topic 606”). Topic 606 provides a five-step revenue recognition model that is applied to the Company’s customer contracts. Under this model we (i) identify the contract with the customer, (ii) identify our performance obligations in the contract, (iii) determine the transaction price for the contract, (iv) allocate the transaction price to our performance obligations, and (v) recognize revenue when or as we satisfy our performance obligations.

Revenue is recognized upon transfer of control of the promised goods or the performance of the services to customers in an amount that reflects the consideration expected to be received in exchange for those goods or services. The Company enters into contracts that may include various combinations of products and services, which are generally distinct and accounted for as separate performance obligations.

Retail - Entertainment Segment

The Retail-Entertainment Segment derives revenue primarily from direct sales of entertainment products. Sales are generally of a cash-and-carry nature and contain a single performance obligation. Consequently, revenue is recorded at the point in time in which the sale is made. Revenue is recorded net of sales taxes collected from customers. The Company recognizes the portion of the dollar value of prepaid stored-value products that ultimately is unredeemed (“breakage”) in accordance with ASC 606-10-32-11 through 32-13 Measurement-Constraining Estimates of Variable Consideration.

Retail - Flooring Segment

The Retail-Flooring Segment derives revenue primarily from the sale of flooring products and installation services, which are recognized at the point-of-sale and over time, respectively. Retail sales are generally of a cash-and-carry nature and contain a single performance obligation. Consequently, revenue is recorded at the point in time in which the sale is made. Installation services generally contain multiple performance obligations requiring revenue to be recognized over a period of time based on percentage of completion. For sales that include installation, revenue is recognized upon completion of the
installation of the material in accordance with the contract, as this method is the best depiction of when the transfer of goods or services takes place. All direct costs are either paid and or accrued for in the period in which the sale is recorded. Revenue is recorded net of sales taxes collected from customers.

Flooring and Steel Manufacturing Segments

The Flooring Manufacturing Segment derives revenue primarily from the sale of carpet and hard surface flooring products, including shipping and handling amounts. The Steel Manufacturing Segment derives revenue primarily from the sale of steel plates, ground flat stock and drill rods, fabricated products, and tooling, including shipping and handling amounts. Revenue for these segments generally contain a single performance obligation and is recognized at the point title passes to the customer. At the time revenue is recognized, the Company records a provision for the estimated amount of future returns based primarily on historical experience and any known trends or conditions that exist at the time revenue is recognized. Revenue is recorded net of taxes collected from customers. All direct costs are either paid and or accrued for in the period in which the sale is recorded.

Spare Parts

For spare parts sales, the Company transfers control and recognizes a sale when it ships the product to the customer or when the customer receives product based upon agreed shipping terms. Each unit sold is considered an independent, unbundled performance obligation. The Company has no additional performance obligations other than spare parts sales that are material in the context of the contract. The amount of consideration received and revenue recognized varies due to sales incentives and returns offered to customers. When customers retain the right to return eligible products, the Company reduces revenue for the estimate of the expected returns, which is primarily based on an analysis of historical experience.

Recently Issued Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures ("ASU 2023-07"). ASU 2023-07 requires, among other updates, enhanced disclosures about significant segment expenses that are regularly provided to the Chief Operating Decision Maker, as well as the aggregate amount of other segment items included in the reported measure of segment profit or loss. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective adoption. Early adoption is permitted. The Company is evaluating the impact of this guidance on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 requires enhanced annual disclosures regarding the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, and may be adopted on a prospective or retrospective basis. Early adoption is permitted. The Company is evaluating the impact of this guidance on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03 Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures ("ASU 2024-03") which requires entities to (i) disclose amounts of (a) purchase of inventory, (b) employee compensation, (c) depreciation, (d) intangible asset amortization, and (e) depreciation, depletion, and amortization recognized as part of oil-and gas-producing activities, (ii) include certain amounts that are already required to be disclosed under U.S. GAAP in the same disclosures as other disaggregation requirements, (iii) disclose a qualitative description of the amounts remaining in relevant expense captions that are not necessarily disaggregated quantitatively, and (iv) disclose the total amount of selling expenses, in annual reporting periods, an entity's definition of selling expense. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating ASU 2024-03 to determine the impact it may have on its consolidated financial statements.

Note 3: Acquisitions

Acquisition of Midwest Grinding

On June 10, 2024, pursuant to an asset purchase agreement, Kinetic acquired certain assets and assumed certain liabilities of Midwest Grinding Corp., a Milwaukee grinding house dedicated to precision Blanchard and specialty surface grinding of small to extra-large capacity. Total consideration for the acquisition was $ 0.6 million. In connection with the acquisition, Kinetic also acquired the building being used in the business for $0.4 million. Total consideration for both the business and building acquisition was $1.0 million, paid in cash at close.

The fair value of the assets acquired and liabilities assumed are based on their estimates of fair value available as of June 10, 2024, as calculated by management.The table below outlines the purchase price allocation of the purchase for Midwest Grinding to the acquired identifiable assets and liabilities assumed (in $000's):

Total purchase price		$ 1,000
Accounts payable		1
Total consideration		1,001
Accounts receivable		152
Other current assets		71
Property and equipment		738
Intangible Assets		
Customer relationships	$ 16	
Trade names	15	
Non-compete agreement	9	
Intangible assets		40
Total assets acquired		1,001
Total goodwill		$ —

Acquisition of Central Steel

On May 15, 2024, Precision Marshall acquired Central Steel. Total consideration for the acquisition was approximately $13.9 million, comprised of $10.7 million paid at closing, a seller note of $1.1 million, a holdback, in the amount of $0.3 million, and contingent consideration of $2.0 million paid in the form of a five-year earn-out. The consideration paid at close was funded in part by borrowings under Precision Marshall's credit facility of approximately $3.3 million, and

proceeds from a sale and leaseback transaction, discussed below. The acquisition involved no issuance of stock of the Company.

Simultaneous to the acquisition, the Company entered into a sale and leaseback transaction with Legacy West Partners, LLC, an unrelated party, for one of Central Steel's properties located in Broadview, Illinois. The sales price for the real property subject to the sale and leaseback transaction was approximately $8.3 million, with total proceeds received by the Company of approximately $7.9 million, net of approximately $0.4 million in seller's fees.

The lease agreement includes a 20-year lease term with two five-year renewal options. The base rent under the lease agreement is $58,795 per month for the first year of the term and a 2.0% per annum escalator thereafter. The lease agreement is a "net lease," such that Central Steel is also obligated to pay all taxes, insurance, assessments, and other costs, expenses, and obligations of ownership of the real property incurred by Central Steel. Due to the highly specialized nature of the leased property, the Company currently believes it is more likely than not that each of the two five-year options will be exercised. Consequently, because the aggregate term of the lease at its conclusion will represent approximately 75% of the economic life of the building, the Company concluded that the lease is a financing transaction and a failed sale and leaseback transaction, as defined under ASC 842. The proceeds, net of closing fees, from the failed sale and leaseback transaction were used to assist in funding the acquisition of Central Steel. No gain was recognized as a result of the sale.

The fair value of the purchase price components was approximately $13.9 million, as detailed below (in $000's):

Purchase price	$	11,758
Fair value of contingent consideration		2,000
Holdback		122
Net purchase price	$	13,880

Under the preliminary purchase price allocation, the Company recognized goodwill of approximately $2.9 million, which is calculated as the excess of both the consideration exchanged and liabilities assumed over the fair value of the identifiable assets acquired. The Company anticipates all of the goodwill arising from the acquisition to be fully deductible for tax purposes.

The table below outlines the purchase price allocation for the purchase of Central Steel to the acquired identifiable assets, liabilities assumed, and goodwill as of March 31, 2025 (in $000's):

Total purchase price	$	13,880
Accounts payable		464
Accrued liabilities		969
Total liabilities assumed		1,433
Total purchase price plus liabilities assumed		15,313
Cash		184
Accounts receivable		2,418
Inventory		2,171
Property and equipment		5,034
Intangible assets		
Trade names	400	
Customer relationships	900	
Non-compete	825	
Subtotal intangible assets		2,125
Other assets		475
Total assets acquired		12,407
Total goodwill	$	2,906

Acquisition of Johnson

On November 30, 2023, CRO Affiliated, LLC ("CRO Affiliated"), a subsidiary of Live Ventures, acquired certain assets and assumed certain liabilities of Johnson Floor & Home Carpet One ("Johnson"), a floor covering retailer and installer serving residential and commercial customers through four locations in the Tulsa, Oklahoma area, and one in Joplin, Missouri. Total consideration for the acquisition was $2.0 million, comprised of cash at close of $0.5 million, deferred consideration in the form of a seller note of $1.2 million, with additional consideration paid in the form of an earnout valued at approximately $0.3 million. The deferred consideration is payable in three $0.4 million installments due annually on the first three anniversary dates following the closing date. Each installment will accrue interest at 6.0% per annum until paid.

The fair value of the purchase price components outlined above was approximately $2.0 million, as detailed below (in $000's):

Cash	$ 500
Deferred consideration	1,200
Earnout	301
Purchase price	$ 2,001

The values assigned to the assets acquired and liabilities assumed are based on their estimates of fair value available as of November 30, 2023, as calculated by management. The table below outlines the purchase price allocation of the purchase for Johnson to the acquired identifiable assets and liabilities assumed:

Total purchase price		$ 2,001
Accounts payable		1,017
Accrued liabilities		1,141
Total liabilities assumed		2,158
Total consideration		4,159
Accounts receivable		1,252
Inventory		1,127
Property, plant and equipment		157
Intangible assets		
Customer relationships	$ 1,301	
Non-compete agreement	306	
Subtotal intangible assets		1,607
Other assets		16
Total assets acquired		4,159
Total goodwill		$ —

On May 24, 2024, CRO Affiliated entered into an asset purchase agreement with the original seller of Johnson under which the original seller agreed to purchase certain assets and assume certain obligations acquired by CRO Affiliated under the

original asset purchase agreement. Consequently, CRO Affiliated recorded a loss on disposition of Johnson's assets and liabilities of approximately $0.3 million, as detailed in the table below (in $000's):

Accounts payable and accrued liabilities		$ 475
Earnout		307
Seller note		1,230
Lease liabilities		2,703
Total deconsolidation of liabilities		4,715
Inventory		613
Property and equipment		206
ROU assets		2,692
Intangible assets		
Customer relationships	1,224	
Non-compete agreement	281	
Subtotal intangible assets		1,505
Total deconsolidation of assets		5,016
Total loss on disposition		$ (301)

Acquisition of CRO

On October 13, 2023, CRO Affiliated acquired certain assets and assumed certain liabilities of Carpet Remnant Outlet, Inc. ("CRO"), a floor covering retailer and installer serving residential and commercial customers throughout Northwest Arkansas. Total consideration for the acquisition was approximately $ 1.4 million and was comprised of cash at close of approximately $1.0 million, an indemnification holdback amount of $0.3 million, and additional consideration valued at $89,000.

The fair value of the purchase price components was $1.4 million, as detailed below (in $000's):

Cash	$ 1,034
Additional consideration	89
Holdback	300
Purchase price	$ 1,423

Under the preliminary purchase price allocation, the Company recognized goodwill of $89,000, which is calculated as the excess of both the consideration exchanged and liabilities assumed as compared to the fair value of the identifiable assets acquired. The values assigned to the assets acquired and liabilities assumed are based on their estimates of fair value available as of October 13, 2023, as calculated by an independent third-party firm. The value of the additional

consideration was calculated by management. The Company anticipates the $89,000 of goodwill arising from the acquisition to be fully deductible for tax purposes.

The table below outlines the purchase price allocation of the purchase for CRO to the acquired identifiable assets, liabilities assumed and goodwill (in $000's):

Total purchase price	$ 1,423
Accounts payable	770
Accrued liabilities	1,298
Total liabilities assumed	2,068
Total consideration	3,491
Accounts receivable	259
Inventory	1,406
Property, plant and equipment	261
Intangible assets	1,190
Other assets	286
Total assets acquired	3,402
Total goodwill	$ 89

Note 4: Inventory

The following table details the Company's inventory as of March 31, 2025 and September 30, 2024 (in $000's):

Inventory, net	March 31, 2025	September 30, 2024
Raw materials	$ 28,168	$ 31,994
Work in progress	8,765	7,581
Finished goods	51,005	49,264
Merchandise	40,588	43,935
	128,526	132,774
Less: Inventory reserves	(6,222)	(6,424)
Total inventory, net	$ 122,304	$ 126,350

Note 5: Property and Equipment

The following table details the Company's property and equipment as of March 31, 2025 and September 30, 2024 (in $000's):

	March 31, 2025	September 30, 2024
Property and equipment, net:		
Land	$ 3,469	$ 3,469
Building and improvements	41,124	40,490
Transportation equipment	2,856	2,765
Machinery and equipment	74,653	73,309
Furnishings and fixtures	6,397	6,301
Office, computer equipment and other	4,397	4,285
	132,896	130,619
Less: Accumulated depreciation	(52,356)	(47,750)
Total property and equipment, net	$ 80,540	$ 82,869

Depreciation expense was $3.1 million and $3.0 million for the three months ended March 31, 2025 and 2024, respectively, and $6.3 million and $6.1 million for the six months ended March 31, 2025 and 2024, respectively.

Note 6: Leases

The Company leases retail stores, warehouse facilities, and office space. These assets and properties are generally leased under noncancelable agreements that expire at various future dates with many agreements containing renewal options for additional periods. The agreements, which have been classified as either operating or finance leases, generally provide for minimum rent and, in some cases, percentage rent, and require the Company to pay all insurance, taxes, and other maintenance costs. As a result, the Company recognizes assets and liabilities for all leases with lease terms greater than 12 months. The amounts recognized reflect the present value of remaining lease payments for all leases. The discount rate used is an estimate of the Company’s blended incremental borrowing rate based on information available associated with each subsidiary’s debt outstanding at lease commencement. In considering the lease asset value, the Company considers fixed and variable payment terms, prepayments and options to extend, terminate or purchase. Renewal, termination, or purchase options affect the lease term used for determining lease asset value only if the option is reasonably certain to be exercised.

The following table details the Company's right of use assets and lease liabilities as of March 31, 2025 and September 30, 2024 (in $000's):

	March 31, 2025	September 30, 2024
Right of use asset - operating leases	$ 53,547	$ 55,701
Lease liabilities:		
Current - operating	13,203	12,885
Current - finance	553	368
Long term - operating	44,942	50,111
Long term - finance	42,236	41,677

As of March 31, 2025, the weighted average remaining lease term for operating leases is9.8 years. The Company's weighted average discount rate for operating leases is9.9%. Total cash payments for operating leases for the six months ended March 31, 2025 and 2024 were approximately $9.4 million and $8.8 million, respectively. Additionally, the Company recognized approximately $5.8 million in right of use assets and liabilities upon commencement of operating leases during the six months ended March 31, 2025.

Total present value of future lease payments of operating leases as of March 31, 2025 (in $000's):

Twelve months ended March 31,	
2026	$ 17,885
2027	14,999
2028	11,940
2029	8,191
2030	4,749
Thereafter	26,005
Total	83,769
Less implied interest	(25,624)
Present value of payments	$ 58,145

As of March 31, 2025, the weighted average remaining lease term for finance leases is26.6 years. The Company's weighted average discount rate for finance leases is11.3%. Total cash payments for finance leases for the six months ended March 31, 2025 and 2024 were approximately $2.0 million and $1.6 million, respectively. Additionally, the Company recognized approximately $0.6 million in right of use assets and liabilities upon commencement of finance leases during the six months ended March 31, 2025.

The Company records finance lease right-of-use assets as property and equipment. The balance, as of March 31, 2025 and September 30, 2024 is as follows (in $000's):

	March 31, 2025	September 30, 2024
Property and equipment, at cost	$ 27,102	$ 26,495
Accumulated depreciation	$ (1,787)	$ (1,662)
Property and equipment, net	$ 25,315	$ 24,833

Total present value of future lease payments of finance leases as of March 31, 2025 (in $000's):

Twelve months ended March 31,	
2026	$ 4,153
2027	4,230
2028	4,336
2029	4,456
2030	4,533
Thereafter	123,956
Total	145,664
Less implied interest	(102,875)
Present value of payments	$ 42,789

Note 7: Intangibles

The following table details the Company's intangibles as of March 31, 2025 and September 30, 2024 (in $000's):

	March 31, 2025	September 30, 2024
Intangible assets, net:		
Intangible assets - Tradenames	$ 15,356	$ 15,356
Intangible assets - Customer relationships	13,599	14,799
Intangible assets - Other	4,330	4,330
	33,285	34,485
Less: Accumulated amortization	(10,694)	(9,382)
Total intangibles, net	$ 22,591	$ 25,103

Amortization expense was $1.3 million and $1.2 million for the three months ended March 31, 2025 and 2024, respectively, and $2.5 million and $2.4 million for the six months ended March 31, 2025 and 2024, respectively.

The following table summarizes estimated future amortization expense related to intangible assets that have net balances (in $000's):

Twelve months ending March 31,	
2026	$ 5,027
2027	4,958
2028	4,842
2029	4,262
2030	3,218
Thereafter	284
	$ 22,591

Note 8: Goodwill

The following table details the Company's goodwill as of September 30, 2024 and March 31, 2025 (in $000's):

	Retail - Entertainment	Retail - Flooring	Flooring Manufacturing	Steel Manufacturing	Total
September 30, 2024	36,947	13,451	807	9,947	61,152
March 31, 2025	$ 36,947	$ 13,451	$ 807	$ 9,947	$ 61,152

Note 9: Accrued Liabilities

The following table details the Company's accrued liabilities as of March 31, 2025 and September 30, 2024 (in $000's):

	March 31, 2025	September 30, 2024
Accrued liabilities:		
Accrued payroll and bonuses	$ 6,724	$ 8,125
Accrued sales and use taxes	1,279	1,326
Accrued customer deposits	2,022	4,675
Accrued gift card and escheatment liability	464	1,986
Accrued interest payable	6,459	840
Accrued inventory	2,215	6,722
Accrued professional fees	4,803	2,644
Accrued expenses - other	7,198	5,422
Total accrued liabilities	$ 31,164	$ 31,740

Note 10: Long-Term Debt

Long-term debt as of March 31, 2025 and September 30, 2024 consisted of the following (in $000's):

	March 31, 2025	September 30, 2024
Revolver loans	$ 58,851	$ 60,199
Equipment loans	11,419	13,346
Term loans	9,889	10,465
Other notes payable	15,324	15,227
Total notes payable	95,483	99,237
Less: unamortized debt issuance costs	(373)	(427)
Net amount	95,110	98,810
Less: current portion	(41,423)	(43,816)
Total long-term debt	$ 53,687	$ 54,994

Future maturities of long-term debt at March 31, 2025, are as follows which does not include related party debt separately stated (in $000's):

Twelve months ending March 31,	
2026	$ 41,423
2027	38,553
2028	3,678
2029	1,642
2030	1,606
Thereafter	8,208
Total future maturities of long-term debt	$ 95,110

Bank of America Revolver Loan

On January 31, 2020, as amended on September 4, 2024, Marquis entered into an amended $25.0 million revolving credit agreement ("BofA Revolver") with Bank of America Corporation ("BofA"). The BofA Revolver is an asset-based facility that is secured by substantially all of Marquis' assets. Availability under the BofA Revolver is subject to a monthly borrowing base calculation. Marquis' ability to borrow under the BofA Revolver is subject to the satisfaction of certain

conditions, including meeting all loan covenants under the credit agreement with BofA. The BofA Revolver has a variable interest rate and matures in July 2025. As of March 31, 2025, the Company concluded that Marquis was in default of its Fixed Cost Coverage Ratio ("FCCR") covenant, as specified in the credit agreement governing the BofA Revolver, which provides the creditor rights to accelerate and make immediately due the borrowings under the BofA Revolver. Under the May 1, 2025 amendment to the BofA Revolver, Bank of America has issued a waiver with respect to Marquis' default of its FCCR covenant. As of March 31, 2025 and September 30, 2024, the outstanding balance was approximately $21.1 million and $17.6 million, respectively.

Loan with Fifth Third Bank (Precision Marshall)

On January 20, 2022, Precision Marshall refinanced its Encina Business Credit loans with Fifth Third Bank, and the balance outstanding was repaid. The refinanced credit facility, totaling $29.0 million, is comprised of $23.0 million in revolving credit, $3.5 million in M&E lending, and $2.5 million for Capex lending. Advances under the new credit facility will bear interest at Prime Rate plus 0 basis points for lending under the revolving facility, and Prime Rate plus 25 basis points for M&E and Capex lending. The refinancing of the borrower's existing credit facility reduces interest costs and improves the availability and liquidity of funds by approximately $3.0 million at the close. The facility terminates on January 20, 2027, unless terminated earlier in accordance with its terms.

In connection with the acquisitions of Kinetic and Central Steel (see Note 3), the existing revolving facility was amended to add Kinetic and Central Steel as borrowers. In addition, two additional term loans were executed to fund the purchase of Kinetic. Approximately $6.0 million was drawn from the revolving facility, and the two term loans were opened in the amounts of $4.0 million and $1.0 million, respectively. The $4.0 million term loan ("Kinetic Term Loan #1"), which matures on January 20, 2027, bears interest on the same terms as for M&E term lending as stated above.

As of March 31, 2025 and September 30, 2024, the outstanding balance on the revolving loan was approximately $21.7 million and $21.3 million, respectively, and the outstanding balance on the original M&E lending, which is documented as a term note, was approximately $1.6 million and $1.8 million, respectively. The revolving loan has a variable interest rate and matures in January 2027. As of March 31, 2025 and September 30, 2024, the outstanding balance on Kinetic Term Loan #1 was approximately $2.4 million and $2.7 million, respectively.

On April 12, 2023, in connection with its existing credit facility with Fifth Third Bank, Precision Marshall took an advance against its Capex term lending in the amount of approximately $1.4 million. Additionally, during June 2024, in connection with Kinetic's acquisition of Midwest Grinding (see Note 3), Precision Marshall took an additional advance against its Capex term lending in the amount of approximately $0.4 million. The loan matures January 2027 and bears interest on the same terms as for Capex lending as stated above. As of March 31, 2025 and September 30, 2024, the outstanding balance on the Capex loan was $1.9 million and $1.6 million, respectively.

Eclipse Business Capital Loans

In connection with the acquisition of Flooring Liquidators, on January 18, 2023, Flooring Liquidators entered into a credit facility with Eclipse Business Capital, LLC ("Eclipse"). The facility consists of $25.0 million in revolving credit ("Eclipse Revolver") and $3.5 million in M&E lending ("Eclipse M&E"). The Eclipse Revolver is a three-year, asset-based facility that is secured by substantially all of Flooring Liquidators' assets. Availability under the Eclipse Revolver is subject to a monthly borrowing base calculation. Flooring Liquidators' ability to borrow under the Eclipse Revolver is subject to the satisfaction of certain conditions, including meeting all loan covenants under the credit agreement with Eclipse. The Eclipse Revolver bears interest at 3.5% per annum in excess of Adjusted Term SOFR. The Eclipse M&E loan bears interest at 6.0% per annum in excess of Adjusted Term SOFR prior to April 1, 2023, and 5.0% per annum in excess of Adjusted Term SOFR after April 1, 2023. The credit facility matures in January 2026. As of March 31, 2025 and September 30, 2024, the outstanding balance on the Eclipse Revolver was approximately $8.5 million and $9.3 million, respectively, and the outstanding balance on the Eclipse M&E loan was approximately $1.4 million and $1.8 million, respectively.

Loan with Fifth Third Bank (PMW)

In connection with the acquisition of PMW, on July 20, 2023, as amended on March 5, 2025, PMW entered into a revolving credit facility (the "Revolving Credit Facility") with Fifth Third Bank. The facility consists of $15.0 million in revolving credit (the "Fifth Third Revolver") and approximately $5.0 million in M&E lending (the "Fifth Third M&E Loan"). The Fifth Third Revolver is a three-year, asset-based facility that is secured by substantially all of PMW's assets. Availability under the Fifth Third Revolver is subject to a monthly borrowing base calculation. PMW's ability to borrow under the Fifth Third Revolver is subject to the satisfaction of certain conditions, including meeting all loan covenants under the credit agreement with Fifth Third. Loans made under the Revolving Credit Facility are considered Reference

Rate Loans, and bear interest at a rate equal to the sum of the Reference Rate plus the Applicable Margin. Reference Rate means the greater of (a) 3.0% or (b) the Lender's publicly announced prime rate (which is not intended to be Lender's lowest or most favorable rate in effect at any time) in effect from time to time. The Applicable Margin for revolving loans is zero, while for the Fifth Third M&E Loan or any capital expenditure term loan, it is 50 basis points (0.5%). The credit facility matures in July 2026. As of December 31, 2024, the Company concluded that PMW was in default of its FCCR covenant, as specified in the credit agreement governing the Revolving Credit Facility. Under the March 5, 2025 amendment to the Revolving Credit Facility, Fifth Third Bank has issued a waiver with respect to PMW's previous default of its FCCR covenant. As of March 31, 2025 and September 30, 2024, the outstanding balance on the Fifth Third Revolver was approximately $7.5 million and $10.1 million, respectively, and the balance on the Fifth Third M&E Loan was approximately $3.7 million and $4.1 million, respectively.

Bank Midwest Revolver Loan

On October 17, 2024, Vintage entered into an amended $10.0 million credit agreement with Bank Midwest ("Bank Midwest Revolver"). The amended Bank Midwest Revolver accrues interest daily on the outstanding principal at a rate of the greater of (a) the one-month forward-looking term rate based on SOFR, plus 2.36% per annum, or (b) 5.0% per annum, and matures on October 17, 2025. As of March 31, 2025 and September 30, 2024, the outstanding balance on the Bank Midwest Revolver was approximately $0 and $1.9 million, respectively.

Note payable to JCM Holdings

During October 2020, Marquis purchased a manufacturing facility, which it had previously leased, for approximately $2.5 million. Marquis entered into a $2.0 million loan agreement, secured by the facility, with the seller of the facility, in order to complete the purchase of the facility. The loan bears interest at 6.0%, due monthly, and matures January 2030. As of March 31, 2025 and September 30, 2024, the outstanding principal balance was approximately $1.2 million and $1.3 million, respectively.

Note Payable to Store Capital Acquisitions, LLC

On June 14, 2016, Marquis entered into a transaction with Store Capital Acquisitions, LLC. The transaction included a sale-leaseback of land owned by Marquis and a loan secured by the improvements on such land. The total aggregate proceeds received from the sale of the land and the loan was $10.0 million, which consisted of approximately $0.6 million from the sale of the land and a note payable of approximately $9.4 million. In connection with the transaction, Marquis entered into a lease with a 15-year term commencing on the closing of the transaction, which provides Marquis with an option to extend the lease upon the expiration of its term. The initial annual lease rate is $60,000. The proceeds from this transaction were used to pay down the BofA Revolver and Term loans, and related party loan, as well as to purchase a building from the previous owners of Marquis that was not purchased in the July 2015 transaction. The note payable bears interest at 9.3% per annum, with principal and interest due monthly. The note payable matures June 13, 2056. For the first five years of the note payable, there is a pre-payment penalty of 5.0%, which declines by 1.0% for each year the loan remains unpaid for the next five years. At the end of ten years, there is no pre-payment penalty. In connection with the note payable, Marquis incurred approximately $458,000 in transaction costs that are being recognized as a debt issuance cost and are being amortized and recorded as interest expense over the term of the note payable. The remaining principal balance was approximately $9.1 million as of March 31, 2025 and September 30, 2024, respectively.

Equipment Loans

On June 20, 2016 and August 5, 2016, Marquis entered into a transaction that provided for a master agreement and separate loan schedules (the "Equipment Loans") with Banc of America Leasing & Capital, LLC that provided for the following as of March 31, 2025:

Note #5 is for approximately $4.0 million, secured by equipment. The Equipment Loan #5 was due December 2024, payable in 84 monthly payments of $55,000 beginning January 2018, bearing interest at 4.7% per annum. As of March 31, 2025 and September 30, 2024, the balance was approximately $0 and $164,000, respectively.

Note #7 is for $5.0 million, secured by equipment. The Equipment Loan #7 is due February 2027, payable in 84 monthly payments of $59,000 beginning March 2020, with the final payment of $809,000, bearing interest at 3.2% per annum. As of December 31, 2024 and September 30, 2024, the balance was approximately $2.0 million and $2.3 million, respectively.

Note #8 is for approximately $3.4 million, secured by equipment. The Equipment Loan #8 is due September 2027, payable in84 monthly payments of $46,000 beginning October 2020, bearing interest at 4.0%. As of December 31, 2024 and March 31, 2025, the balance was approximately $1.3 million and $1.6 million, respectively.

In December 2021, Marquis funded the acquisition of $5.5 million of new equipment under Note #9 of its master agreement. The Equipment Loan #9, which is secured by the equipment, matures December 2026, and is payable in 60 monthly payments of $92,000 beginning January 2022, with the final payment in the amount of approximately $642,000, bearing interest at 3.75% per annum. As of March 31, 2025 and September 30, 2024, the balance was approximately $2.4 million and $2.9 million, respectively.

In December 2022, Marquis funded the acquisition of $5.7 million of new equipment under Note #10 of its master agreement. The Equipment Loan #10, which is secured by the equipment, matures December 2029, and is payable in 84 monthly payments of $79,000, beginning January 2023, with the final payment in the amount of approximately $650,000, bearing interest at 6.5%. As of March 31, 2025 and September 30, 2024, the balance was approximately $4.3 million and $4.6 million, respectively.

Loan Covenant Compliance

As of March 31, 2025, the Company was in compliance with all covenants under its existing revolving and other loan agreements.

Note 11: Notes Payable-Related Parties

Long-term debt payable to related parties (see Note 16) as of March 31, 2025 and September 30, 2024 consisted of the following (in $000's):

	March 31, 2025	September 30, 2024
Isaac Capital Group, LLC, 12.5% interest rate, matures May 2025	$ 2,000	$ 2,000
Isaac Capital Group, LLC, 12% interest rate, matures December 2029	2,645	—
Spriggs Investments, LLC, 10% interest rate, matures July 2025	200	800
Spriggs Investments, LLC for Flooring Liquidators, 12% interest rate, matures July 2025	1,000	1,000
Isaac Capital Group, LLC revolver, 12% interest rate, matures April 2025	6,870	2,600
Isaac Capital Group, LLC for Flooring Liquidators, 12% interest rate, matures January 2028	5,000	5,000
Total notes payable - related parties	17,715	11,400
Less: unamortized debt issuance costs	(751)	(66)
Net amount	16,964	11,334
Less: current portion	(10,070)	(6,400)
Total long-term portion, related parties	$ 6,894	$ 4,934

Future maturities of related party notes at March 31, 2025 are as follows (in $000's):

Twelve months ending March 31,	
2026	$ 10,070
2028	4,944
2030	1,950
Total future maturities of long-term debt, related parties	$ 16,964

Note 12: Related Party Seller Notes

Seller notes as of March 31, 2025 and September 30, 2024 consisted of the following (in $000's):

	March 31, 2025	September 30, 2024
Related Party Seller Notes		
Seller of PMW, 8.0% interest rate, matures July 2028	$ —	$ 2,500
Seller of Kinetic, 7.0% interest rate, matures September 2027	3,000	3,000
Seller of Central Steel, 7.0% interest rate, matures May 2029	1,100	1,100
Seller of Flooring Liquidators, 8.24% interest rate, matures January 2028	—	$ 34,000
Seller of Flooring Liquidators, 8.24% interest rate, matures February 2028	15,000	—
Total Related Party Seller Notes	19,100	40,600
Unamortized debt premium (discount)	(957)	2,261
Net amount	18,143	42,861
Less current portion	—	(2,500)
Long-term portion of seller notes payable	$ 18,143	$ 40,361

Future maturities of seller notes at March 31, 2025 are as follows (in $000's):

Twelve months ending March 31,	
2027	$ 3,000
2028	14,043
2029	1,100
Total	$ 18,143

Note Payable to the Seller of PMW

In connection with the purchase of PMW, on July 20, 2023, the Company entered into a consulting agreement with the previous owner of PMW to serve as its part-time President and Chief Executive Officer. The consulting agreement shall terminate upon the later of (i) sellers' receipt of earn-out payments in an aggregate amount equal to $3.0 million and (ii) the full satisfaction and payment of all amounts due and to that are to become due under the seller note, unless earlier terminated in accordance with the terms set forth in the consulting agreement. Additionally, PMW entered into two seller financed loans, in the aggregate amount of $ 2.5 million, which are fully guaranteed by the Company (the "Seller Financed Loans"). The Seller Financed Loans bear interest at 8.0% per annum, with interest payable quarterly in arrears.

On December 24, 2024, the Company entered into a Settlement Agreement and Release ("Settlement Agreement") to settle the Seller Financed Loans of $2.5 million, plus accrued interest of approximately $0.1 million, for approximately $1.9 million with the previous owners of PMW. The funds to settle the loans were borrowed from Isaac Capital Group, LLC ("ICG") (see Note 16). The Company evaluated this transaction under ASC 470-50 "Debt - Modification and Extinguishment", and concluded that, because PMW was legally released as the primary obligor, and has no other debt with these lenders, this transaction should be accounted for as a debt extinguishment. As such, the Company recorded a gain on extinguishment of debt in the amount of approximately $0.7 million. Additionally, under the Settlement Agreement, the Company was released of claims for earnout payments, as stipulated under the Stock Purchase Agreement. Consequently, the Company recorded a gain on settlement of the earnout liability in the amount of approximately $2.8 million. As of March 31, 2025 and September 30, 2024, the carrying value of the seller financed loans was $0 and $2.5 million, respectively.

Note Payable to the Sellers of Kinetic

In connection with the purchase of Kinetic, on June 28, 2022, Kinetic entered into an employment agreement with the previous owner of Kinetic to serve as its Head of Equipment Operations. The employment agreement is for an initial term of five years and shall be automatically extended in 90-day increments unless either party provides notice as required under the agreement. Additionally, Precision Marshall entered into a seller financed loan in the amount of $ 3.0 million with the previous owner of Kinetic. The Sellers Subordinated Acquisition Note bears interest at 7.0% per annum, with interest

payable quarterly in arrears. The Sellers Subordinated Acquisition Note has a maturity date of September 27, 2027. As of March 31, 2025 and September 30, 2024, the remaining principal balance was $3.0 million.

Note Payable to the Seller of Central Steel

In connection with the purchase of Central Steel, on May 15, 2024 (see Note 3), Precision Marshall entered into an employment agreement with the previous owner of Central Steel to serve as its President. The employment agreement is for an initial term of two years and shall be deemed to be automatically extended, upon the same terms and conditions, for a period of one year, unless either party provides written notice of its or his intention not to extend the term at least90 days prior to the end of the initial term. Additionally, Precision Marshall entered into a seller financed loan in the amount of $1.1 million with the previous owner of Central Steel (the "Sellers Subordinated Promissory Note"). The Sellers Subordinated Promissory Note bears interest at 8.0% per annum, with interest payable quarterly in arrears. The Sellers Subordinated Promissory Note has a maturity date of May 15, 2029. As of March 31, 2025 and September 30, 2024, the remaining principal balance was $1.1 million.

Note Payable to the Seller of Flooring Liquidators

In connection with the purchase of Flooring Liquidators, on January 18, 2023, the Flooring Liquidators entered into an employment agreement with the previous owner of Flooring Liquidators to serve as its Chief Executive Officer. The employment agreement was for an initial term of five years and automatically extended in 90-day increments unless either party provides notice as required under the agreement. Additionally, Flooring Affiliated Holdings, LLC, a Company subsidiary, entered into a seller financed mezzanine loan (the "Seller Note"), which was fully guaranteed by the Company, in the amount of $34.0 million with the previous owners of Flooring Liquidators. The Seller Note bore interest at the contractual rate of 8.24% per annum, with interest payable monthly in arrears beginning on January 18, 2024. The Seller Note had a maturity date of January 18, 2028. The fair value assigned to the Seller Note, as calculated by an independent third-party firm, was $31.7 million, or a discount of $2.3 million.

On February 25, 2025, Flooring Liquidators, Flooring Affiliated Holdings, and the Company entered into a binding Memorandum of Understanding (“MOU”) with the previous owner of Flooring Liquidators under which the principal amount of the Seller Note was reduced from $34.0 million to $15.0 million. The relevant portion of the MOU was later superseded by a Second Amendment to Secured Promissory Note (the “Second Seller Note Amendment”).The Seller Note bears interest at 8.24% per annum effective January 1, 2025, and matures in February 2028, with interest payments due monthly beginning February 28, 2025. The Company determined that the fair value of the amended Seller Note was approximately $14.0 million, or a discount of $1.0 million. In an event of default under the Seller Note, or if the Company defaults in making any payment it is required to make pursuant to the Seller Note, the note holders may revoke the principal reduction, in which case the aggregate outstanding principal balance of the Seller Note will increase by $19 million to $34.0 million.

In addition to the reduction in the principal amount of the Seller Note, the MOU provides for the following:

- An increase in the existing holdback principal amount of approximately $0.5 million, to $1.5 million, and that no further claims against the holdback shall be made or permitted. Under the MOU, the holdback bears interest at 8.24% per annum effective January 1, 2025, with interest payments due monthly beginning February 28, 2025. Full payment of the holdback principal is due in August 2025.
- The previous owner’s title was revised to be Founder and Vice President, his employment was made part-time, and he resigned from each other office and as director or manager of Flooring Liquidators and each of its related entities.

The Company evaluated this transaction under ASC 470-50 “Debt - Modification and Extinguishment”, and concluded that, because the change in present value of cash flows between the original and revised debt exceeds 10%, and the debt revision does not meet the accounting requirements for troubled debt restructuring, this transaction should be accounted for as a debt extinguishment. In connection with the debt extinguishment and the increase in the holdback principal amount, the Company recorded a gain of approximately $22.8 million. As of March 31, 2025 and September 30, 2024, the carrying value of the Seller Note was approximately $14.0 million and $36.3 million, respectively

Note 13: Stockholders' Equity

Series E Convertible Preferred Stock

As of March 31, 2025 and September 30, 2024, there were47,840 shares of Series E Convertible Preferred Stock issued and outstanding, respectively.

Treasury Stock

As of March 31, 2025 and September 30, 2024, the Company had741,696 and 694,687 shares of Treasury Stock, respectively. During the six months ended March 31, 2025 and 2024, the Company repurchased 47,009 and 16,195 shares of its common stock for approximately $416,315 and $404,000, respectively. During the six months ended March 31, 2025 and 2024, the average price paid per share was $8.86 and $24.99, respectively.

Note 14: Stock-Based Compensation

Our 2014 Omnibus Equity Incentive Plan (the "2014 Plan") authorizes the issuance of distribution equivalent rights, incentive stock options, non-qualified stock options, performance stock, performance units, restricted ordinary shares, restricted stock units, stock appreciation rights, tandem stock appreciation rights and unrestricted ordinary shares to our directors, officer, employees, consultants, and advisors. The Company has reserved up to 300,000 shares of common stock for issuance under the 2014 Plan.

From time to time, the Company grants stock options to directors, officers, and employees. These awards are valued at the grant date by determining the fair value of the instruments. The value of each award is amortized on a straight-line basis over the requisite service period.

The following table summarizes stock option activity for the fiscal year ended September 30, 2024 and the six months ended March 31, 2025:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Intrinsic Value
Outstanding at September 30, 2023	53,750	$ 21.51	1.54	$ 540
Outstanding at March 31, 2024	53,750	$ 21.51	1.04	$ 499
Exercisable at March 31, 2024	53,750	$ 21.51	1.04	$ 499
Outstanding at September 30, 2024	60,000	$ 26.04	1.29	$ 130
Forfeited	(60,000)	$ 26.04		
Outstanding at March 31, 2025	0	$ —	0.00	$ —
Exercisable at March 31, 2025	0	$ —	0.00	$ —

The Company recognized compensation expense of approximately $49,000 and $50,000 during the three months ended March 31, 2025 and 2024, respectively, and approximately $100,000 during the six months ended March 31, 2025 and 2024, related to stock option awards and restricted stock awards granted to certain employees and officers based on the grant date fair value of the awards, and the revaluation for existing options whereby the expiration date was extended.

As of March 31, 2025, the Company had approximately $0.6 million of unrecognized compensation expense associated with restricted stock awards.

Note 15: Earnings Per Share

Net income per share is calculated using the weighted average number of shares of common stock outstanding during the applicable period. Basic weighted average common shares outstanding do not include shares of restricted stock that have not yet vested, although such shares are included as outstanding shares in the Company's Condensed Consolidated Balance Sheet. Diluted net income per share is computed using the weighted average number of common shares outstanding and if dilutive, potential common shares outstanding during the period. Potential common shares consist of the additional

common shares issuable in respect of restricted share awards, stock options, and convertible preferred stock. Preferred stock dividends are subtracted from net earnings to determine the amount available to common stockholders.

The following table presents the computation of basic and diluted net earnings per share (in $000's):

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Basic				
Net income (loss)	$ 15,866	$ (3,281)	$ 16,358	$ (3,963)
Weighted average common shares outstanding	3,109,362	3,154,771	3,113,864	3,159,180
Basic earnings (loss) per share	$ 5.10	$ (1.04)	$ 5.25	$ (1.25)
Diluted				
Net income (loss) applicable to common stock	$ 15,866	$ (3,281)	$ 16,358	$ (3,963)
Weighted average common shares outstanding	3,109,362	3,154,771	3,113,864	3,159,180
Add: Restricted Stock Units	29,110	—	29,110	—
Add: Series E Preferred Stock	239	—	239	—
Assumed weighted average common shares outstanding	3,138,711	3,154,771	3,143,213	3,159,180
Diluted earnings (loss) per share	$ 5.05	$ (1.04)	$ 5.20	$ (1.25)

Basic earnings per common share ("EPS") is computed by dividing net income by the weighted average number of shares of Common Stock outstanding for the period. Diluted EPS is computed by dividing net income by the sum of the weighted average number of shares of Common Stock outstanding and the effect of dilutive securities. No diluted EPS computation was made for the three and six months ended March 31, 2024, as the Company recorded a net loss. Had the Company calculated diluted EPS for the three and six months ended March 31, 2024, the total assumed weighted average common shares outstanding would have been 3,173,021 and 3,177,549, respectively, and there would have been 22,500 options to purchase shares of common stock that were anti-dilutive.

Note 16: Related Party Transactions

Transactions with Isaac Capital Group, LLC

As of March 31, 2025, ICG beneficially owns50.5% of the Company’s issued and outstanding capital stock. Jon Isaac, the Company's President and Chief Executive Officer, is the President and sole member of ICG, and, accordingly, has sole voting and dispositive power with respect to these shares. Mr. Isaac also personally owns 217,177 shares of common stock.

ICG Term Loan

During 2015, Marquis entered into a mezzanine loan in the amount of up to $7.0 million (the “ICF Loan”) with Isaac Capital Fund I, LLC (“ICF”), a private lender whose managing member is Jon Isaac. On July 10, 2020, (i) ICF released and discharged Marquis from all obligations under the loan, (ii) ICF assigned all of its rights and obligations under the instruments, documents, and agreements with respect to the ICF Loan to ICG, of which Jon Isaac, the Company’s President and Chief Executive Officer, is the sole member, and (iii) Live Ventures borrowed $ 2.0 million (the “ICG Loan”) from ICG. The ICG Loan bears interest at12.5% and matures in May 2025. As of March 31, 2025 and September 30, 2024, the outstanding balance on this note was $2.0 million.

ICG Revolving Promissory Note

On April 9, 2020, the Company, as borrower, entered into an unsecured revolving line of credit promissory note whereby ICG agreed to provide the Company with a $1.0 million revolving credit facility (the “ICG Revolver”). On June 23, 2022, the amount of available revolving credit under the facility was increased to $6.0 million. No other terms of the Note were changed. On April 1, 2023, the Company entered into the Second Amendment of the ICG Revolver that extended the maturity date to April 8, 2024, increased the interest rate from 10% to 12% per annum, and decreased the amount of available revolving credit under the facility to $1.0 million. On January 11, 2024, the Company entered into the Third Amendment of the ICG Revolver that extended the maturity date to

April 8, 2025 and increased the amount of available revolving credit under the facility to $5.0 million. The ICG Revolver has been amended during the third quarter of 2025 to, among other items, increase the available revolving credit under the facility to $12.0 million. As of March 31, 2025 and September 30, 2024, the outstanding balance on the ICG Revolver was $6.9 million and 2.6 million, respectively.

ICG Flooring Liquidators Note

On January 18, 2023, in connection with the acquisition of Flooring Liquidators, Flooring Affiliated Holdings, LLC, a wholly-owned subsidiary of the Company, as borrower, entered into a promissory note for the benefit of ICG in the amount of $5.0 million ("ICG Flooring Liquidators Loan"). The ICG Flooring Liquidators Loan matures on January 18, 2028, and bears interest at 12%. Interest is payable in arrears on the last day of each calendar month. The note is fully guaranteed by the Company. As of March 31, 2025, the outstanding balance on this loan was $5.0 million.

ICG PMW Note

On Dec 14, 2024, in connection with the Settlement Agreement of the PMW Seller Financed Loans (see Note 12), the Company, as borrower, entered into a promissory note for the benefit of ICG in the amount of approximately $2.6 million ("ICG PMW Note"). The Company received proceeds of approximately $1.9 million from ICG, which was used to settle the loans plus accrued interest. The $0.7 million discount is being accreted to interest expense using the effective interest rate method, as required by U.S. GAAP, over the term of the note. The ICG PMW Note matures on Dec 17, 2029, and bears interest at the contractual rate of 12.0% per annum. Interest is payable in arrears on the first business day of each month commencing on January 2, 2025. As of March 31, 2025, the balance on this loan was approximately $2.6 million.

Transactions with Vintage Stock CEO

Rodney Spriggs, the President and Chief Executive Officer of Vintage Stock, a wholly owned subsidiary of the Company, is the sole member of Spriggs Investments, LLC ("Spriggs Investments").

Spriggs Promissory Note I

On July 10, 2020, the Company executed a promissory note (the "Spriggs Promissory Note I") in favor of Spriggs Investments that memorializes a loan by Spriggs Investments to the Company in the initial principal amount of $2.0 million (the "Spriggs Loan I"). The Spriggs Loan I originally matured on July 10, 2022; however, the maturity date was extended to July 10, 2023. The Spriggs Promissory Note I bears simple interest at a rate of 10.0% per annum. On January 19, 2023, the Company entered into a modification agreement of the Spriggs Loan I. Under the modification agreement, the Spriggs Promissory Note I will bear interest at a rate of 12.0% per annum, and the maturity date was extended to July 31, 2024. On February 29, 2024, the Company entered into a loan modification agreement of the Spriggs Loan I. Under the loan modification agreement, the Company was required to make a principal payment of $600,000 to Spriggs Investments within five business days following the effective date of the loan modification agreement, and make principal payments of not less than $300,000 each 90-day period thereafter, beginning on April 1, 2024, until the Spriggs Promissory Note I is fully repaid. Further, under the loan modification agreement, the maturity date of the Spriggs Promissory Note I was extended to July 31, 2025. All monthly payments under the original Spriggs Promissory Note I remain in effect through the maturity date as amended. As of March 31, 2025 and September 30, 2024, the principal amount owed was $0.2 million and $0.8 million, respectively.

Spriggs Promissory Note II

On January 19, 2023, in connection with the acquisition of Flooring Liquidators, the Company executed a promissory note in favor of Spriggs Investments in the initial principal amount of $1.0 million (the "Spriggs Loan II"). The Spriggs Loan II matures on July 31, 2024, and bears interest at a rate of 12% per annum. On February 29, 2024, the Company entered into a loan modification agreement of the Spriggs Loan II. Under the loan modification agreement, upon full principal repayment of the Spriggs Promissory Note I (see above), the Company will make principal payments of not less than $300,000, per each 90-day period, until the Spriggs Loan II is fully repaid. Further, under the loan modification agreement, the maturity date of the Spriggs Loan II was extended to July 31, 2025. All monthly payments under the original Spriggs Loan II remain in effect through the maturity date as amended. As of March 31, 2025 and September 30, 2024, the principal amount owed was $1.0 million.

Transactions with ALT5 Sigma Corporation, formerly JanOne Inc.

Tony Isaac, a member of the Company's board of directors, and father of the Company's Chief Executive Officer, Jon Isaac, is the President and a director of ALT5 Sigma Corporation ("ALT5"), formerly JanOne Inc. Richard Butler, a member of the Company's board of directors, is a director of ALT5.

Lease Agreement

Customer Connexx LLC, formerly a subsidiary of ALT5, previously rented approximately 9,900 square feet of office space from the Company at its Las Vegas office, which totals 16,500 square feet. ALT5 paid the Company $ 30,000 and $39,000 in rent and other reimbursed expenses for three months ended March 31, 2025 and 2024, respectively, and $58,000 and $75,000 for the six months ended March 31, 2025 and 2024, respectively.

Transactions with Spyglass Estate Planning, LLC

Jon Isaac, the Company's President and Chief Executive Officer, is the sole member of Spyglass Estate Planning, LLC ("Spyglass").

Building Leases

On July 1, 2022, in connection with its acquisition of certain assets and intellectual property of Better Backers, Inc., Marquis entered into two building leases with Spyglass. The building leases are for 20 years with two options to renew for an additional five years each. The provisions of the lease agreements include an initial 24-month month-to-month rental period, during which the lessee may cancel with 90-day notice, followed by a 20-year lease term with two five-year renewal options. The Company has evaluated each lease and determined the rental amounts to be at market rates.

Seller Notes

The Company routinely enters into seller notes in conjunction with its acquisitions. See Note 12 for the details related to existing seller notes.

Note 17: Commitments and Contingencies

Litigation

SEC Investigation

On February 21, 2018, the Company received a subpoena from the SEC and a letter from the SEC stating that it was conducting an investigation. The subpoena requested documents and information concerning, among other things, the restatement of the Company's financial statements for the quarterly periods ended December 31, 2016, March 31, 2017, and June 30, 2017, the acquisition of Marquis Industries, Inc., Vintage Stock, Inc., and ApplianceSmart, Inc., and the change in auditors. On August 12, 2020, three of the Company's corporate executive officers (together, the "Executives") each received a "Wells Notice" from the Staff of the SEC relating to the Company's SEC investigation. On October 7, 2020, the Company received a "Wells Notice" from the Staff of the SEC relating to the SEC investigation. The Wells Notices related to, among other things, the Company's reporting of its financial performance for its fiscal year ended September 30, 2016, certain disclosures related to executive compensation, and its previous acquisition of ApplianceSmart, Inc. A Wells Notice is neither a formal charge of wrongdoing nor a final determination that the recipient has violated any law. The Wells Notices informed the Company and the Executives that the SEC Staff had made a preliminary determination to recommend that the SEC file an enforcement action against the Company and each of the Executives to allege certain violations of the federal securities laws. On October 1, 2018, the Company received a letter from the SEC requesting information regarding a potential violation of Section 13(a) of the Securities Exchange Act of 1934, based upon the timing of the Company's Form 8-K filed on February 14, 2018. The Company cooperated fully with the SEC inquiry and provided a response to the SEC on October 26, 2018.

On August 2, 2021, the SEC filed a civil Complaint in the United States District Court for the District of Nevada naming the Company and two of its executive officers – Jon Isaac, the Company's current President and Chief Executive Officer, and Virland Johnson, the Company's former Chief Financial Officer, as defendants (collectively, the "Company Defendants") as well as certain other related third parties (the "SEC Complaint"). The SEC Complaint alleges various financial, disclosure, and reporting violations related to income and earnings per share data, purported undisclosed stock promotion and trading, purported inaccurate disclosure regarding beneficial ownership of common stock, and undisclosed

executive compensation from 2016 through 2018. The violations are brought under Section 10(b) of the Exchange Act and Rule 10b-5; Sections 13(a), 13(b)(2)(B) and 13(b)(5) of the Exchange Act and Rules 12b-20, 13a-1, 13a-14, 13a-13, 13b2-1, 13b2-2; Section 14(a) of the Exchange Act and Rule 14a-3; and Section 17(a) of the Securities Act of 1933. The SEC seeks permanent injunctions against the Company Defendants, permanent officer-and-director bars, disgorgement of profits, and civil penalties. The foregoing is only a general summary of the SEC Complaint, which may be accessed on the SEC's website at www.sec.gov/litigation/litreleases/2021/lr25155.htm.

On October 1, 2021, the Company Defendants and third-party defendants moved to dismiss the SEC complaint. On September 7, 2022, the court denied the Company Defendants' Motion to Dismiss, but granted one of the third-party defendant's Motions to Dismiss, granting the SEC leave to file an Amended Complaint. On September 21, 2022, the SEC filed an Amended Complaint to which the Company Defendants filed an Answer on October 11, 2022, denying liability. The court subsequently entered a discovery scheduling order and the parties exchanged initial disclosures. The parties participated in a mediation in June 2023. The mediation was not successful. Fact discovery was completed on May 20, 2024. The parties completed expert discovery in September 2024 and filed cross Motions for Summary Judgment in October 2024. We expect it will take a number of months for the court to rule on the motions, during which time much of the activity in the case will be on pause.

Sieggreen Class Action

On August 13, 2021, Daniel E. Sieggreen, individually and on behalf of all others similarly situated claimants (the "Plaintiff"), filed a class action Complaint for violation of federal securities laws in the United States District Court for the District of Nevada, naming the Company, Jon Isaac, the Company's current President and Chief Executive Officer, and Virland Johnson, the Company's former Chief Financial Officer, as defendants (collectively, the "Company Defendants"). The allegations asserted are similar to those in the SEC Complaint. Among other sought relief, the complaint seeks damages in connection with the purchases and sales of the Company's securities between December 28, 2016 and August 3, 2021. As of December 17, 2021, the judge granted a stipulation to stay proceedings pending the resolutions of the Motions to Dismiss in the SEC Complaint. On February 1, 2023, the final Motion to Dismiss relating to the SEC Complaint was denied, which was subsequently noticed in the Sieggreen action on February 2, 2023. Plaintiff filed an Amended Complaint on March 6, 2023. On May 5, 2023, the Company Defendants filed a Motion to Dismiss the Amended Complaint. The Motion to Dismiss was heard and granted with Leave to Amend on September 30, 2024. The Second Amended Complaint was filed on October 31, 2024. We filed a Motion to Dismiss the Second Amended Complaint on December 16, 2024 and the briefing is complete. We do not know when the motion will be heard.

Holdback Matter

On October 10, 2022, a representative for the former shareholders of Precision Industries, Inc. filed a civil complaint in the Court of Chancery of the State of Delaware. The complaint alleged that the Company violated the terms of an agreement and plan of merger dated July 14, 2020, by failing to pay the shareholders a certain indemnity holdback of $2,500,000. The Chancery Court dismissed that action for lack of jurisdiction. On January 12, 2023, the representative re-filed the same action in the United States District Court for the Western District of Pennsylvania. On October 26, 2023, the Company counterclaimed against the representative and all represented shareholders for fraudulently misrepresenting the seller's inventory and accounting methodology and asserting damages in excess of $4,500,000. On April 10, 2024, the District Court dismissed the individual shareholders, leaving intact the Company's misrepresentation claims against the shareholder representative. The Court recently denied the plaintiff's Motion for Leave to Amend to assert statute of limitations defenses. While discovery is ongoing, the Company is optimistic that a settlement will be reached.

Wage and Hour Matter

On July 27, 2022, Irma Sanchez, a former employee of Elite Builder Services, Inc. ("Elite Builders"), filed a class action Complaint against Elite Builders in the Superior Court of California, County of Alameda, which case was transferred to Stanislaus Count. The Complaint alleges that Elite Builders failed to pay all minimum and overtime wages, failed to provide lawful meal periods and rest breaks, failed to provide accurate itemized wage statements, and failed to pay all wages due upon separation as required by California law. The Complaint was later amended as a matter of right on October 4, 2022. Further, Ms. Sanchez has put the Labor & Workforce Development Agency on notice to exhaust administrative remedies and enable her to bring an additional claim under the California Labor Code Private Attorneys General Act, which permits an employee to assert a claim for violations of certain California Labor Code provisions on behalf of all aggrieved employees to recover statutory penalties. The parties agreed to mediation on October 30, 2024 in an effort to minimize litigation costs and seek an early reasonable resolution. However, the mediation was postponed and is now set for June 2025.

Generally

The Company is involved in various claims and lawsuits arising in the normal course of business. The ultimate results of claims and litigation cannot be predicted with certainty. The Company currently believes that the ultimate outcome of such lawsuits and proceedings will not, individually, or in the aggregate, have a material adverse effect on our condensed consolidated financial position, results of operations or cash flows. As applicable, liabilities pertaining to these matters, that are probable and estimable, have been accrued.

Note 18: Segment Reporting

The Company operates in five operating segments which are characterized as: (1) Retail-Entertainment, (2) Retail-Flooring, (3) Flooring Manufacturing, (4) Steel Manufacturing, and (5) Corporate and Other. The Retail-Entertainment segment consists of Vintage Stock; the Retail-Flooring segment consists of Flooring Liquidators; the Flooring Manufacturing Segment consists of Marquis; and the Steel Manufacturing Segment consists of Precision Marshall and Kinetic.

The following tables summarize segment information (in $000's):

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2025	2024	2025	2024
Revenues				
Retail-Entertainment	$ 18,467	$ 16,842	$ 39,740	$ 37,428
Retail-Flooring	27,399	32,032	59,146	66,351
Flooring Manufacturing	29,820	34,180	55,815	63,425
Steel Manufacturing	31,321	35,488	63,757	68,841
Corporate & Other	6	84	63	174
Total revenues	$ 107,013	$ 118,626	$ 218,521	$ 236,219
Gross profit				
Retail-Entertainment	$ 10,907	$ 9,836	$ 22,951	$ 21,364
Retail-Flooring	9,415	11,702	21,218	24,734
Flooring Manufacturing	8,193	8,760	13,716	15,182
Steel Manufacturing	6,629	5,090	12,571	10,352
Corporate & Other	4	79	54	162
Total gross profit	$ 35,148	$ 35,467	$ 70,510	$ 71,794
Operating income (loss)				
Retail-Entertainment	$ 2,498	$ 1,784	$ 5,905	$ 4,973
Retail-Flooring	(2,741)	(3,023)	(4,915)	(2,935)
Flooring Manufacturing	1,483	1,978	1,401	2,923
Steel Manufacturing	2,196	872	3,362	1,855
Corporate & Other	(1,344)	(2,449)	(2,899)	(4,113)
Total operating income (loss)	$ 2,092	$ (838)	$ 2,854	$ 2,703
Depreciation and amortization				
Retail-Entertainment	$ 253	$ 226	$ 505	$ 492
Retail-Flooring	1,322	1,275	2,636	2,627
Flooring Manufacturing	937	1,055	1,872	2,112
Steel Manufacturing	1,885	1,627	3,794	3,244
Corporate & Other	4	5	9	8
Total depreciation and amortization	$ 4,401	$ 4,188	$ 8,816	$ 8,483

Interest expense				
Retail-Entertainment	$ —	$ 82	$ 39	$ 237
Retail-Flooring	1,132	1,275	2,452	2,474
Flooring Manufacturing	1,129	1,016	2,244	2,000
Steel Manufacturing	1,315	1,557	2,772	3,180
Corporate & Other	357	237	588	439
Total interest expense	$ 3,933	$ 4,167	$ 8,095	$ 8,330
Net income (loss) before provision for income taxes				
Retail-Entertainment	$ 2,859	$ 1,845	$ 6,377	$ 4,954
Retail-Flooring	18,706	(4,485)	15,051	(6,115)
Flooring Manufacturing	206	826	(1,094)	662
Steel Manufacturing	240	(1,056)	3,130	(2,074)
Corporate & Other	(908)	(1,628)	(1,788)	(2,831)
Total net income (loss) before provision for income taxes	$ 21,103	$ (4,498)	$ 21,676	$ (5,404)

Note 19: Subsequent Events

The Company has evaluated subsequent events through the filing of this Form 10-Q, and determined that there have been no events that have occurred that would require adjustments to disclosures in its condensed consolidated financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For a description of our significant accounting policies and an understanding of the significant factors that influenced our performance during the three and six months ended March 31, 2025, this "Management's Discussion and Analysis of Financial Condition and Results of Operations" (hereafter referred to as "MD&A") should be read in conjunction with the condensed consolidated financial statements, including the related notes, appearing in Part I, Item 1 of this Quarterly Report on Form 10-Q, as well as our Annual Report on Form 10-K for the fiscal year ended September 30, 2024 (the "2024 Form 10-K").

Note about Forward-Looking Statements

This Quarterly Report on Form 10-Q includes statements that constitute "forward-looking statements." These forward-looking statements are often characterized by the terms "may," "believes," "projects," "intends," "plans," "expects," or "anticipates," and do not reflect historical facts.

Specific forward-looking statements contained in this portion of the Annual Report include, but are not limited to: (i) statements that are based on current projections and expectations about the markets in which we operate, (ii) statements about current projections and expectations of general economic conditions, (iii) statements about specific industry projections and expectations of economic activity, (iv) statements relating to our future operations, prospects, results, and performance, (v) statements that the cash on hand and additional cash generated from operations together with potential sources of cash through issuance of debt or equity will provide the Company with sufficient liquidity for the next 12 months, and (vi) statements that the outcome of pending legal proceedings will not have a material adverse effect on business, financial position and results of operations, cash flow or liquidity.

Forward-looking statements involve risks, uncertainties, and other factors, which may cause our actual results, performance, or achievements to be materially different from those expressed or implied by such forward-looking statements. Factors and risks that could affect our results, future performance and capital requirements and cause them to materially differ from those contained in the forward-looking statements include those identified in our 2024 Form 10-K under Item 1A "Risk Factors" and Part II, Item 1A. "Risk Factors" below, as well as other factors that we are currently unable to identify or quantify, but that may exist in the future.

In addition, the foregoing factors may generally affect our business, results of operations, and financial position. Forward-looking statements speak only as of the date the statements were made. We do not undertake and specifically decline any obligation to update any forward-looking statements except as required by federal securities laws. Any information contained on our website www.liveventures.com or any other websites referenced in this Quarterly Report are not incorporated into and should not be deemed a part of this Quarterly Report.

Our Company

Live Ventures Incorporated is a holding company of diversified businesses, which, together with our subsidiaries, we refer to as the "Company", "Live Ventures", "we", "us" or "our". We acquire and operate companies in various industries that have historically demonstrated a strong history of earnings power. We currently have five segments to our business: Retail-Entertainment, Retail-Flooring, Flooring Manufacturing, Steel Manufacturing, and Corporate and Other.

Under the Live Ventures brand, we seek opportunities to acquire profitable and well-managed companies. We work closely with consultants who help us identify target companies that fit within the criteria we have established for opportunities that will provide synergies with our businesses.

Our principal offices are located at 325 E. Warm Springs Road, Suite 102, Las Vegas, Nevada 89119, our telephone number is (702) 939-0231, and our corporate website (which does not form part of this Quarterly Report Form 10-Q) is located at www.liveventures.com. Our common stock trades on the Nasdaq Capital Market under the symbol "LIVE".

Retail-Entertainment Segment

Our Retail-Entertainment Segment is composed of Vintage Stock, Inc., doing business as Vintage Stock, V-Stock, Movie Trading Company and EntertainMart (collectively, "Vintage Stock").

Vintage Stock is an award-winning specialty entertainment retailer that offers a large selection of entertainment products, including new and pre-owned movies, video games and music products, as well as ancillary products, such as books, comics, toys and collectibles, in a single location. With its integrated buy-sell-trade business model, Vintage Stock buys, sells and trades new and pre-owned movies, music, video games, electronics and collectibles through 73 retail locations strategically positioned across Alabama, Arkansas, Colorado, Idaho, Illinois, Kansas, Missouri, Montana, Nebraska, New Mexico, Oklahoma, Tennessee, Texas, and Utah.

Retail-Flooring Segment

Our Retail-Flooring Segment is composed of Flooring Liquidators, Inc. (“Flooring Liquidators”).

Flooring Liquidators is a leading retailer and installer of flooring, carpeting, and countertops to consumers, builders, and contractors in California and Nevada, operating 27 warehouse-format stores and a design center. Over the years, the company has established a strong reputation for innovation, efficiency, and service in the home renovation and improvement market. Flooring Liquidators serves retail and builder customers through two businesses: retail customers through its Flooring Liquidators retail stores, and builder and contractor customers through Elite Builder Services, Inc.

Flooring Manufacturing Segment

Our Flooring Manufacturing segment is comprised of Marquis Industries, Inc. (“Marquis”).

Marquis is a leading carpet manufacturer and distributor of carpet and hard-surface flooring products. Over the last decade, Marquis has been an innovator and leader in the value-oriented polyester carpet sector, which is currently the market’s fastest-growing fiber category. Marquis focuses on the residential, niche commercial, and hospitality end-markets and serves thousands of customers.

Since commencing operations in 1995, Marquis has built a strong reputation for outstanding value, styling, and customer service. Its innovation has yielded products and technologies that differentiate its brands in the flooring marketplace. Marquis’s state-of-the-art operations enable high quality products, unique customization, and exceptionally short lead-times. Furthermore, the Company has recently invested in additional capacity to grow several attractive lines of business, including printed carpet and yarn extrusion.

Steel Manufacturing Segment

Our Steel Manufacturing segment is comprised of Precision Industries, Inc. (“Precision Marshall”), its wholly-owned subsidiary The Kinetic Co., Inc. (“Kinetic”), Precision Metal Works, Inc. (“PMW”), and Central Steel Fabricators, LLC. ("Central Steel").

Precision Marshall is the North American leader in providing and manufacturing, pre-finished de-carb free tool and die steel. For over 75 years, Precision Marshall has served steel distributors through quick and accurate service. Precision Marshall has led the industry with exemplary availability and value-added processing that saves distributors time and processing costs.

Founded in 1948, Precision Marshall “The Deluxe Company” has built a reputation of high integrity, speed of service and doing things the “Deluxe Way”. The term Deluxe refers to all aspects of the product and customer service to be head and shoulders above the rest. From order entry to packaging and delivery, Precision Marshall makes it easy to do business and backs all products and service with a guarantee.

Precision Marshall provides four key products to over 500 steel distributors in four product categories: Deluxe Alloy Plate, Deluxe Tool Steel Plate, Precision Ground Flat Stock, and Drill Rod. With over 5,000 distinct size grade combinations in stock every day, Precision Marshall arms tool steel distributors with deep inventory availability and same day shipment to their place of business or often ships direct to their customer saving time and handling.

On June 28, 2022, Precision Marshall acquired Kinetic. Kinetic is a highly recognizable and regarded brand name in the production of industrial knives and hardened wear products for the tissue, metals, and wood industries and is known as a one-stop shop for in-house grinding, machining, and heat-treating. Kinetic is headquartered in Greendale, Wisconsin. Kinetic manufactures more than 90 types of knives and numerous associated parts with modifications and customizations available to each. Kinetic employs approximately 100 non-union employees.

On July 20, 2023, we acquired PMW. Founded nearly 76 years ago in 1947 in Louisville, Kentucky, PMW manufactures and supplies highly engineered parts and components across 400,000 square feet of manufacturing space. PMW offers

world-class metal forming, assembly, and finishing solutions across diverse industries, including appliance, automotive, hardware, electrical, electronic, medical products, and devices.

On May 17, 2024, Precision Marshall acquired Central Steel. Founded in 1969 in Chicago, Illinois, Central Steel is a manufacturer of specialized fabricated metal products. Central Steel offers over 2,300 unique products to more than 500 customers. Its extensive product line, primarily for data centers, includes cable racks, auxiliary framing, hardware, insulation products, and network bays.

Corporate and Other Segment

Our Corporate and Other segment consists of certain corporate general and administrative costs, and operations of certain legacy products and service offerings for which we are no longer accepting new customers.

Critical Accounting Policies

Our condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Preparation of these statements requires us to make judgments and estimates. Some accounting policies have a significant and material impact on amounts reported in these financial statements. Estimates and assumptions are based on management's experience and other information available prior to the issuance of our financial statements. Our actual realized results may differ materially from management's initial estimates as reported. Our critical and significant accounting policies include Trade and Other Receivables, Inventories, Goodwill, Revenue Recognition, Fair Value Measurements, Income Taxes. For a summary of our significant accounting policies and the means by which we develop estimates thereon, see Part II, Item 8 – Financial Statements - Notes to unaudited condensed consolidated financial statements Note 2 – summary of significant accounting policies in our 2024 Form 10-K.

Adjusted EBITDA

We evaluate the performance of our operations based on financial measures such as "Adjusted EBITDA", which is a non-GAAP financial measure. We define Adjusted EBITDA as net income (loss) before interest expense, interest income, income taxes, depreciation, amortization, stock-based compensation, and other non-cash or nonrecurring charges. We believe that Adjusted EBITDA is an important indicator of the operational strength and performance of the business, including the business' ability to fund acquisitions and other capital expenditures, and to service its debt. Additionally, this measure is used by management to evaluate operating results and perform analytical comparisons and identify strategies to improve performance. Adjusted EBITDA is also a measure that is customarily used by financial analysts to evaluate a company's financial performance, subject to certain adjustments. Adjusted EBITDA does not represent cash flows from operations, as defined by GAAP, and should not be construed as an alternative to net income or loss and is indicative neither of our results of operations, nor of cash flows available to fund all our cash needs. It is, however, a measurement that the Company believes is useful to investors in analyzing its operating performance. Accordingly, Adjusted EBITDA should be considered in addition to, but not as a substitute for, net income, cash flow provided by operating activities, and other measures of financial performance prepared in accordance with GAAP. As companies often define non-GAAP financial measures differently, Adjusted EBITDA, as calculated by the Company, should not be compared to any similarly titled measures reported by other companies.

Results of Operations Three Months Ended March 31, 2025 and 2024

The following table sets forth certain statement of income items and as a percentage of revenue, for the three months ended March 31, 2025 and 2024 (in $000's):

	Three Months Ended March 31, 2025		Three Months Ended March 31, 2024	
		% of Total Revenue		% of Total Revenue
Selected Data				
Revenue	$ 107,013		$ 118,626	
Gross profit	35,148	32.8 %	35,467	29.9 %
General and administrative expenses	28,321	26.5 %	29,824	25.1 %
Sales and marketing expenses	4,735	4.4 %	6,481	5.5 %
Interest expense, net	3,933	3.7 %	4,167	3.5 %
Income (loss) before provision for income taxes	21,103	19.7 %	(4,498)	(3.8 %)
Provision for (benefit from) income taxes	5,237	4.9 %	(1,217)	(1.0 %)
Net income (loss)	$ 15,866	14.8 %	$ (3,281)	(2.8 %)
Adjusted EBITDA (a)				
Retail-Entertainment	$ 2,755		$ 2,153	
Retail-Flooring	(1,778)		(1,849)	
Flooring Manufacturing	2,272		2,897	
Steel Manufacturing	3,742		2,331	
Corporate & Other	(545)		(1,075)	
Total Adjusted EBITDA	$ 6,446		$ 4,457	
Adjusted EBITDA as a percentage of revenue				
Retail-Entertainment	14.9 %		12.8 %	
Retail-Flooring	(6.5 %)		(5.8 %)	
Flooring Manufacturing	7.6 %		8.5 %	
Steel Manufacturing	11.9 %		6.6 %	
Corporate & Other	N/A		N/A	
Consolidated adjusted EBITDA as a percentage of revenue	6.0 %		3.8 %	

(a) See reconciliation of net income to Adjusted EBITDA below.

The following table sets forth revenue by segment (in $000's):

	For the Three Months Ended March 31, 2025		For the Three Months Ended March 31, 2024	
	Net Revenue	% of Total Revenue	Net Revenue	% of Total Revenue
Revenue				
Retail-Entertainment	$ 18,467	17.3 %	$ 16,842	14.2 %
Retail-Flooring	27,399	25.6 %	32,032	27.0 %
Flooring Manufacturing	29,820	27.9 %	34,180	28.8 %
Steel Manufacturing	31,321	29.3 %	35,488	29.9 %
Corporate & Other	6	— %	84	0.1 %
Total Revenue	$ 107,013	100.0 %	$ 118,626	100.0 %

The following table sets forth gross profit earned by segment and gross profit as a percentage of total revenue for each segment (in $000's):

	For the Three Months Ended March 31, 2025		For the Three Months Ended March 31, 2024	
	Gross Profit	Gross Profit % of Total Revenue	Gross Profit	Gross Profit % of Total Revenue
Gross Profit				
Retail-Entertainment	$ 10,907	10.2 %	$ 9,836	8.3 %
Retail-Flooring	9,415	8.8 %	11,702	9.9 %
Flooring Manufacturing	8,193	7.7 %	8,760	7.4 %
Steel Manufacturing	6,629	6.2 %	5,090	4.3 %
Corporate & Other	4	— %	79	0.1 %
Total Gross Profit	$ 35,148	32.8 %	$ 35,467	29.9 %

Revenue

Revenue decreased approximately $11.6 million, or 9.8%, to approximately $107.0 million for the quarter ended March 31, 2025, compared to revenue of approximately $118.6 million in the prior year period. The decrease is attributable to the Retail-Flooring, Flooring Manufacturing, and Steel Manufacturing segments, which decreased by approximately $13.2 million in the aggregate.

Gross Profit

Gross profit was 32.8% for three months ended March 31, 2025 as compared to 29.9% for the three months ended March 31, 2024. The increase was primarily attributable to increased margins in our Steel Manufacturing segment primarily due to improved efficiencies, as well as the acquisition of Central Steel during May 2024, which has historically generated higher margins.

General and Administrative Expense

General and Administrative expenses decreased by 5% to approximately $28.3 million for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024. The decrease is primarily due to targeted cost reduction initiatives at Flooring Liquidators.

Sales and Marketing Expense

Sales and marketing expense decreased by 27% to approximately $4.7 million for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to reduced sales and marketing activities at Flooring Liquidators.

Interest Expense, net

Interest expense, net, decreased by approximately 5.6% to approximately $3.9 million for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024 due to lower average debt balances.

Results of Operations Six Months Ended March 31, 2025 and 2024

The following table sets forth certain statement of income items and as a percentage of revenue, for the six months ended March 31, 2025 and 2024 (in $000's):

	For the Six Months Ended March 31, 2025		For the Six Months Ended March 31, 2024	
		% of Total Revenue		% of Total Revenue
Statement of Income Data:				
Revenue	$ 218,521		$ 236,219	
Gross profit	70,510	32.3 %	71,794	30.4 %
General and administrative expenses	58,392	26.7 %	57,503	24.3 %
Sales and marketing expenses	9,264	4.2 %	11,588	4.9 %
Interest expense, net	8,095	3.7 %	8,330	3.5 %
Income (loss) before provision for income taxes	21,676	9.9 %	(5,404)	(2.3 %)
Provision for (benefit from) income taxes	5,318	2.4 %	(1,441)	(0.6 %)
Net income (loss)	$ 16,358	7.5 %	$ (3,963)	(1.7 %)
Adjusted EBITDA (a)				
Retail-Entertainment	$ 6,565		$ 5,867	
Retail-Flooring	(2,749)		(546)	
Flooring Manufacturing	3,023		4,774	
Steel Manufacturing	6,543		5,133	
Corporate & Other	(1,191)		(2,075)	
Total Adjusted EBITDA	$ 12,191		$ 13,153	
Adjusted EBITDA as a percentage of revenue				
Retail-Entertainment	16.5 %		15.7 %	
Retail-Flooring	(4.6 %)		(0.8 %)	
Flooring Manufacturing	5.4 %		7.5 %	
Steel Manufacturing	10.3 %		7.5 %	
Corporate & Other	N/A		N/A	
Consolidated adjusted EBITDA as a percentage of revenue	5.6 %		5.6 %	

(a) See reconciliation of net income to Adjusted EBITDA below.

The following table sets forth revenue by segment (in $000's):

	For the Six Months Ended March 31, 2025		For the Six Months Ended March 31, 2024	
	Net Revenue	% of Total Revenue	Net Revenue	% of Total Revenue
Revenue				
Retail-Entertainment	$ 39,740	18.2 %	$ 37,428	15.8 %
Retail-Flooring	59,146	27.1 %	66,351	28.1 %
Flooring Manufacturing	55,815	25.5 %	63,425	26.9 %
Steel Manufacturing	63,757	29.2 %	68,841	29.1 %
Corporate & other	63	— %	174	0.1 %
Total Revenue	$ 218,521	100.0 %	$ 236,219	100.0 %

The following table sets forth gross profit earned by segment and gross profit as a percentage of total revenue for each segment (in $000's):

	For the Six Months Ended March 31, 2025			For the Six Months Ended March 31, 2024	
	Gross Profit	Gross Profit % of Total Revenue		Gross Profit	Gross Profit % of Total Revenue
Gross Profit					
Retail-Entertainment	$ 22,951	10.5 %		$ 21,364	9.0 %
Retail-Flooring	21,218	9.7 %		24,734	10.5 %
Flooring Manufacturing	13,716	6.3 %		15,182	6.4 %
Steel Manufacturing	12,571	5.8 %		10,352	4.4 %
Corporate & other	54	— %		162	0.1 %
Total Gross Profit	$ 70,510	32.3 %	0.322669217146178	$ 71,794	30.4 %

Revenue

Revenue decreased approximately $17.7 million, or 7.5%, to approximately $218.5 million for the six months ended March 31, 2025, compared to revenue of approximately $236.2 million in the prior year period. The decrease is attributable to the Flooring Manufacturing, Retail-Flooring, and Steel Manufacturing segments, which decreased by approximately $20.0 million in the aggregate.

Gross Profit

Gross profit was 32.3% for six months ended March 31, 2025 as compared to 30.4% for the six months ended March 31, 2024. The increase was primarily attributable to increased margins in our Steel Manufacturing segment primarily due to improved efficiencies, as well as the acquisition of Central Steel during May 2024, which has historically generated higher margins.

General and Administrative Expense

General and administrative expense remained generally consistent at approximately $58.4 million and $57.5 million for the six months ended March 31, 2025 and 2024, respectively.

Sales and Marketing Expense

Sales and marketing expense decreased by 20.1% to approximately $9.3 million for the six months ended March 31, 2025, as compared to the six months ended March 31, 2024, primarily due to reduced sales and marketing activities at Flooring Liquidators.

Interest Expense, net

Interest expense, net, remained generally consistent at approximately $8.1 million and $8.3 million for the six months ended March 31, 2025 and 2024, respectively.

Results of Operations by Segment for the Three Months Ended March 31, 2025 and 2024

	For the Three Months Ended March 31, 2025						For the Three Months Ended March 31, 2024					
	Retail-Entertainment	Retail-Flooring	Flooring Manufacturing	Steel Manufacturing	Corporate & Other	Total	Retail-Entertainment	Retail-Flooring	Flooring Manufacturing	Steel Manufacturing	Corporate & Other	Total
Revenue	$ 18,467	$ 27,399	$ 29,820	$ 31,321	$ 6	$ 107,013	$ 16,842	$ 32,032	$ 34,180	$ 35,488	$ 84	$ 118,626
Cost of Revenue	7,560	17,984	21,627	24,692	2	71,865	7,006	20,330	25,420	30,398	5	83,159
Gross Profit	10,907	9,415	8,193	6,629	4	35,148	9,836	11,702	8,760	5,090	79	35,467
General and Administrative Expense	8,254	12,083	2,329	4,312	1,343	28,321	7,919	13,469	1,866	4,048	2,522	29,824
Selling and Marketing Expense	155	73	4,381	121	5	4,735	133	1,256	4,916	170	6	6,481
Operating Income (Loss)	$ 2,498	$ (2,741)	$ 1,483	$ 2,196	$ (1,344)	$ 2,092	$ 1,784	$ (3,023)	$ 1,978	$ 872	$ (2,449)	$ (838)

Retail-Entertainment Segment

Retail-Entertainment segment revenue for the quarter ended March 31, 2025 was approximately $18.5 million, an increase of approximately $1.6 million, or 9.6%, compared to prior year period revenue of approximately $16.8 million. Revenue increased primarily due to increased consumer demand for new products. The increase in the sales of new products with higher margins contributed to the increase in gross margin to 59.1% for the quarter ended March 31, 2025, compared to 58.4% for the prior year period. Operating income for the quarter ended March 31, 2025 was approximately $2.5 million, compared to operating income of approximately $1.8 million for the prior year period.

Retail-Flooring Segment

The Retail-Flooring segment revenue for the quarter ended March 31, 2025, was approximately $27.4 million, a decrease of approximately $4.6 million, or 14.5%, compared to the prior year period revenue of approximately $32.0 million. The decrease in revenue was primarily attributable to the disposition of certain Johnson Floor & Home Carpet One stores in May 2024. Gross margin for the quarter ended March 31, 2025 was 34.4%, compared to 36.5% for the prior year period. The decrease in gross margin was primarily driven by a change in product mix. Operating loss for the quarter ended March 31, 2025 was approximately $2.7 million, compared to an operating loss of approximately $3.0 million for the prior year period.

Flooring Manufacturing Segment

Revenue for the quarter ended March 31, 2025 was approximately $29.8 million, a decrease of approximately $4.4 million, or 12.8%, compared to prior year period revenue of approximately $34.2 million. The decrease in revenue was primarily due to reduced consumer demand, as a result of the ongoing weakness in the housing market and uncertainty about the current economic outlook. Gross margin was 27.5% for the quarter ended March 31, 2025, compared to 25.6% for the prior year period. The increase in gross margin was primarily due to changes in product mix. Operating income for the quarter ended March 31, 2025 was approximately $1.5 million, compared to approximately $2.0 million in the prior year period.

Steel Manufacturing Segment

Revenue for the quarter ended March 31, 2025 was approximately $31.3 million, a decrease of approximately $4.2 million, or 11.7%, compared to prior-year period revenue of approximately $35.5 million. The decline was primarily driven by lower sales volumes at certain business units, partially offset by incremental revenue of $3.8 million at Central Steel Fabricators, LLC (“Central Steel”), which was acquired in May 2024. Gross margin was 21.2% for the quarter ended March 31, 2025, compared to 14.3% for the prior-year period. The increase in gross margin was primarily due to strategic price increases as well as the acquisition of Central Steel. Operating income for the quarter ended March 31, 2025 was approximately $2.2 million, compared to approximately $0.9 million in the prior-year period.

Corporate and Other Segment

Revenue for the quarter ended March 31, 2025 was approximately $6,000, a decrease of approximately $78,000, or 92.9%, compared to prior year period revenue of approximately $84,000. Operating loss was approximately $1.3 million and $2.4 million for the quarters ended March 31, 2025 and 2024, respectively.

Results of Operations by Segment for the Six Months Ended March 31, 2025 and 2024

	For the Six Months Ended March 31, 2025						For the Six Months Ended March 31, 2024					
	Retail-Entertainment	Retail-Flooring	Flooring Manufacturing	Steel Manufacturing	Corporate & Other	Total	Retail-Entertainment	Retail-Flooring	Flooring Manufacturing	Steel Manufacturing	Corporate & Other	Total
Revenue	$ 39,740	$ 59,146	$ 55,815	$ 63,757	$ 63	$ 218,521	$ 37,428	$ 66,351	$ 63,425	$ 68,841	$ 174	$ 236,219
Cost of Revenue	16,789	37,928	42,099	51,186	9	148,011	16,064	41,617	48,243	58,489	12	164,425
Gross Profit	22,951	21,218	13,716	12,571	54	70,510	21,364	24,734	15,182	10,352	162	71,794
General and Administrative Expense	16,735	25,792	3,963	8,959	2,943	58,392	16,074	25,491	3,471	8,204	4,263	57,503
Selling and Marketing Expense	311	340	8,352	250	11	9,264	317	2,178	8,788	293	12	11,588
Operating Income (Loss)	$ 5,905	$ (4,914)	$ 1,401	$ 3,362	$ (2,900)	$ 2,854	$ 4,973	$ (2,935)	$ 2,923	$ 1,855	$ (4,113)	$ 2,703

Retail-Entertainment Segment

Retail-Entertainment segment revenue for the six months ended March 31, 2025 was approximately $39.7 million, an increase of approximately $2.3 million, or 6.2%, compared to prior year period revenue of approximately $37.4 million. Revenue increased primarily due to increased consumer demand for new products. The increase in the sales of new products with higher margins contributed to the increase in gross margin to 57.8% for the six months ended March 31, 2025, compared to 57.1% for the prior year period. Operating income for the six months ended March 31, 2025 was approximately $5.9 million, compared to operating income of approximately $5.0 million for the prior year period.

Retail-Flooring Segment

The Retail-Flooring segment revenue for the six months ended March 31, 2025 was approximately $59.1 million, a decrease of approximately $7.2 million, or 10.9%, compared to the prior year period revenue of approximately $66.4 million. The decrease was primarily attributable to the disposition of certain Johnson Floor & Home Carpet One stores in May 2024. Gross margin for the six months ended March 31, 2025 was 35.9%, compared to 37.3% for the prior year period. The decrease in gross margin was primarily driven by a change in product mix. Operating loss for the six months ended March 31, 2025, was approximately $4.9 million, compared to an operating loss of approximately $2.9 million for the prior year period. The increase in operating loss was primarily due to the decrease in revenues and gross margin, partially offset by targeted cost reduction initiatives implemented during the second quarter of fiscal 2025.

Flooring Manufacturing Segment

Revenue for the Flooring Manufacturing segment for the six months ended March 31, 2025 was approximately $55.8 million, a decrease of approximately $7.6 million, or 12.0%, compared to prior year period revenue of approximately $63.4 million. The decrease in revenue was primarily due to reduced consumer demand as a result of the ongoing weakness in the housing market and uncertainty about the current economic outlook. Gross margin was 24.6% for the six months ended March 31, 2025, compared to 23.9% for the prior year period. The increase in gross margin was primarily due to changes in product mix. Operating income for the six months ended March 31, 2025 was approximately $1.4 million, compared to operating income of approximately $2.9 million for the prior year period.

Steel Manufacturing Segment

Revenue for the six months ended March 31, 2025 was approximately $63.8 million, a decrease of approximately $5.0 million or 7.4%, compared to prior year period revenue of approximately $68.8 million. The decline was primarily driven by lower sales volumes at certain business units partially offset by incremental revenue of $6.9 million at Central Steel, which was acquired in May 2024. Gross margin was 19.7% for the six months ended March 31, 2025, compared to 15.0% for the prior year period. The increase in gross margin was primarily due to strategic price increases, as well as the acquisition of Central Steel. Operating income for the six months ended March 31, 2025 was approximately $3.4 million, compared to operating income of approximately $1.9 million in the prior year period.

Corporate and Other Segment

Revenue for the six months ended March 31, 2025 was approximately $63,000, a decrease of approximately $111,000, or 63.8%, compared to prior year period revenue of approximately $174,000. Operating loss was approximately $2.9 million and $4.1 million for the six months ended March 31, 2025 and 2024, respectively.

Adjusted EBITDA Reconciliation

The following table presents a reconciliation of net income to Adjusted EBITDA for the three and six months ended March 31, 2025 and 2024 (in 000's):

	For the Three Months Ended		For the Six Months Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Net income (loss)	$ 15,866	$ (3,281)	$ 16,358	$ (3,963)
Depreciation and amortization	4,401	4,188	8,816	8,483
Stock-based compensation	49	50	100	100
Interest expense, net	3,933	4,167	8,095	8,330
Income tax expense (benefit)	5,237	(1,217)	5,318	(1,441)
Gain on extinguishment of debt	—	—	(713)	—
Gain on modification of seller note	(22,784)	—	(22,784)	—
Gain on settlement of earnout liability	—	—	(2,840)	—
Acquisition costs	—	468	—	874
Debt acquisition costs	—	—	—	183
Other non-recurring charges	(256)	82	(159)	587
Adjusted EBITDA	$ 6,446	$ 4,457	$ 12,191	$ 13,153

Adjusted EBITDA for the quarter ended March 31, 2025 was approximately $6.4 million, an increase of approximately $2.0 million, or 44.6%, compared to the prior year period. The increase is primarily due to decreases in operating expenses targeted cost reduction initiatives.

Adjusted EBITDA for the six months ended March 31, 2025 was approximately $12.2 million, a decrease of approximately $1.0 million, or 7.3%, compared to the prior year period. The decrease is primarily due to a decrease in gross profit.

Liquidity and Capital Resources

As of March 31, 2025, we had total cash on hand of approximately $6.9 million and approximately $19.7 million of available borrowing under our revolving credit facilities. As we continue to pursue acquisitions and other strategic transactions to expand and grow our business, we regularly monitor capital market conditions and may raise additional funds through borrowings or public or private sales of debt or equity securities. The amount, nature, and timing of any borrowings or sales of debt or equity securities will depend on our operating performance and other circumstances; our then-current commitments and obligations; the amount, nature and timing of our capital requirements; any limitations imposed by our current credit arrangements; and overall market conditions.

Based on our current operating plans, we believe that available cash balances, cash generated from our operating activities, and funds available under our asset-based revolver lines of credit will provide sufficient liquidity to do the following: fund our operations; pay our scheduled loan payments; ability to repurchase shares under our share buyback program; and, pay dividends on our shares of Series E Preferred Stock as declared by the Board of Directors, for at least the next 12 months.

Working Capital

We had working capital of approximately $49.1 million as of March 31, 2025, as compared to working capital of approximately $52.3 million as of September 30, 2024; a decrease of approximately $3.2 million. The decrease is primarily due to increases in accrued liabilities, the current portion of long-term debt, and the current portion of operating lease obligations, and a decrease in income taxes receivable, partially offset by decreases in the current portion of notes payable to related parties and accounts payable, and an increase in accounts receivable.

Cash Flows from Operating Activities

The Company's cash, as of March 31, 2025, was approximately $6.9 million compared to approximately $4.6 million as of September 30, 2024, an increase of approximately $2.3 million. Net cash provided by operations was approximately $9.6 million and $2.1 million for the six months ended March 31, 2025 and 2024, respectively. The increase was primarily due to collections of accounts receivable and reduction in inventory, partially offset by decreases in income taxes payable.

Our primary sources of cash inflows are from customer receipts from sales on account, factored accounts receivable proceeds, receipts for securities sales commissions, and net remittances from directory services customers processed in the form of ACH billings. Our most significant cash outflows include payments for raw materials and general operating expenses, including payroll costs and general and administrative expenses that typically occur within close proximity of expense recognition.

Cash Flows from Investing Activities

Our cash flows used in investing activities of approximately $4.3 million for the six months ended March 31, 2025 consisted of purchases of property and equipment. Our cash flows used in investing activities of approximately $4.9 million for the six months ended March 31, 2024 consisted of the acquisitions of CRO by Flooring Liquidators, and Johnson by CRO, and purchases of property and equipment.

Cash Flows from Financing Activities

Our cash flows used in financing activities of approximately $3.0 million during the six months ended March 31, 2025 consisted of payments on notes payable of approximately $3.4, payments for finance leases of approximately $2.0 million, cash paid for the settlement of seller notes of approximately $1.9 million, net borrowings under revolver loans of approximately $1.3 million, payments of related party notes payable of $0.6 million, and purchases of treasury stock of approximately $0.4 million, partially offset by net borrowings under related party revolver loans of approximately $4.3 million, proceeds from the issuance related party notes payable of approximately $1.9 million, and proceeds from the issuance of notes payable of approximately $0.5 million.

Our cash flows used in financing activities of approximately $3.0 million during the six months ended March 31, 2024 consisted of net borrowings under revolver loans of approximately $7.7 million, payments on notes payable of approximately $3.4 million, proceeds from related parties of $1.0 million, purchases of treasury stock and payments for finance leases of approximately $0.4 million, and payments of related party notes payable of $0.6 million.

Currently, we are not issuing common shares for liquidity purposes. We prefer to use asset-based lending arrangements and mezzanine financing together with Company provided capital to finance acquisitions and have done so historically. Occasionally, as our Company history has demonstrated, we will issue stock and derivative instruments linked to stock for services or debt settlement.

Future Sources of Cash; New Products and Services

We may require additional debt financing or capital to finance new acquisitions, refinance existing indebtedness or other strategic investments in our business. Other sources of financing may include stock issuances and additional loans; or other forms of financing. Any financing obtained by us may further dilute or otherwise impair the ownership interest of our existing stockholders.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of March 31, 2025, we did not participate in any market risk-sensitive commodity instruments for which fair value disclosure would be required. We believe we are not subject in any material way to other forms of market risk, such as foreign currency exchange risk or foreign customer purchases or commodity price risk. We believe we are not subject in any material way to other forms of market risk, such as foreign currency exchange risk or foreign customer purchases or commodity price risk.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Control and Procedures. We carried out an evaluation, under the supervision, and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Based

upon that evaluation, we concluded that, as of March 31, 2025, the period covered in this report, our disclosure controls and procedures were not effective due to the material weakness in internal control over financial reporting further described below.

Despite the identified material weakness, management concluded that the consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material respects, the financial position, results of operations and cash flows for the periods disclosed in conformity with U.S. generally accepted accounting principles.

Management's Report on Internal Control Over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)). Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, does not expect that the Company's disclosure controls and procedures or the Company's internal control over financial reporting will prevent or detect all errors and all fraud. A control system, regardless of how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be met. These inherent limitations include the following: judgements in decision-making can be faulty, and control and process breakdowns can occur because of simple errors or mistakes, controls can be circumvented by individuals, acting alone or in collusion with each other, or by management override. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

Our management assessed the design and effectiveness of our internal control over financial reporting as of March 31, 2025. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") of 2013 regarding Internal Control – Integrated Framework. Based on our assessment using those criteria, our management concluded that our internal controls over financial reporting were ineffective as of March 31, 2025. Management noted the following deficiency that management believes to be a material weakness:

- Lack of sufficient controls around the financial reporting and consolidation process.

In response to the above identified weakness in our internal control over financial reporting, we plan to improve the control policies and procedures over financial reporting and consolidation processes. We expect to conclude these remediation initiatives during the fiscal year ended September 30, 2025. We continue to evaluate testing of our internal control policies and procedures, including assessing internal and external resources that may be available to complete these tasks, but do not know when these tasks will be completed.

A material weakness (within the meaning of PCAOB Auditing Standard No. 5) is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the company's financial reporting.

There were no changes in our internal control over financial reporting that occurred during the six months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. Legal Proceedings

The information in response to this item is included in Note 17, Commitments and Contingencies, to the Consolidated Financial Statements included in Part I, Item 1, of this Form 10-Q. Please also refer to “Item 3. Legal Proceedings” in our 2024 Form 10-K for information regarding material pending legal proceedings. Except as set forth herein and therein, there have been no new material legal proceedings and no material developments in the legal proceedings previously disclosed.

ITEM 1A. Risk Factors

None.

ITEM 2. Unregistered Sales of Equity Securities and Use of funds

On June 4, 2024, the Company announced a $10 million common stock repurchase program which will remain effective until May 31, 2025, unless extended, canceled , or modified by the Company's Board of Directors. During the three months ended March 31, 2025, the Company made the following repurchases:

Month	Number of Shares Purchased	Average Purchase Price Paid	Number of Shares Purchased as Part of a Publicly Announced Plan or Program	Maximum Amount that May be Purchased Under the Announced Plan or Program
January 2025	9,243	$ 9.68	9,243	$ 9,749,315
February 2025	6,503	$ 8.61	6,503	$ 9,693,303
March 2025	15,577	$ 7.31	15,577	$ 9,579,497
Totals	31,323	$ 8.28	31,323	$ 9,579,497

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

None.

ITEM 5. Other Information

None.

ITEM 6. Exhibits

The following exhibits are filed with or incorporated by reference into this Quarterly Report.

Exhibit Number		Exhibit Description	Form	File Number	Exhibit Number	Filing Date
3.1		Amended and Restated Articles of Incorporation	8-K	001-33937	3.1	08/15/07
3.2		Certificate of Change	8-K	001-33937	3.1	09/07/10
3.3		Certificate of Correction	8-K	001-33937	3.1	03/11/13
3.4		Certificate of Change	10-Q	001-33937	3.1	02/14/14
3.5		Articles of Merger	8-K	001-33937	3.1.4	10/08/15
3.6		Certificate of Change	8-K	001-33937	3.1.5	11/25/16
3.7		Certificate of Designation for Series B Convertible Preferred Stock filed with Secretary of State for the State of Nevada on December 23, 2016, and effective as of December 27, 2016	10-K	001-33937	3.1.6	12/29/16
3.8		Bylaws	10-Q	001-33937	3.8	08/14/18
10.138	*	Second Amendment to Securities Purchase Agreement by and among Flooring Affiliated Holdings, LLC, and Stephen J. Kellogg, individually, dated January 18, 2023, as amended February 25, 2025.				
10.139	*	Second Amendment to the Subordinated Promissory Note dated January 18, 2023 issued by Flooring Affiliated Holdings, LLC in favor of (i) the Stephen J. Kellogg Revocable Trust Dated April 17, 2015, (ii) the Kaitlyn Kellogg 2022 Irrevocable Trust, (iii) the Augustus Kellogg 2022 Irrevocable Trust, and (iv) the Kellogg 2022 Family Irrevocable Nevada Trust, as amended February 25, 2025.				
10.140	*	Amended and Restated Employment Agreement by and between Flooring Liquidators, Inc. and Stephen J. Kellogg, dated January 18, 2023, as amended February 25, 2025.				
31.1	*	Certification of the President and Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
31.2	*	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
32.1	*	Certification of the President and Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
32.2	*	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
101.INS	*	Inline XBRL Instance Document				
101.SCH	*	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	*	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	*	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	*	Inline XBRL Taxonomy Extension Label Linkbase Document				

101.PRE	*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104		Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Filed herewith
† Indicates a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Live Ventures Incorporated

Dated: May 8, 2025

/s/ Jon Isaac

President and Chief Executive Officer

(Principal Executive Officer)

Dated: May 8, 2025

/s/ David Verret

Chief Financial Officer

(Principal Financial Officer)

SECOND AMENDMENT TO
SECURITIES PURCHASE AGREEMENT

THIS SECOND AMENDMENT TO SECURITIES PURCHASE AGREEMENT (this "Amendment") is made and entered into as of February 25, 2025 (the "Effective Date"), by and between Flooring Affiliated Holdings, LLC, a Delaware limited liability company ("Buyer"), and Stephen J. Kellogg ("Kellogg"), individually and as seller representative (in such capacity, the "Seller Representative" and, together with Buyer, the "Parties").

RECITALS

WHEREAS, reference is made to that certain Securities Purchase Agreement, dated as of January 18, 2023 (the "Original Agreement"), by and among Buyer, Kellogg, as Seller Representative and an equityholder of the Acquired Companies, the Sellers identified in Exhibit A thereto and, solely for purposes of Section 3.4 thereof, Live Ventures Incorporated, a Nevada corporation ("Parent"), as amended by that certain Amendment to Securities Purchase Agreement, dated December 28, 2023 (the "First Amendment"), by and between the Parties (the Original Agreement, as so amended, the "Purchase Agreement");

WHEREAS, capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Original Agreement;

WHERAS, reference is made to that certain Memorandum of Understanding, dated February 25, 2025 (the "MOU"), by and among Flooring Liquidators, Inc., Buyer, Parent, Kellogg, and the Kellogg Trusts, including the recitals thereto, which amended the Purchase Agreement and contemplated that the Parties enter into this Amendment; and

WHEREAS, the Parties desire to amend the terms of the Purchase Agreement and to terminate certain provisions of the MOU on the terms provided herein.

AGREEMENT

NOW, THEREFORE, in in consideration of the recitals and the covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Affiliate Loans. Section 7.8 of the Original Agreement is hereby amended and restated in its entirety to read as follows:

(a) Section 7.8 of the Original Agreement is hereby amended and restated in its entirety to read as follows:

"7.8 **[Intentionally Omitted]**."

(b) In consideration of the Purchase Price adjustment and reduction of the Note & Guaranty, all as contemplated by that certain Second Amendment to Promissory Note, dated as of February 25, 2025 (the "Second Amendment to Note"), by and among Buyer and the

Kellogg Trusts, the Affiliate Loans, including all principal, interest, premiums, fees and other obligations, are hereby, automatically and without any further action, discharged effective as of January 18, 2023. For avoidance of doubt, each Affiliate Loan is hereby terminated and cancelled and no amounts shall be payable thereunder.

2. Holdback Release Date. Section 9.4 of the Purchase Agreement is hereby amended such that the "Holdback Release Date" shall occur on August 21, 2025.

3. Holdback Amount.

(a) Section 7.9 of the Original Agreement is hereby amended and restated in its entirety to read as follows:

"7.9 **Holdback Amount**. From January 1, 2025 to the Holdback Release Date, interest shall accrue on the remaining balance of the Holdback Amount at a rate per annum (computed on the basis of a 360-day year and for the actual number of days actually elapsed) equal to 8.24%. The Buyer shall, or shall cause the Acquired Companies to, pay to the Seller Representative (on behalf of and for further distribution to the Sellers) all accrued but unpaid interest outstanding on the first (1st) day of each calendar month no later than the fifth (5th) day of such calendar month. Notwithstanding anything to the contrary contained herein, neither the Buyer nor the Acquired Companies agree or will be obligated to pay interest hereunder at a rate that is in excess of the maximum rate permitted by applicable Law."

(b) The Parties agree that (i) the Holdback Amount on the Effective Date is One Million Five Hundred Thousand Dollars ($1,500,000.00), (ii) all interest accrued prior to January 1, 2025 has been paid or otherwise satisfied in full, and (iii) from and after the Effective Date, neither Buyer nor any Buyer Indemnitee shall have the right to make or satisfy any claim for Losses from the Holdback Amount (which, for purposes of Section 9.4(a) only, shall be deemed to have been released to Sellers in accordance with Section 9.4 of the Purchase Agreement as of the Effective Date).

4. Post-Closing Bonus Pool. Section 7.10 of the Original Agreement is hereby amended and restated in its entirety to read as follows:

"7.10 **[Intentionally Omitted]**."

5. Retention Bonus.

(a) Section 7.12 of the Original Agreement is hereby amended and restated in its entirety to read as follows:

"7.12 **[Intentionally Omitted]**."

(b) The definition of the term "Retention Bonus" is hereby deleted from Article I of the Purchase Agreement.

6. Restated Leases. For purposes of this Section 5, capitalized terms used but not defined in this Amendment or the Purchase Agreement shall have the respective meanings ascribed thereto in the respective Restated Lease.

(a) Shortened Leases. Kellogg shall cause the landlord or lessor, as the case may be (the "Landlord"), of each of the two (2) below premises:

(i) 1321 Railroad Avenue, Clovis, CA 93612; and

(ii) 2450 N. Clovis Avenue, Fresno, CA 93727;

to prepare an amendment for the lease for each such premise (together, the "Shortened Leases"), substantially in the form of Exhibit A, and to duly authorize and execute such amendment and deliver the same to the applicable tenant or lessee, as the case may be (the "Tenant"), for execution, in such a manner so that upon such execution by Tenant such amendment shall be binding upon such Landlord and such Tenant.

(b) Terminated Lease. The Parties acknowledge that K2L Property Management, LLC and Elite Builder Services, Inc. have entered into that certain Termination Agreement, dated as of March 28, 2025, relating to the termination of that certain Standard Industrial/Commercial Multi-Tenant Lease - Gross, dated August 31, 2024, by and between the same parties, with respect to the leased premises located at 1581 Cummins Drive, Building A, Suite 115 & 117, Modesto, CA 95358.

(c) Extended Leases. The Landlord of each Restated Lease which is not a Shortened Lease (each, an "Extended Lease") may prepare an amendment to such Extended Lease, substantially in the form of Exhibit B, and execute and deliver such amendment to the applicable Tenant and Buyer, whereupon Buyer shall cause such Tenant to duly authorize and execute such amendment and deliver the same to such Landlord, in such a manner that such amendment shall be binding upon such Landlord and such Tenant.

7. Allocation Among Acquired Companies. Exhibit C sets forth the Purchase Price allocation after giving effect to the reduction in the principal balance of the Note contemplated by the Second Amendment to Note.

8. Tax Refunds. Notwithstanding anything to the contrary in the Purchase Agreement, all Tax refunds for any Pre-Closing Tax Period (including the Pre-Closing Straddle Period) due or payable to or in respect of any Acquired Company on or after the Effective Date (including, for avoidance of doubt, an anticipated Tax refund from the IRS to Flooring Liquidators currently anticipated to be in the amount of approximately $750,000) shall remain with the applicable Acquired Company, and shall not be paid or payable to any Seller or the Seller Representative.

9. Repayment of Certain Loan. Within ninety (90) days of the Effective Date, Parent shall, or shall cause Flooring Liquidators to, pay $500,000.00 to Kellogg, to an account at a bank located in the United States designated by Kellogg in writing, in full satisfaction of all obligations (including principal, interest, fees and penalties, if any) of Flooring Liquidators or any of its Affiliates to Kellogg or any other Person with respect to that certain loan/deposit made by Kellogg to Flooring Liquidators in the amount of or about $500,000.00 in or about January 2025. Upon the payment of such sum in full, such loan/deposit shall be repaid in full and canceled, and neither Flooring Liquidators nor any of its Affiliates shall have any further or continuing obligations in respect thereof.

10. References to Purchase Agreement. Upon the effectiveness of this Amendment, each reference in the Purchase Agreement to "this Agreement" and the words "herein," "hereof," "hereby," "hereto," and "hereunder" (or words of like import) shall mean and be a reference to the Original Agreement as amended by the First Amendment and this Amendment, and as the

same may be further amended or modified from time to time in accordance with the terms thereof as then in effect.

11. Termination of MOU. Sections 1-9 of MOU are hereby terminated in their entirety *ab initio* and shall have no further force or effect.

12. Limited Amendment. Except as expressly amended by this Amendment, the Purchase Agreement and MOU shall remain unchanged and remain in full force and effect.

13. Effectiveness. This Amendment shall be effective as of the Effective Date.

14. Representations and Warranties. Each Party hereby severally (and not jointly) represents and warrants to each other Party at the Effective Date as follows:

(a) Organization and Good Standing. If an entity, such Party is duly organized, validly existing and in good standing under the laws of the state of its organization or formation.

(b) Authority. In the case of Buyer, such Party has full entity power and authority, and in the case of the Seller Representative, such Party has the capacity and authority, on behalf of himself and each Seller, to enter into this Amendment, perform its obligations hereunder, and consummate the transactions contemplated hereby. Neither the execution of this Amendment nor the consummation of the transactions contemplated hereby will constitute or cause a breach or violation of any covenants or obligations binding upon such Party (including, in case of an entity, its organizational documents) or affecting any of such Party's properties. No approval of or filing with any federal, state or local court, authority or administrative agency or any other Person (including any Sellers) is necessary to authorize the execution of this Amendment, or the consummation of the transactions contemplated hereby, by such Party. In the case of Buyer, the individual executing this Amendment on behalf of such Party is duly authorized to execute this Amendment on behalf of such Party, and in the case of the Seller Representative, the individual executing this Amendment as Seller Representative is the duly authorized and acting "Seller Representative" (as defined in the Purchase Agreement) and is duly authorized to execute this Amendment on behalf of all Sellers.

(c) Binding Effect. This Amendment has been duly and validly executed and delivered by such Party and constitutes (assuming due execution and delivery by the other Parties) a valid and legally binding obligation of such Party (and, in the case of the Seller Representative, the Sellers), enforceable against such Party (and, in the case of the Seller Representative, the Sellers) in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, or moratorium laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

(d) Litigation. There is no pending, or to such Party's actual knowledge threatened, Proceeding against such Party which reasonably would be expected to (i) affect the legality, validity or enforceability of this Amendment, or (ii) prevent, hinder or delay the consummation of the transactions contemplated hereby.

(e) No Conflicts. The execution and delivery of, and the performance of its obligations under, this Amendment by such Party will not (i) violate, conflict with or result in a breach or termination of, or otherwise give any Person the right to terminate, or constitute (with or without notice, the lapse of time, or both) a default under, result in the acceleration of any obligation under, or create in any party the right to accelerate, terminate, modify, suspend, revoke or cancel, or otherwise change (whether automatically or by the election of a party

thereto) the terms of any agreement, contract, mortgage, lease, bond, indenture, agreement, franchise or other instrument or obligation to which such Party is a party, or by which such Party is bound, or, such Party's organizational documents; (ii) result in the creation or imposition of any Liens upon any properties or assets of such Party; or (iii) violate any Law or Order applicable to such Party.

15. Miscellaneous.

(a) Governing Law; Venue and Jurisdiction. The Purchase Agreement and this Amendment, and any dispute or controversy related to the Purchase Agreement or this Amendment or the transactions contemplated thereby or hereby, are to be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its principles of conflict of laws. Subject to Section 15(b), each Party and each Seller hereby irrevocably submits to the non-exclusive jurisdiction of the courts of the State of California located in Stanislaus County and the US federal court located in the Eastern District of California (collectively, the "California Courts") with respect to any matter (i) to be submitted to a court pursuant to Section 15(b), or (ii) to which Section 15(b) is inapplicable. To the fullest extent permitted by law, each Party and each Seller hereby irrevocably and unconditionally waives, and agrees not to assert, any objection which such Party or Seller may have to any California Court based upon lack of personal jurisdiction, improper venue or *forum non conveniens*.

(b) Arbitration. Any dispute, claim or controversy based upon, arising out of or relating to the Purchase Agreement or this Amendment, or the breach, termination, enforcement, interpretation or validity thereof or hereof, including the determination of the scope or applicability of this Section 15(b) (each, a "Dispute"), shall be determined by binding arbitration in Los Angeles, California before a single arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures or pursuant to JAMS' Streamlined Arbitration Rules and Procedures; provided, that (i) any party or witness may appear remotely via video conference, (ii) the arbitrator shall have the power and authority to resolve any and all Disputes between the Parties and Sellers, including any dispute regarding the arbitrability of any Dispute or issue, and (iii) the arbitrator's decision shall be provided in writing and shall succinctly set forth the arbitrator's findings of fact, conclusions of law, and remedy, if any. Judgment on the award may be entered in any California Court. This clause shall not preclude any Party or any Seller from seeking provisional remedies in aid of arbitration from a California Court.

(c) Prevailing Party. The prevailing party in any Dispute shall be entitled to reasonable attorneys' fees, costs, and disbursements in addition to any other relief to which such party may be entitled. For purposes of this Section 15(c), the prevailing party shall be the party to the Dispute who is the net winner of the major issues therein, taking into account the claims pursued, the claims on which the pursuing party prevailed, the amount of money sought, the amount of money awarded, and offsets or counterclaims pursued (successfully or unsuccessfully) by the other party or parties thereto.

(d) Notices. The notice provisions of Section 11.8 of the Original Purchase Agreement shall apply hereto *mutatis mutandis*; provided that, until changed as provided in the ultimate sentence of said Section 11.8, the address and email address for notices or other communications to Buyer shall be the address and email address specified in Schedule 15(d).

(e) Amendments and Waivers;. Any provision of this Amendment may be amended or waived, but only if in writing and, in the case of an amendment, signed by all Parties or, in the case of a waiver, signed by the Party granting such waiver. The failure to exercise any right or remedy contained within this Amendment or otherwise provided, or any delay in exercising any such right or remedy, shall not operate as a waiver thereof. The waiver of any

right or remedy shall not be deemed to be a waiver of any other right or remedy or any subsequent breach of the same or any other right or remedy.

(f) Severability. Wherever possible, each provision of this Amendment shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Amendment shall be invalid or prohibited thereunder, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Amendment.

(g) No Third-Party Beneficiaries. This Amendment is made solely for the benefit of the Parties, the Sellers and their respective permitted successors and assigns, and no other Person shall have or acquire any right or remedy by virtue hereof except as otherwise expressly provided herein.

(h) Voluntary Execution. Each Party has executed this Amendment voluntarily, in the absence of coercion or duress, has been represented by counsel in the negotiation and delivery of this Amendment, and understands the terms hereof and intends to be legally bound by the same. The Parties have negotiated this Amendment at arms-length. The Parties have participated jointly in the negotiation and drafting of this Amendment. In the event an ambiguity or question of intent or interpretation arises, this Amendment shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any of the Parties by virtue of the authorship of any of the provisions of this Amendment.

(i) Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument. This Amendment (or any such counterpart) may be executed by electronic signature (including any electronic signature complying with the ESIGN Act of 2000, such as *www.docusign.com*) or delivered by electronic transmission (including by facsimile or electronic mail), and when so executed or delivered shall have been duly and validly executed or delivered, and be valid and effective, for all purposes.

(j) Construction. For purposes of this Amendment, unless the context clearly requires otherwise, (i) the term "electronic transmission" means facsimile, email and any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, (ii) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation"; (iii) the word "or" is not exclusive; (iv) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Amendment as a whole and not to any particular section or subsection hereof; (v) references to Schedules, Exhibits or Sections refer to the Schedules or Exhibits to, or the Sections of, this Amendment; (vi) the singular number includes the plural number and vice versa and reference to any gender includes each other gender; (vii) a "writing" shall include an electronic transmission, and (viii) references to days are specifically to calendar days. The headings herein are for convenience only, do not constitute a part of this Amendment and shall not be deemed to limit or affect any of the provisions hereof.

[the signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment as of the date first written above.

"Buyer"

FLOORING AFFILIATED HOLDINGS, LLC

By: /s/ David Verret
David Verret
Chief Financial Officer

"Kellogg"

/s/ Stephen J. Kellogg
Stephen J. Kellogg
Individually and as Seller Representative

EXHIBIT A

FORM OF AMENDMENT TO
SHORTENED LEASES

THIS AMENDMENT TO LEASE AGREEMENT (this "Amendment") is made and entered into as of [_____][__], 2025 (the "Effective Date"), by and between _____ ("Landlord") and _____ ("Tenant" and, together with Landlord, the "Parties").

R E C I T A L S

WHEREAS, reference is made to that certain Lease Agreement, dated as of [January 18, 2023] (the "Lease"), by and among the Parties with respect to the leased premises located at _____, _____, California _____];

WHEREAS, capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Lease; and

WHEREAS, the Parties desire to amend the terms of the Lease on the terms provided herein as contemplated by that certain Second Amendment to Securities Purchase Agreement, dated as of February 25, 2025, by and between Flooring Affiliated Holdings, LLC and Stephen J. Kellogg, as seller representative.

A G R E E M E N T

NOW, THEREFORE, in in consideration of the recitals and the covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Termination. The Expiration Date of the Lease shall occur on _____ __, 2025[1] (the "Termination Date") and, for avoidance of doubt, the Lease Term shall end and the Lease shall terminate on the Termination Date, with the same force and effect as though the Termination Date had originally been specified in the Lease as the expiration date of the Lease term thereof.

2. Obligations Under the Lease. Effective as of the Termination Date, the rights and obligations of Landlord and Tenant under the Lease will cease; provided, however, that (a) Tenant and Landlord will remain liable for any and all charges, fees, expenses and obligations which accrued up to the Termination Date, (b) that all indemnities that survive the expiration of the Lease, according to the terms of the Lease, will continue to survive the Termination Date, and (c) if the Lease provides for year-end adjustments, then (i) Landlord shall calculate the amount of adjustments, if any, as provided in the Lease and promptly upon determination thereof deliver written notice to Tenant, itemizing such adjustments in reasonable detail, and (ii) if such adjustments reveal that: (x) Tenant is obligated to pay Landlord under the Lease, Tenant will

[1] Note to Form: April 30, 2025 for the 1321 Railroad Avenue, Clovis, CA 93612 premises; and June 30, 2025 for the 2450 N. Clovis Avenue, Fresno, CA 93727 premises.

remit complete payment of any such deficiency within thirty (30) days following Landlord's written notice and demand for payment, or, if (y) Landlord is obligated to pay to or refund monies to Tenant, as a result of an overpayment by Tenant, Landlord will remit complete payment of such deficiency within thirty (30) days following reconciliation of such year-end adjustments. This Section 2 shall survive the Termination Date.

3. Surrender of the Lease Premises. Tenant shall surrender and deliver the Leased Premises to Landlord in accordance with Paragraph 22 of the Lease on or prior to the Termination Date. Tenant shall remove all external and internal signage prior to the Termination Date at Tenant's expense.

4. Limited Amendment. Except as expressly amended by this Amendment, the Lease shall remain unchanged and remain in full force and effect.

5. References to Lease. Upon the effectiveness of this Amendment, each reference in the Lease to "this Agreement" and the words "herein," "hereof," "hereby," "hereto," and "hereunder" (or words of like import) shall mean and be a reference to the Lease as amended by this Amendment, and as the same may be further amended or modified from time to time in accordance with the terms thereof as then in effect.

6. Representations and Warranties. Each Party hereby represents and warrants to each other Party at the Effective Date as follows:

(a) Organization and Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state of its organization or formation.

(b) Authority. Such Party has full entity power and authority to enter into this Amendment, perform its obligations hereunder, and consummate the transactions contemplated hereby. Neither the execution of this Amendment nor the consummation of the transactions contemplated hereby will constitute or cause a breach or violation of any covenants or obligations binding upon such Party (including its organizational documents) or affecting any of such Party's properties. No approval of or filing with any federal, state or local court, authority or administrative agency or any other individual or entity (each, a "Person") is necessary to authorize the execution of this Amendment, or the consummation of the transactions contemplated hereby, by such Party. The individual executing this Amendment on behalf of such Party is duly authorized to execute this Amendment on behalf of such Party.

(c) Binding Effect. This Amendment has been duly and validly executed and delivered by such Party and constitutes (assuming due execution and delivery by the other Parties) a valid and legally binding obligation of such Party, enforceable against such Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, or moratorium laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

(d) Litigation. There is no pending, or to such Party's actual knowledge threatened, complaint, action, suit, arbitration or other legal proceeding against such Party which reasonably would be expected to (i) affect the legality, validity or enforceability of this Amendment, or (ii) prevent, hinder or delay the consummation of the transactions contemplated hereby.

(e) No Conflicts. The execution and delivery of, and the performance of its obligations under, this Amendment by such Party will not (i) violate, conflict with or result in a breach or termination of, or otherwise give any Person the right to terminate, or constitute (with

or without notice, the lapse of time, or both) a default under, result in the acceleration of any obligation under, or create in any party the right to accelerate, terminate, modify, suspend, revoke or cancel, or otherwise change (whether automatically or by the election of a party thereto) the terms of any agreement, contract, mortgage, lease, bond, indenture, agreement, franchise or other instrument or obligation to which such Party is a party, or by which such Party is bound, or, such Party's organizational documents; (ii) result in the creation or imposition of any liens or encumbrances upon any properties or assets of such Party; or (iii) violate any statute, law, rule, regulation, judgment, order, injunction, decree or award of any court, arbitrator, administrative agency or governmental or regulatory body against, or binding upon, such Party.

(f) No Brokers. Such Party has not employed any broker, agent or other Person (i) to negotiate or assist in negotiating or consummating this Amendment on its behalf, and (ii) who is or might be entitled to a commission or compensation in connection with the negotiation, execution, delivery or effectiveness of this Amendment.

7. Miscellaneous.

(a) Incorporation by Reference. The provisions of Paragraphs 36 (related to severability), 38(d) (related to notices), 38(j) (related to construction), 38(k) (related to governing law), 38(m) (related to attorneys' fees), 38(o) (related to signatures and counterparts), and 39 (related to waiver of jury trials) of the Lease shall apply to this Amendment *mutatis mutandis*.

(b) Amendments and Waivers. Any provision of this Amendment may be amended or waived, but only if in writing and, in the case of an amendment, signed by all Parties or, in the case of a waiver, signed by the Party granting such waiver.

(c) No Third-Party Beneficiaries. This Amendment is made solely for the benefit of the Parties and their respective permitted successors and assigns, and no other individual or entity shall have or acquire any right or remedy by virtue hereof except as otherwise expressly provided herein.

(d) Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument. This Amendment (or any such counterpart) may be executed by electronic signature (including any electronic signature complying with the ESIGN Act of 2000, such as *www.docusign.com*) or delivered by electronic transmission (including by facsimile or electronic mail), and when so executed or delivered shall have been duly and validly executed or delivered, and be valid and effective, for all purposes.

[the signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment as of the date first written above.

"Landlord" [_____]

By: __
Name:
Title:

"Tenant" [_____]

By: __
Name:
Title:

EXHIBIT B

FORM OF AMENDMENT TO
EXTENDED LEASES

THIS AMENDMENT TO LEASE AGREEMENT (this "Amendment") is made and entered into as of [_____][__], 2025 (the "Effective Date"), by and between _____ ("Landlord") and _____ ("Tenant" and, together with Landlord, the "Parties").

R E C I T A L S

WHEREAS, reference is made to that certain Lease Agreement, dated as of [January 18, 2023] (the "Lease"), by and among the Parties with respect to the leased premises located at _____, _____, California _____];;

WHEREAS, capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Lease; and

WHEREAS, the Parties desire to amend the terms of the Lease on the terms provided herein as contemplated by that certain Second Amendment to Securities Purchase Agreement, dated as of February 25, 2025, by and between Flooring Affiliated Holdings, LLC and Stephen J. Kellogg, as seller representative.

A G R E E M E N T

NOW, THEREFORE, in in consideration of the recitals and the covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Extension of Lease Term. The Expiration Date shall occur, and the Lease Term shall end, the last day of the 120th full month following the Commencement Date. Such Lease Term shall be the "initial term of the Lease" for all purposes thereof.

2. Monthly Base Rent.

(a) Base Rent Adjustments. The monthly Base Rent during each of the five periods commencing on the date which is five (5), six (6), seven (7), eight (8) and nine (9) years, respectively, after the Commencement Date and continuing until the day next preceding the date which is six (6), seven (7), eight (8), nine (9) and ten (10) years, respectively, after the Commencement Date (each such period, an "Extension Year"), shall equal the lesser of (i) 105% of the Monthly Base Rent in effect immediately prior to such Extension Year, and (ii) if Tenant delivers a PRM Notice (as defined below) to Landlord pursuant to Section 2(c), the greater of (A) the Prevailing Monthly Base Rent (as defined below) for such Extension Year, and (B) the Monthly Base Rent in effect immediately prior to such Extension Year.

(b) Certain Definitions. For purposes of this Section 2:

(i) "Prevailing Market Rate" shall mean, with respect to any Extension Year, the estimated fair market rental value of the Premises during such Extension Year, as established pursuant to the procedures, terms, assumptions and conditions set forth in this Section 2. In determining the Prevailing Market Rate, the Parties and Arbitrator shall consider the annual rental rate per square foot of rentable area prevailing for such Extension Year for premises in comparable buildings in the City of [_____] which have been built out for occupancy, comparable in area and location and quality to the Premises (to the extent that quoted rental rates in the building, as applicable, vary with regard to location), being leased for a term of approximately five (5) years commencing on or about the first day of such Extension Year, taking into consideration rental concessions and abatements, the "as is" condition of the premises, operating, tax, maintenance, insurance and other expenses paid by the tenant/lessee, other adjustments to base rental and other comparable factors; provided, that the determination of Prevailing Market Rate shall not consider any sublease, lease assignment, lease renewal or extension, lease with a tenant that has equity, lease with a tenant that is related to or affiliated with the landlord; or lease of space that was subject to a right of first refusal, right of first offer, expansion option or other encumbrances.

(ii) "Prevailing Monthly Base Rent" shall mean, with respect to any Extension Year, the Monthly Base Rent corresponding to the Prevailing Market Rate for such Extension Year.

(c) PMBR Notice; Prevailing Monthly Base Rent. In order for the Prevailing Monthly Base Rent to apply to any Extension Year, Tenant must provide Landlord with written notice of its election to determine such Prevailing Market Base Rent (the " PMBR Notice") not earlier than thirty (30) days prior to, and not later than thirty (30) days after, the commencement of such Extension Year. Upon delivery of the PMBR Notice, the Prevailing Monthly Base Rent shall be determined as follows:

(i) Landlord and Tenant shall promptly (and in any event within ten (10) days of delivery of the PMBR Notice) commence negotiations to agree upon the Prevailing Monthly Base Rent applicable to such Extension Year (the "Applicable PMBR").

(ii) If Landlord and Tenant are unable to reach agreement on the Applicable PMBR within twenty (20) days after the delivery of the PMBR Notice (such date, the "End Date") pursuant to Section 2(c)(i), then within five (5) days after the End Date, Landlord and Tenant shall each submit to the other, in a simultaneous exchange of sealed envelopes or by encrypted email attachment to the other Party (in which case, after both Parties have delivered such attachment or the expiration of such five-day period, whichever is earlier, each Party which submitted an estimate shall promptly, and in any event within seven (7) days, deliver the decryption key or password to such email attachment by email to the other Party), its good faith estimate of the Applicable PMBR (the "APMBR Estimate"). If either Party does not provide an APMBR Estimate to the other Party prior to the expiration of such five-day period, or, if applicable, does not deliver the decryption key or password to the other Party within the seven-day period set forth above, then the Applicable PMBR shall be the APMBR Estimate provided by the other Party. If both Parties provide an APMBR Estimate, and the higher of such estimates is not more than one hundred five percent (105%) of the lower of such estimates, then the Applicable PMBR shall be the arithmetic mean of the two APMBR Estimates.

(iii) If the Applicable PMBR has not been determined pursuant to the preceding subsections of this Section 2(c), then either Landlord or Tenant may, by written

notice to the other Party (the "Appraisal Notice") delivered on or before the date five (5) days after the exchange of both APMBR Estimates (or, if the Parties did not exchange such estimates, the deadline for such exchange), demand that the Applicable PMBR be resolved by an arbitrator (the "Arbitrator") as set forth in this Section 2(c)(iii).

(A) Within seven (7) days after delivery of the Appraisal Notice, the Parties shall negotiate in good faith to designate an independent MAI appraiser with experience in real estate activities, including at least ten (10) years experience in appraising office space in the County of [_____], California (a "Qualified Appraiser") as the Arbitrator. If the Parties cannot agree on the Arbitrator prior to the expiration of such period, then, within seven (7) days of such expiration, each Party shall designate a Qualified Appraiser to the other Party in writing and, within seven (7) days of each Party so designating a Qualified Appraiser, the two designated Qualified Appraisers shall designate a third Qualified Appraiser to act as the Arbitrator; provided, that if one Party shall fail to so designate a Qualified Appraiser to the other Party prior to the expiration of such seven (7) day period, then the Qualified Appraiser designated by the other Party shall be the Arbitrator.

(B) As soon as practicable, but in any case within fourteen (14) days after the Arbitrator has been designated pursuant to Section 2(c)(iii)(A), the Arbitrator shall determine the Applicable PMBR and specify to the Parties in writing the APMBR Estimate which is closest to the Applicable PMBR as so determined by the Arbitrator. The Applicable PMBR shall equal such APMBR Estimate, and the Arbitrator's determination shall be final and binding upon the Parties and shall not be subject to appeal. If the Arbitrator believes that expert advice would materially assist the Arbitrator, then the Arbitrator may retain one or more qualified Persons, including, but not limited to, legal counsel, brokers, architects or engineers, to provide such expert advice. The Party whose APMBR Estimate is not chosen by the Arbitrator shall pay the costs of the Arbitrator and of any such experts retained by the Arbitrator; provided, however, that any fees of any counsel or expert engaged directly by Landlord or Tenant shall be borne by the Party retaining such counsel or expert.

3. Limited Amendment. Except as expressly amended by this Amendment, the Lease shall remain unchanged and remain in full force and effect.

4. References to Lease. Upon the effectiveness of this Amendment, each reference in the Lease to "this Agreement" and the words "herein," "hereof," "hereby," "hereto," and "hereunder" (or words of like import) shall mean and be a reference to the Lease as amended by this Amendment, and as the same may be further amended or modified from time to time in accordance with the terms thereof as then in effect.

5. Representations and Warranties. Each Party hereby represents and warrants to each other Party at the Effective Date as follows:

(a) Organization and Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state of its organization or formation.

(b) Authority. Such Party has full entity power and authority to enter into this Amendment, perform its obligations hereunder, and consummate the transactions contemplated hereby. Neither the execution of this Amendment nor the consummation of the transactions contemplated hereby will constitute or cause a breach or violation of any covenants or obligations binding upon such Party (including its organizational documents) or affecting any of

such Party's properties. No approval of or filing with any federal, state or local court, authority or administrative agency or any other individual or entity (each, a "Person") is necessary to authorize the execution of this Amendment, or the consummation of the transactions contemplated hereby, by such Party. The individual executing this Amendment on behalf of such Party is duly authorized to execute this Amendment on behalf of such Party.

(c) Binding Effect. This Amendment has been duly and validly executed and delivered by such Party and constitutes (assuming due execution and delivery by the other Parties) a valid and legally binding obligation of such Party, enforceable against such Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, or moratorium laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

(d) Litigation. There is no pending, or to such Party's actual knowledge threatened, complaint, action, suit, arbitration or other legal proceeding against such Party which reasonably would be expected to (i) affect the legality, validity or enforceability of this Amendment, or (ii) prevent, hinder or delay the consummation of the transactions contemplated hereby.

(e) No Conflicts. The execution and delivery of, and the performance of its obligations under, this Amendment by such Party will not (i) violate, conflict with or result in a breach or termination of, or otherwise give any Person the right to terminate, or constitute (with or without notice, the lapse of time, or both) a default under, result in the acceleration of any obligation under, or create in any party the right to accelerate, terminate, modify, suspend, revoke or cancel, or otherwise change (whether automatically or by the election of a party thereto) the terms of any agreement, contract, mortgage, lease, bond, indenture, agreement, franchise or other instrument or obligation to which such Party is a party, or by which such Party is bound, or, such Party's organizational documents; (ii) result in the creation or imposition of any liens or encumbrances upon any properties or assets of such Party; or (iii) violate any statute, law, rule, regulation, judgment, order, injunction, decree or award of any court, arbitrator, administrative agency or governmental or regulatory body against, or binding upon, such Party.

(f) No Brokers. Such Party has not employed any broker, agent or other Person (i) to negotiate or assist in negotiating or consummating this Amendment on its behalf, and (ii) who is or might be entitled to a commission or compensation in connection with the negotiation, execution, delivery or effectiveness of this Amendment.

6. Miscellaneous.

(a) Incorporation by Reference. The provisions of Paragraphs 36 (related to severability), 38(d) (related to notices), 38(j) (related to construction), 38(k) (related to governing law), 38(m) (related to attorneys' fees), 38(o) (related to signatures and counterparts), and 39 (related to waiver of jury trials) of the Lease shall apply to this Amendment *mutatis mutandis*.

(b) Amendments and Waivers. Any provision of this Amendment may be amended or waived, but only if in writing and, in the case of an amendment, signed by all Parties or, in the case of a waiver, signed by the Party granting such waiver.

(c) No Third-Party Beneficiaries. This Amendment is made solely for the benefit of the Parties and their respective permitted successors and assigns, and no other individual or entity shall have or acquire any right or remedy by virtue hereof except as otherwise expressly provided herein.

(d) Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument. This Amendment (or any such counterpart) may be executed by electronic signature (including any electronic signature complying with the ESIGN Act of 2000, such as *www.docusign.com*) or delivered by electronic transmission (including by facsimile or electronic mail), and when so executed or delivered shall have been duly and validly executed or delivered, and be valid and effective, for all purposes.

[the signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment as of the date first written above.

"Landlord" [_____]

By: __
Name:
Title:

"Tenant" [_____]

By: __
Name:
Title:

EXHIBIT C

ALLOCATION AMONG ACQUIRED COMPANIES

The Purchase Price shall be allocated among each Acquired Company as set forth below. Any increases or decreases to the Purchase Price shall be allocated proportionately among each Acquired Company.

Acquired Company	**Value**
Flooring Liquidators, Inc.	$49,350,000.00
Elite Builder Services, Inc.	$13,250,000.00
7 Day Stone, Inc.	$1,500,000.00
Floorable, LLC	$100,000.00
K2L Leasing, LLC	$300,000.00
SJ&K Equipment	$1,500,000.00
Total:	$66,000,000.00

SECOND AMENDMENT TO
SUBORDINATED PROMISSORY NOTE

THIS SECOND AMENDMENT TO SUBORDINATED PROMISSORY NOTE (this " Amendment") is made and entered into as of February 25, 2025 (the "Effective Date"), by and among Flooring Affiliated Holdings, LLC, a Delaware limited liability company ("Buyer"), the Stephen J. Kellogg Revocable Trust dated April 17, 2015 (the "SK Trust"), the Kaitlyn Kellogg 2022 Irrevocable Trust (the "KK Trust"), the Augustus Kellogg 2022 Irrevocable Trust (the "AK Trust") and the Kellogg 2022 Family Irrevocable Nevada Trust (the "Kellogg NING" and, together with the SK Trust, the KK Trust and the AK Trust, the "Kellogg Trusts").

R E C I T A L S

WHEREAS, reference is made to (a) that certain Subordinated Promissory Note, dated January 18, 2023 (the "Original Note"), made by Buyer and, solely for purposes of Section 14 thereof, Live Ventures Incorporated, a Nevada corporation ("Parent"), in favor of the Kellogg Trusts, as amended by that certain Amendment to Subordinated Promissory Note, dated December 28, 2023 (the "First Amendment"), by and among Buyer and the Kellogg Trusts, (b) the Purchase Agreement (as defined in the Original Note), as amended by that certain Amendment to Securities Purchase Agreement, dated December 28, 2023 (the "First SPA Amendment"), by and between Buyer and Kellogg, as Seller Representative, and that certain Second Amendment to Securities Purchase Agreement, dated as of the Effective Date (the "Second SPA Amendment"), by and between Buyer and Kellogg, in his individual capacity and as Seller Representative (the Purchase Agreement, as amended by the First SPA Amendment and Second SPA Amendment, the " SPA"), and (c) that certain Memorandum of Understanding, dated February 25, 2025 (the "MOU"), by and among Flooring Liquidators, Inc., Buyer, Parent, Kellogg, and the Kellogg Trusts, including the recitals thereto, which contemplates that Buyer and the Kellogg Trusts (collectively, the "Parties") enter into this Amendment;

WHEREAS, the Parties desire to amend the terms of the Original Note, as amended by the First Amendment, on the terms provided herein; and

WHEREAS, capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Original Note.

A G R E E M E N T

NOW, THEREFORE, in consideration of the recitals and the covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Reduction of Principal Balance. The Original Note is hereby amended as follows:

(a) The amount "$34,000,000.00" set forth on the face of the Original Note immediately under the legends and title is hereby replaced by the amount "$15,000,000.00".

(b) The text "Thirty-Four Million Dollars ($34,000,000.00)" appearing in the preamble of the Original Note is hereby replaced with the text "Fifteen Million Dollars ($15,000,000.00)".

(c) As of the Effective Date, Exhibit A to the Original Note is hereby amended to read in its entirety as stated in Exhibit A attached hereto and incorporated by reference herein. The Kellogg Trusts acknowledge and agree that their respective *pro rata* share of the aggregate principal amount of the Note, as set forth in Exhibit A hereto, differs from their respective *pro rata* share of the aggregate principal amount of the Note, as set forth in Exhibit A to the Original Note.

(d) The Parties shall treat the reduction of the principal balance of the Original Note as a purchase price adjustment, unless otherwise required by Law (as such term is defined in the Purchase Agreement).

2. Interest Payments. Section 2 of the Original Note is hereby amended and restated in its entirety to read as follows:

" **2. Interest; Maturity Date**.

"(a) **Interest Rate**. Interest on the unpaid principal balance of this Note shall begin to accrue on January 1, 2025 at a rate of eight and twenty-four hundredths (8.24%) percent per annum, on the principal balance outstanding hereunder from time to time, and shall continue to accrue until this Note has been repaid in full; provided, however, that following the occurrence, and during the continuation, of an Event of Default (as hereinafter defined) hereunder, the unpaid principal balance hereof shall bear interest at a rate of ten (10%) percent per annum (the "**Default Rate**"). Notwithstanding anything to the contrary contained herein, the undersigned does not agree and will not be obligated to pay interest hereunder at a rate that is in excess of the maximum rate permitted by applicable law.

"(b) **Interest Payments**. Subject to Section 6 hereof and to the extent permitted under the Subordination Agreement, Buyer shall pay all accrued but unpaid interest outstanding on the first (1st) day of each calendar month no later than the fifth (5th) day of such calendar month, until this Note has been paid in full; provided, however, that to the extent any payments (or portions thereof) are prohibited due to the operation of the provisions of Section 6 hereof and the Subordination Agreement and are not otherwise paid, such payments (or portions thereof) shall be added to the principal hereunder and paid on the Maturity Date (without prejudice to Section 4 hereof).

"(c) **Maturity Date**. This Note shall expire and any and all amounts of unpaid principal *plus* accrued but unpaid interest then outstanding hereunder shall be repaid in full on February 21, 2028 (such date, subject to extension as provided in this Section 2(c), the "**Maturity Date**"). Without prejudice to Section 4 hereof:

"(i) the SK Trust may from time to time by written notice to Buyer extend the Maturity Date to the date specified in such notice; and

"(ii) Buyer may from time to time by written notice to the SK Trust request that the SK Trust consent to the extension of the Maturity Date by one (1) calendar year and, if the SK Trust, in its sole discretion, consents to such request: (A) the Maturity Date shall be extended by one (1) calendar year, (B) the then outstanding principal balance of this Note shall be increased by One Million Dollars ($1,000,000.00), with such increase being allocated *pro rata* to each Kellogg Trust based on the portion of the aggregate then outstanding principal balance of this Note then owed to such Kellogg Trust, and (C) Buyer shall update Exhibit A hereto to reflect such increase in the outstanding principal balance hereof and deliver a copy of such updated Exhibit A to each Kellogg Trust."

3. Designated Accounts. Schedule A hereto sets forth wiring instructions for each Kellogg Trust for purposes of all payments to be made to such Trust under this Note. Each Kellogg Trust may change its wiring instructions by designating a different bank account in writing to Buyer.

4. Event of Default. Section 7(a) of the Note is hereby amended by deleting the word "quarterly" wherever it appears therein.

5. Termination of this Amendment.

(a) If (i) an Event of Default under the Note occurs after the Effective Date and is continuing, or (ii) Parent fails to make any payment required to be made by Parent pursuant to Section 14 of the Note and Parent continues to fail to make such payment for a period of (A) five (5) Business Days in respect of payments of principal, and (B) thirty (30) days in respect of payments of interest, in either case, after Parent receives written notice from the SK Trust of such payment default, and such payment default is continuing; then, in either such case, the SK Trust may terminate this Amendment by written notice to Buyer electing to terminate this Amendment (the " Termination Notice"), with this Amendment terminating automatically upon such notice.

(b) Upon termination of this Amendment as provided in this Section 5, the amendments to the Note effected hereby shall automatically terminate and the Note shall revert to the terms in effect immediately prior to the effectiveness of this Amendment, including the reversion of the principal balance of the note to Thirty-Four Million Dollars ($34,000,000.00) (*less* any principal payments made by or on behalf of the Buyer on the Note after the Effective Date) (such amount, the "Reverted Balance"), and interest shall be deemed to have accrued on the Reverted Balance commencing as of January 1, 2025.

6. Failure to Pay at Maturity. In the event the Note is unpaid as of the Maturity Date and the SK Trust has delivered a Termination Notice to Buyer in accordance with Section 5(a), Buyer (a) agrees to and shall waive any and all defenses to payment on the Note, and (b) shall stipulate to the entry of judgment or final arbitration award against Buyer for the Reverted Balance *plus* accrued but unpaid interest *plus* the SJK Trust's reasonable attorneys' fees in form and substance reasonably demanded by the SJK Trust.

7. Termination of First Amendment. The First Amendment is hereby terminated in its entirety.

8. References to Note. Upon the effectiveness of this Amendment, and for so long as this Amendment is not terminated as contemplated by Section 5, each reference in the Note to "this Note" and the words "herein," "hereof," "hereby," "hereto," and "hereunder" (or words of

like import) shall mean and be a reference to the Original Note as amended by this Amendment, and as the same may be further amended or modified from time to time in accordance with the terms thereof as then in effect.

9. Limited Amendment. Except as expressly amended by this Amendment, the Note shall remain unchanged and remain in full force and effect.

10. Effectiveness. This Amendment shall be effective as of the Effective Date.

11. Representations and Warranties. Each Party hereby severally (and not jointly) represents and warrants to each other Party at the Effective Date as follows:

(a) Organization and Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state of its organization or formation.

(b) Authority. Such Party has full entity power and authority to enter into this Amendment, perform its obligations hereunder, and consummate the transactions contemplated hereby. Neither the execution of this Amendment nor the consummation of the transactions contemplated hereby will constitute or cause a breach or violation of any covenants or obligations binding upon such Party (including its organizational documents) or affecting any of such Party's properties. No approval of or filing with any federal, state or local court, authority or administrative agency or any other Person is necessary to authorize the execution of this Amendment, or the consummation of the transactions contemplated hereby, by such Party. The individual executing this Amendment on behalf of such Party is duly authorized to execute this Amendment on behalf of such Party.

(c) Binding Effect. This Amendment has been duly and validly executed and delivered by such Party and constitutes (assuming due execution and delivery by the other Parties) a valid and legally binding obligation of such Party, enforceable against such Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, or moratorium laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

(d) Litigation. There is no pending, or to such Party's actual knowledge threatened, Proceeding against such Party which reasonably would be expected to (i) affect the legality, validity or enforceability of this Amendment, or (ii) prevent, hinder or delay the consummation of the transactions contemplated hereby.

(e) No Conflicts. The execution and delivery of, and the performance of its obligations under, this Amendment by such Party will not (i) violate, conflict with or result in a breach or termination of, or otherwise give any Person the right to terminate, or constitute (with or without notice, the lapse of time, or both) a default under, result in the acceleration of any obligation under, or create in any party the right to accelerate, terminate, modify, suspend, revoke or cancel, or otherwise change (whether automatically or by the election of a party thereto) the terms of any agreement, contract, mortgage, lease, bond, indenture, agreement, franchise or other instrument or obligation to which such Party is a party, or by which such Party is bound, or, such Party's organizational documents; (ii) result in the creation or imposition of any Liens upon any properties or assets of such Party; or (iii) violate any Law or Order applicable to such Party.

12. Miscellaneous.

(a) Governing Law; Venue and Jurisdiction. This Amendment and any dispute or controversy related to this Amendment or the transactions contemplated hereby are to be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its principles of conflict of laws. Subject to Section 12(b), each Party hereby irrevocably submits to the non-exclusive jurisdiction of the courts of the State of California located in Stanislaus County and the US federal court located in the Eastern District of California (collectively, the "California Courts") with respect to any matter (i) to be submitted to a court pursuant to Section 12(b), or (ii) to which Section 12(b) is inapplicable. To the fullest extent permitted by law, each Party hereby irrevocably and unconditionally waives, and agrees not to assert, any objection which such Party may have to any California Court based upon lack of personal jurisdiction, improper venue or *forum non conveniens*.

(b) Arbitration. Any dispute, claim or controversy based upon, arising out of or relating to the Note or this Amendment, or the breach, termination, enforcement, interpretation or validity thereof or hereof, including the determination of the scope or applicability of this Section 12(b) (each, a "Dispute"), shall be determined by binding arbitration in Los Angeles, California before a single arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures or pursuant to JAMS' Streamlined Arbitration Rules and Procedures; provided, that (i) any party or witness may appear remotely via video conference, (ii) the arbitrator shall have the power and authority to resolve any and all Disputes between the Parties, including any dispute regarding the arbitrability of any Dispute or issue, and (iii) the arbitrator's decision shall be provided in writing and shall succinctly set forth the arbitrator's findings of fact, conclusions of law, and remedy, if any. Judgment on the award may be entered in any California Court. This clause shall not preclude any Party from seeking provisional remedies in aid of arbitration from a California Court.

(c) Prevailing Party. The prevailing party in any Dispute shall be entitled to reasonable attorneys' fees, costs, and disbursements in addition to any other relief to which such party may be entitled. For purposes of this Section 12(c), the prevailing party shall be the party to the Dispute who is the net winner of the major issues therein, taking into account the claims pursued, the claims on which the pursuing party prevailed, the amount of money sought, the amount of money awarded, and offsets or counterclaims pursued (successfully or unsuccessfully) by the other party or parties thereto.

(d) Entire Agreement. The Note, as amended by this Amendment, contains all of the terms and conditions agreed to by the Parties relating to the subject matter thereof and hereof, constitutes the entire agreement of the Parties and their respective affiliates with respect to the subject matter contained therein and herein, and supersedes all prior and contemporaneous contracts, negotiations, correspondence and communications (including Section 1 of the MOU, which is hereby terminated and of no further force or effect) of the Parties or their respective affiliates or representatives, oral or written, respecting such subject matter.

(e) Notices. The notice provisions of Section 11.8 of the SPA shall apply to the Note and this Amendment *mutatis mutandis*.

(f) Amendments and Waivers. Any provision of the Note or this Amendment may be amended or waived, but only if in writing and, in the case of an amendment, signed by all Parties or, in the case of a waiver, signed by the Party granting such waiver. The failure to exercise any right or remedy contained within this Amendment or otherwise provided, or any delay in exercising any such right or remedy, shall not operate as a waiver thereof. The waiver of any right or remedy shall not be deemed to be a waiver of any other right or remedy or any subsequent breach of the same or any other right or remedy.

(g) Severability. Wherever possible, each provision of the Note and this Amendment shall be interpreted in such manner as to be valid under applicable law, but if any provision of the Note or this Amendment shall be invalid or prohibited thereunder, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of the Note or this Amendment.

(h) No Third-Party Beneficiaries. This Amendment is made solely for the benefit of the Parties and their respective permitted successors and assigns, and no other Person shall have or acquire any right or remedy by virtue hereof except as otherwise expressly provided herein.

(i) Voluntary Execution. Each Party has executed this Amendment voluntarily, in the absence of coercion or duress, has been represented by counsel in the negotiation and delivery of this Amendment, and understands the terms hereof and intends to be legally bound by the same. The Parties have negotiated this Amendment at arms-length. The Parties have participated jointly in the negotiation and drafting of this Amendment. In the event an ambiguity or question of intent or interpretation arises, this Amendment shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any of the Parties by virtue of the authorship of any of the provisions of this Amendment.

(j) Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument. This Amendment (or any such counterpart) may be executed by electronic signature (including any electronic signature complying with the ESIGN Act of 2000, such as *www.docusign.com*) or delivered by electronic transmission (including by facsimile or electronic mail), and when so executed or delivered shall have been duly and validly executed or delivered, and be valid and effective, for all purposes.

(k) Construction. For purposes of this Amendment, unless the context clearly requires otherwise, (i) the term "electronic transmission" means facsimile, email and any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, (ii) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation"; (iii) the word "or" is not exclusive; (iv) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Amendment as a whole and not to any particular section or subsection hereof; (v) references to Sections refer to the Sections of this Amendment; (vi) the singular number includes the plural number and vice versa and reference to any gender includes each other gender; (vii) a "writing" shall include an electronic transmission, and (viii) references to days are specifically to calendar days. The headings herein are for convenience only, do not constitute a part of this Amendment and shall not be deemed to limit or affect any of the provisions hereof.

[the signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment as of the date first written above.

"Buyer"

FLOORING AFFILIATED HOLDINGS, LLC

By: /s/ David Verret
David Verret
Chief Financial Officer

"SJK Trust"

STEPHEN J. KELLOGG REVOCABLE TRUST DATED APRIL 17, 2015

By: /s/ Stephen J. Kellogg
Stephen J. Kellogg
Trustee

"KK Trust"
"AK Trust"
"Kellogg NING"

KAITLYN KELLOGG 2022 IRREVOCABLE TRUST
AUGUSTUS KELLOGG 2022 IRREVOCABLE TRUST
KELLOGG 2022 FAMILY IRREVOCABLE NEVADA TRUST

By: PREMIER TRUST INC., its Trustee

By: /s/ Joseph Blaylock
Joseph Blaylock
Authorized Signatory

EXHIBIT A

OUTSTANDING PRINCIPAL BALANCE
AND ACCRUED BUT UNPAID INTEREST
OF EACH KELLOGG TRUST
(As of February 25, 2025)

Name	Principal Amount	Accrued but Unpaid Interest
Stephen J. Kellogg Revocable Trust dated April 17, 2015	$9,702,884.56	$122,665.73
Kaitlyn Kellogg 2022 Irrevocable Trust	$439,353.09	$5,554.39
Augustus Kellogg 2022 Irrevocable Trust	$439,353.09	$5,554.39
Kellogg 2022 Family Irrevocable Nevada Trust	$4,418,409.26	$55,858.38
Total:	$15,000,000.00	$189,632.89

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this " Agreement") is entered into as of this 25th day of February, 2025 (the "Effective Date"), by and between Flooring Liquidators, Inc., a California corporation ("Employer"), and Steve J. Kellogg, an individual resident of the State of California ("Kellogg" or "Employee" and, together with Employer, the "Parties").

WHEREAS, the Parties are parties to that certain Employment Agreement, dated as of January 18, 2023 (the "Original Agreement"), as amended by that certain Amendment to Employment Agreement, dated December 28, 2023 (the " Amendment"), by and between the Parties, pursuant to which Employer has employed, engaged and hired Employee as its Chief Executive Officer, and as further amended by that certain Memorandum of Understanding, dated February 25, 2025 (the "MOU"), by and among Employer, Flooring Affiliated Holdings, LLC, Live Ventures Incorporated, Kellogg, and the trusts named therein;

WHEREAS, the Parties desire to enter into this Agreement to amend and restate the Original Agreement, as amended by the Amendment and MOU and otherwise amended prior to the Effective Date, in its entirety in accordance with the terms thereof;

WHEREAS, reference is made to (a) that certain Securities Purchase Agreement, dated January 18, 2023 (the "Purchase Agreement"), by and among Flooring Affiliated Holdings, LLC, a Delaware limited liability company (the "Buyer"), Kellogg, in his capacity as the Seller Representative and in his capacity as an equityholder of the Acquired Companies (as such terms are defined in the Purchase Agreement), the other equityholders of the Acquired Companies as listed therein, and solely for purposes of Section 3.4 thereof, Live Ventures Incorporated, a Nevada corporation ("Parent"), pursuant to which Buyer purchased all of the issued and outstanding equity interests of the Acquired Companies, including Employer, and (b) that certain Notice of Approved Activities, dated as of the Effective Date (the " Notice of Approved Activities"), from Buyer to Employee; and

WHEREAS, reference is made to that certain Subordinated Promissory Note, dated January 18, 2023 (the "Original Note"), made by Buyer and, solely for purposes of Section 14 thereof, Parent, in favor of the Kellogg Trusts (as defined therein), as amended by that certain Amendment to Subordinated Promissory Note, dated December 28, 2023, by and among Buyer and the Kellogg Trusts, and by that certain Second Amendment to Subordinated Promissory Note, dated as of Effective Date, by and among Buyer and the Kellogg Trusts (the Original Note, as so amended and as further amended from time to time in accordance with the terms thereof then in effect, the "Note").

NOW, THEREFORE, in consideration of the recitals, the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby severally acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. Employment and Duties.

(a) Title; Reporting; Location. Employee will have the title "Founder and Vice President" and shall report directly to the Chief Executive Officer of Employer (the "CEO"). During the Term (as defined below), Employee is expected to work a minimum of two days per week, such work to be performed at an Employer location of Employee's choosing (it being understood that Employee may elect to work for more than two days per week for Employer, for no additional compensation), and shall faithfully and using commercially reasonable efforts perform Employee's employment duties pursuant to the terms hereof. Employee may work remotely from time-to-time so long as Employee can reasonably perform his employment duties while working remotely.

(b) Duties. Employee's principal duties shall include: (i) sourcing domestic and imported products; (ii) team and brand development in stores and at trade shows; (iii) assisting with location selection for new and existing stores; (iv) display and sample consulting/development; (v) general business advising and consulting; and (vi) developing Employer's branded shop-at-home model.

(c) Travel. Employee may be required to engage in reasonable travel on Employer business during the Term at Employer's reasonable expense (using such class of transportation, lodging and dining as are used by other officers of Employer and subject to Section 3(f)).

(d) Employer Policies. Employee's employment relationship with Employer shall also be subject to the personnel policies and procedures of Employer ("Employer Policies") as they may be adopted, revised, or deleted from time to time in Employer's discretion. Notwithstanding the foregoing, to the extent any terms of this Agreement differ from or conflict with the Employer Policies, this Agreement shall control.

2. Term. Subject to Section 4, Employee's term of employment hereunder shall continue until the third (3rd) anniversary of the Effective Date (the period from the Effective Date (for purposes of this parenthetical only, as such term is defined in the Original Agreement) to such third anniversary, the "Initial Term"). Thereafter, Employee may extend the Term of this Agreement, upon the same terms and conditions, by written notice to Employer delivered not more than 120 days and not later than ninety (90) days prior to the termination of the Initial Term for a period commencing upon the termination of the Initial Term and continuing until the earlier to occur of (i) the fifth (5th) anniversary of the Effective Date, and (ii) the repayment in full of the Note. The period during which Employee is employed by Employer hereunder is referred to herein as the "Term."

3. Compensation. For services rendered by Employee hereunder, Employee shall receive the following compensation:

(a) Salary. From the Effective Date until the termination of the Term, Employee shall be entitled to an annual base salary in the amount of Three Hundred Thousand Dollars ($300,000.00) ("Salary"), payable in equal installments on not less than a bi-weekly basis and consistent with Employer's other standard payment practices.

(b) Bonus.

(i) Certain Definitions. For purposes of this Section 3(b), the following terms shall have the respective definitions ascribed to them below:

(A) "Adjusted EBITDA" means, with respect to any Fiscal Year, the EBITDA of Buyer for such Fiscal Year exclusive of any proceeds in such Fiscal Year from the EBS Sale, if any.

(B) "Bonus Period" means the six consecutive Fiscal Years commencing January 1, 2025 and ending December 31, 2030.

(C) "EBITDA Target" means (I) for any Fiscal Year prior to the occurrence of the EBS Sale, if any, $10 million; (II) for the Fiscal Year, if any, in which the EBS Sale occurs, the sum of (x) the product of $10.0 million *times* the quotient of the number of days elapsed prior to and including the closing date of such EBS Sale in such Fiscal Year *divided* by the total number of days in such Fiscal Year *plus* (y) the product of $7.5 million *times* the quotient of the number of days remaining after the closing date of such EBS Sale in such Fiscal Year *divided* by the total number of days in such Fiscal Year, or (III) for any Fiscal Year after the occurrence of the EBS Sale, if any, $7.5 million.

(D) "EBS" means Elite Builder Services, Inc., a California corporation.

(E) "EBS Sale" means (I) any sale, license or transfer by EBS of all or substantially all of its assets on a consolidated basis in a single transaction or a series of related transactions to an independent third party (or group of affiliated or associated independent third parties); (II) any acquisition by any independent third party (or group of affiliated or associated independent third parties) of beneficial ownership of a majority of the total voting power or economic interests, by value, of EBS, in either case, in a single transaction or a series of related transactions; or (III) any consolidation, merger or reorganization (whether in one or multiple transactions) of EBS that results in any independent third party (or group of affiliated or associated independent third parties) obtaining fifty percent (50%) or more of the outstanding voting power or economic interests, by value, of EBS (or its successor if EBS is not the surviving entity); provided, that a transaction shall not constitute an "EBS Sale" if its principal purpose is to change the state of formation or incorporation of EBS, the entity form of EBS or to create one or more holding companies that will be owned, directly or indirectly, in substantially the same proportions by the shareholders of EBS immediately prior to such transaction, or any other transaction which has a similar purpose or effect.

(F) "Fiscal Year" means a fiscal year of Buyer.

(ii) Performance Bonus. Employee shall be entitled to receive a $5 million performance bonus (the "Performance Bonus") if Buyer achieves an Adjusted EBITDA equal to or greater than the EBITDA Target in any three (3) Fiscal Years during the Bonus Period, whether such Fiscal Years occur consecutively or non-consecutively, provided that Employee remains employed by Employer at the end of the third Fiscal Year in which such EBITDA Target is achieved. For avoidance of doubt, if Buyer does not achieve the EBITDA Target in at least three (3) Fiscal Years during the Bonus Period, no bonus shall be payable to Employee.

(iii) The opportunity for Employee to be paid the performance bonus pursuant to this Section 3(b) does not grant Employee any right to continued employment with Employer, Buyer or any other individual or entity, and such employment is subject

to termination in accordance with this Agreement to the same extent as if this opportunity had never been granted to Employee.

(c) Vacation. Employee shall not be entitled to any paid vacation days or sick leave except as required by applicable law.

(d) Benefits. Subject to the terms of the employee benefit plans, Employee shall be entitled to participate in any employee benefit plans, practices, and programs maintained by Employer, as in effect from time to time (collectively, "Benefit Plans") and Employer may terminate Employee's participation in any Benefit Plans in which Employee is participating on the Effective Date at any time upon written notice to Employee, subject to the terms of such Benefit Plan and applicable law. Employer reserves the right to amend or cancel any Benefit Plan in which Employee from time to time may participate at any time in its sole discretion, subject to the terms of such Benefit Plan and applicable law.

(e) Car Allowance. From the Effective Date until the termination of the Term, Employer shall provide Employee with a car allowance in the amount of One Thousand Dollars ($1,000.00) per month, pro-rated for any partial month.

(f) Business Expenses. Employee shall be entitled to reimbursement for all reasonable and necessary out-of-pocket business and travel expenses incurred by Employee in accordance with Employer's expense reimbursement policies and procedures, provided that such expenses were incurred (i) in connection with the performance of Employee's duties hereunder (and not in relation to any other activities of Employee), and (ii) with the prior written approval of the CEO (such approval not to be unreasonably withheld).

(g) Withholding. Employer may withhold from any amounts payable under this Agreement such federal, state and local taxes required to be withheld pursuant to any applicable law.

4. Termination of Employment. The Term and Employee's employment hereunder shall automatically be terminated by Employee's death and may be terminated by Employer for Cause (as defined below) or for Disability (as defined below), or by Employee at any time and for any reason or for no particular reason; provided that, except as otherwise provided herein, Employee shall be required to give Employer at least ninety (90) days advance written notice of Employee's resignation from employment without Good Reason (as defined below); provided, further that Employer may accelerate the effectiveness of such resignation without converting such event into a termination by Employer without Cause and without any requirement to provide payment in lieu of notice. For avoidance of doubt, Employer may not terminate Employee's employment without Cause. Upon termination of Employee's employment, Employee shall be entitled to the compensation and benefits described in this Section 4 and shall have no further rights to any compensation or any other benefits from Employer or any of its affiliates.

(a) Expiration of the Term, Termination by Employer for Cause, or Termination by Employee Without Good Reason . Upon the expiration of the Term and Employee's employment hereunder in accordance with Section 2, or the earlier termination of the Term and Employee's employment hereunder by Employer for Cause or by Employee without Good Reason, Employee shall be entitled to receive the following sums (collectively, the "Accrued Amounts"): (i) any accrued but unpaid Salary and accrued but unused paid time off; (ii) if (and only if) Employee has, at such time, fully earned the Performance Bonus pursuant to Section 3(b)(ii), then the amount of the Performance Bonus, if any, not yet paid to Employee; (iii) reimbursement for unreimbursed business expenses properly incurred by Employee in accordance with Section 3(f); and (iv) such employee benefits, if any, to which Employee may

be entitled under the Benefit Plans as of the date of Employee's termination; provided that, in no event shall Employee be entitled to any payments in the nature of severance or termination payments except as specifically provided herein.

(b) Termination by Employee for Good Reason. Upon the termination of the Term and Employee's employment hereunder by Employee for Good Reason, Employee shall be entitled to receive the Accrued Amounts *plus*, subject to Employee's compliance with Sections 5 through 10 and Employee's timely execution and non-revocation of and compliance with a separation agreement and release of claims in a form provided by Employer, the following:

(i) an amount equal to Employee's then-current Salary for a period of three (3) months beginning on the next regular payroll date after the separation agreement's effective date; provided that, the first installment payment shall include all amounts that would otherwise have been paid to Employee during the period beginning on the date of Employee's termination and ending on the first payment date if no delay had been imposed; and

(ii) if Employee timely and properly elects health continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), then Employer shall timely pay on behalf of Employee the monthly premiums for COBRA health benefit continuation coverage under the Employer's group plans for active employees and their dependents until the earliest of: (A) the date which is three (3) months from the date of Employee's termination; (B) the date Employee is no longer eligible to receive COBRA continuation coverage; and (C) the date on which Employee becomes eligible to receive substantially similar coverage from another employer.

(c) Death or Disability.

(i) The Term and Employee's employment hereunder shall terminate automatically upon Employee's death during the Term, and Employer may terminate the Term and Employee's employment hereunder on account of Employee's Disability.

(ii) If Employee's employment is terminated on account of Employee's death or Disability, then Employee (or Employee's estate or beneficiaries, as the case may be) shall be entitled to receive the Accrued Amounts. Notwithstanding any other provision contained herein, all payments made in connection with Employee's Disability shall be provided in a manner which is consistent with federal and state law.

(iii) For purposes of this Agreement, "Disability" shall mean Employee's inability, due to physical or mental incapacity, to perform the essential functions of Employee's job, with or without reasonable accommodation, for one hundred eighty (180) days out of any three hundred sixty-five (365) day period or for one hundred twenty (120) consecutive days. Any question as to the existence of Employee's Disability as to which Employee and Employer cannot agree shall be determined in writing by a Physician (as defined below). The determination of Disability made by a Physician in writing to Employer and Employee shall be final and conclusive for all purposes of this Agreement. "Physician" means qualified independent physician mutually acceptable to the Parties or, if the Parties cannot agree on such a physician within ten (10) days of written request by either Party, then a qualified independent physician mutually selected by two qualified independent physicians in good standing, one of whom to be designated by each Party in a written notice to the other Party, or, if either Party does not designate such a qualified independent physician to the other Party

within fifteen (15) days of written request by the other Party, then the physician so designated by the Party which did make such a designation.

(d) Cause. For purposes of this Agreement, "Cause" shall mean: (i) Employee's intentional failure or refusal to perform Employee's duties (other than any such failure resulting from incapacity due to physical or mental illness), and such failure or refusal to perform has not been cured within five (5) business days after Employee's receipt of written notice of such failure or refusal to perform; (ii) Employee's failure to comply with any valid and legal directive of Employer that reasonably relates to Employee's employment duties hereunder; (iii) Employee's engagement in dishonesty, illegal conduct, or gross misconduct, which is, in each case, materially injurious to Employer or its affiliates; (iv) Employee's embezzlement, misappropriation, or fraud, whether or not related to Employee's employment with Employer; (v) Employee's conviction of or plea of guilty or *nolo contendere* to a crime that constitutes a felony (or state law equivalent); (vi) Employee's violation of Employer Policies or codes of conduct, including written policies related to discrimination, harassment, performance of illegal or unethical activities, and ethical misconduct; or (vii) Employee's material breach of any other obligation under this Agreement or any other written agreement between Employee and Employer. In the event of Cause arising under clauses (ii) through (vii) of the immediately preceding sentence, Employer may immediately terminate Employee's employment, provided that, except for a failure, breach, or refusal which by its nature cannot reasonably be expected to be cured, Employee shall have ten (10) business days from the delivery of written notice by Employer within which to cure any acts constituting Cause.

(e) Good Reason. For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following, in each case without Employee's prior written consent: (i) a material reduction in Employee's Salary other than a general reduction in Salary that affects all similarly situated employees in substantially the same proportions; (ii) any material breach by Employer of any provision of this Agreement or any material provision of any other agreement between Employee and Employer, or (iii) a mandatory relocation of Employee's employment to a location that is more than twenty-five (25) miles from Employee's current location of employment. To terminate Employee's employment for Good Reason, Employee must provide written notice to Employer of the existence of the circumstances providing grounds for termination for Good Reason within thirty (30) days of the date Employee becomes aware of the circumstances providing grounds for termination and Employer shall have ten (10) business days from the date on which such notice is provided to cure such circumstances. If Employee does not terminate Employee's employment for Good Reason within thirty (30) days after Employee first becomes aware of the applicable grounds, then Employee will be deemed to have waived Employee's right to terminate for Good Reason with respect to such grounds.

(f) Resignation of All Other Positions. Upon termination of Employee's employment hereunder for any reason, Employee agrees to resign from all positions that Employee holds as an officer, employee, or member of the board of directors or similar body of Employer or any of its affiliates.

5. Acknowledgments. Employee acknowledges the following:

(a) Employer's services are highly specialized;

(b) the identity and particular needs of Employer's customers are not generally known;

(c) Employer has a proprietary interest in its subsidiaries, affiliates, and its and their customer lists, intellectual property, marketing information, and all other similar material; and

(d) documents and other information regarding Employer's software, patents, intellectual property, design, marketing methods, pricing and costs, as well as information pertaining to Employer's (or its subsidiary's or affiliate's) customers, including identity, location, service requirements and charges to the customers, are highly confidential and constitute trade secrets.

6. Trade Secrets and Confidential Information.

(a) During the Term, Employee has had and may have access to, and became and may become familiar with, various trade secrets and confidential information belonging to Employer including the documents and information referred to in Section 5(d). Employee acknowledges that such confidential information and trade secrets are owned and shall continue to be owned solely by Employer. During the Term and at all times thereafter, regardless of whether termination is initiated by Employer or Employee, Employee agrees not to use, communicate, reveal or otherwise make available such information for any purpose whatsoever, or to divulge such information to any person, partnership, corporation or entity other than Employer or persons expressly designated by Employer, unless Employee is compelled to disclose it by judicial process, applicable law or subpoena. While employed by Employer, Employee will use Employee's best efforts to prevent unauthorized publication or disclosure of any of Employer's confidential or proprietary information. Confidential information does not include (i) Developments independently developed by Employee under California Labor Code Sec. 2870; (ii) information that was known to the public prior to its disclosure to Employee; (iii) information that becomes generally known to the public subsequent to disclosure to Employee through no wrongful act of Employee; or (iv) information that Employee is required to disclose by applicable law, regulation or legal process (provided that Employee provides Employer with prior notice of the contemplated disclosure and cooperates with Employer at its expense in seeking a protective order or other appropriate protection of such information). Employee is free to discuss the terms and conditions of Employee's employment with others to the extent expressly permitted by Section 7 of the National Labor Relations Act.

(b) Except as otherwise provided herein, both during and after the Term, Employee will not make any representation or statement, whether written or oral, to any individual or entity, including to former, current and potential clients, vendors, business partners, employees, or competitors of Employer or any of Employer's affiliates, which reflects any opinion, judgment, observation or representation that may defame, disparage, harm, or otherwise reflect negatively on Employer or its officers, directors, or employees.

(c) Nothing in this Agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful or filing a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission (the "SEC") or any other federal, state or local governmental agency or commission ("Government Agencies"); provided, however, that Employee waives his or her right to receive any monetary damages associated with any such charge, complaint, investigation or other action, with the exception of any award for information provided to the SEC. Nothing in this Agreement shall infringe, limit, or restrict any rights Employee has under applicable law, nor shall this Agreement prohibit Employee from reporting conduct to, providing truthful information to, including providing documents or other information, without notice to Employer, or participating in any investigation or proceeding conducted by any Government Agency or self-regulatory organization. Further, nothing prohibits Employee from reporting an event that Employee reasonably believes is a legal violation to a law- enforcement agency or responding to a lawfully issued subpoena.

(d) Notwithstanding the foregoing, pursuant to the Defend Trade Secrets Act (18 U.S.C. Section 1833(b)), Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (1) is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

7. Employer's Records.

(a) Except as permitted by applicable law, Employee shall not remove from Employer's office or work site any of Employer's books, records, documents, customer lists, software codes, procedure manuals, correspondence or any copies of such documents, or any media or other types of records of any written, typed or printed material identifying or relating to the information described in this Agreement, together with any and all data involving advertising techniques, forms, correspondence or data in any way involving Employer's techniques, material, programs, methods or contracts without Employer's prior consent (collectively, the "Employer's Records"), nor shall Employee make any copies of the Employer's Records for use outside of Employer's office or work site, except as specifically authorized in writing by Employer, except as necessary in connection with the performance of Employee's duties under this Agreement.

(b) In the event Employer authorizes the removal of Employer's Records from Employer's office or work site, upon termination of the Term, Employee shall immediately turn over to Employer all of the Employer's Records in the possession of Employee, and Employee shall not retain any of the Employer's Records.

(c) Any customer accounts, information providers, information or ideas, procured, invented or developed by Employee during the Term that relate to Employer's business or that are created using Employer assets, shall be the exclusive property and inure to the exclusive benefit of Employer and all customer accounts, information providers, information and ideas of Employer existing as of the Effective Date shall remain the exclusive property and inure to the exclusive benefit of Employer.

8. Prohibition and Copyright Infringement. Under no circumstances shall Employee remove any copyrighted material from Employer's office or work site without Employer's prior written consent, except as necessary in connection with the performance of Employee's duties under the Agreement. In the event Employee requires any such copyrighted material to perform his duties and obligations hereunder, upon Employee's request, Employer shall provide the same.

9. Work Made for Hire. Employee hereby agrees that all works, including software programs, databases, developments, designs, inventions, improvements, trade secrets, trademarks, copyrightable subject matter or proprietary information which Employee makes or conceives, either solely by Employee or jointly with others and either on or off Employer's premises, relating to any actual or planned product, service or activity of Employer of which Employee has knowledge or suggested by or resulting from any work performed by Employee for Employer (a "Development") shall be considered to be "work made for hire" under the U.S. Copyright Act, 17 U.S.C. Paragraph 101, *et seq*., and shall be owned exclusively by Employer. In the event that any such Development, or portion thereof, is not construed to be a work made for hire, Employee hereby assigns to Employer, and will in the future upon Employer's request, confirm such assignment to Employer, of all right, title and interest in such Development or portion thereof. Employee agrees that he has no proprietary interests in any Developments or portion thereof, including any patent, copyright, trademark and trade secret rights. Employee agrees that he shall provide the necessary assistance to protect, enforce or perfect Employer's

rights and interests in such patents, copyrights and trademarks, and that Employee shall not register, file or obtain any patent, copyright or trademark relating to any of the Developments in his own name. EMPLOYEE UNDERSTANDS THAT THE PROVISIONS OF THIS AGREEMENT REQUIRING ASSIGNMENT OF DEVELOPMENTS (AS DEFINED ABOVE) TO EMPLOYER DO NOT APPLY TO ANY DEVELOPMENT THAT QUALIFIES FULLY UNDER THE PROVISIONS OF CALIFORNIA LABOR CODE SECTION 2870, IF APPLICABLE, OR SIMILAR LAW(S). EMPLOYEE WILL ADVISE EMPLOYER PROMPTLY IN WRITING OF ANY INVENTIONS THAT EMPLOYEE BELIEVES MEET THE CRITERIA IN CALIFORNIA LABOR CODE SECTION 2870 OR SIMILAR LAW(S) TO PERMIT A DETERMINATION OF OWNERSHIP BY EMPLOYER. ANY SUCH DISCLOSURE WILL BE RECEIVED IN CONFIDENCE. Section 2870 provides as follows:

> *(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:*
>
> *(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or*
>
> *(2) Result from any work performed by the employee for the employer.*
>
> *(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.*

This assignment shall not extend to Developments the assignment of which is prohibited by Labor Code Section 2870.

10. Restrictive Covenants. Employee agrees that, except for activities expressly approved in Section 2 of the Notice of Approved Activities (subject to any conditions to and restrictions upon such activities set forth in said Section 2):

(a) While Employee is employed and for a period of eighteen (18) months after termination of the Term, for any reason, regardless of whether the termination is initiated by Employer or Employee, Employee shall not, either directly or indirectly, either alone or in association with others, use Employer confidential information or trade secrets to solicit, divert, or take away the business of any clients, customers, or business partners of Employer which were served by Employee directly during the twelve (12)-month period prior to the termination or cessation of Employee's employment with Employer.

(b) While Employee is employed with Employer and for eighteen (18) months after the termination of the Term, for any reason, regardless of whether the termination is initiated by Employer or Employee, Employee will not directly or indirectly, either alone or in association with others, (i) solicit, induce or attempt to induce, any employee or independent contractor of Employer to terminate his or her employment or other engagement with Employer, or (ii) except as expressly approved in Section 3 of the Notice of Approved Activities, hire, or recruit or attempt to hire, or engage or attempt to engage as an employee or independent

contractor, any individual or entity who was employed or otherwise engaged by Employer at any time during the Term of Employee's employment with Employer; provided, that this clause (ii) shall not apply to the recruitment or hiring or other engagement of any individual whose employment or other engagement with Employer has been terminated for a period of six (6) months or longer.

(c) The periods of time referenced in each of Section 10(a) or (b) shall be tolled on a day-for-day basis for each day during which Employee violates the provisions of Section 10(a) or (b) in any respect, so that Employee is effectively restricted from engaging in the activities prohibited by Section 10(a) and (b) for the full stated time period.

(d) The Parties hereby agree that if the scope of enforceability of the restrictive covenant is in any way disputed at any time, then a court or other trier of fact may modify and enforce the covenant to the extent that it believes the covenant is reasonable under the circumstances existing at that time.

11. Remedies.

(a) Employee acknowledges that: (i) compliance with Sections 5 through 10 is necessary to protect Employer's business, trade secrets, confidential information and goodwill; (ii) a breach of Sections 5 through 10 will irreparably and continually damage Employer; and (iii) an award of money damages will not be adequate to remedy such harm. Consequently, Employee agrees that in the event Employee breaches or threatens to breach any of the covenants contained in Sections 5 through 10, Employer shall be entitled to injunctive relief restraining Employee from the breach or threatened breach. Nothing herein shall be construed as prohibiting Employer from pursuing any other remedies available to Employer for such breach or threatened breach available to Employer at law or in equity, including the recovery of damages from Employee or attorneys' fees, where permitted by applicable law.

(b) The covenants of Employee under Sections 5 through 10 shall be construed as independent of any other provisions of this Agreement and the existence of any claim or cause of action of or by Employee against Employer, whether based upon the terms and provisions herein or otherwise, shall not constitute a defense to the enforcement by Employer of the covenants of Employee made in this Agreement.

12. Section 409A.

(a) General Compliance. This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"), or an exemption thereunder and shall be construed and administered in accordance with such intent. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any nonqualified deferred compensation payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. Any payments to be made under this Agreement upon a termination of employment shall only be made upon a "separation from service" under Section 409A. Notwithstanding the foregoing, Employer makes no representations that the payments and benefits provided under this Agreement comply with Section 409A, and in no event shall Employer be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by Employee on account of non-compliance with Section 409A. If any provision of this Agreement, or any payment, distribution or other benefit provided to Employee pursuant to this Agreement, would fail to satisfy the

requirements of Section 409A, then Employer agrees to reasonably cooperate with Employee to amend this Agreement or restructure such payment, distribution or other benefit such that this Agreement or payment, distribution or other benefit shall comply with Section 409A and so that Employee shall, to the extent possible, derive the value of such payment or benefit intended hereunder.

(b) Specified Employees. Notwithstanding any other provision of this Agreement, if any payment or benefit provided to Employee in connection with Employee's termination of employment is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A and Employee is determined to be a "specified employee" as defined in Section 409A(a)(2)(b)(i), then such payment or benefit shall not be paid until the first payroll date to occur following the six-month anniversary of the date of Employee's termination or, if earlier, on Employee's death (the "Specified Employee Payment Date"). The aggregate of any payments that would otherwise have been paid before the Specified Employee Payment Date shall be paid to Employee in a lump sum on the Specified Employee Payment Date and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule.

(c) Reimbursements. To the extent required by Section 409A, each reimbursement or in-kind benefit provided under this Agreement shall be provided in accordance with the following: (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during each calendar year cannot affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year; (ii) any reimbursement of an eligible expense shall be paid to Employee on or before the last day of the calendar year following the calendar year in which the expense was incurred; and (iii) any right to reimbursements or in-kind benefits under this Agreement shall not be subject to liquidation or exchange for another benefit.

13. Miscellaneous.

(a) Governing Law; Venue and Jurisdiction. This Agreement and any dispute or controversy related to this Agreement or the transactions contemplated hereby are to be governed by, and construed and enforced in accordance with, the laws of the State of California, without regard to its principles of conflict of laws. Subject to Section 13(b), each Party hereby irrevocably submits to the non-exclusive jurisdiction of the courts of the State of California located in Stanislaus County and the US federal court located in the Eastern District of California (collectively, the "California Courts") with respect to any matter (i) to be submitted to a court pursuant to Section 13(b), or (ii) to which Section 13(b) is inapplicable. To the fullest extent permitted by law, each Party hereby irrevocably and unconditionally waives, and agrees not to assert, any objection which such Party may have to any California Court based upon lack of personal jurisdiction, improper venue or *forum non conveniens*.

(b) Arbitration. Any dispute, claim or controversy based upon, arising out of or relating to the this Agreement, or the breach, termination, enforcement, interpretation or validity thereof or hereof, including the determination of the scope or applicability of this Section 13(b) (each, a "Dispute"), shall be determined by binding arbitration in Los Angeles, California before a single arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures or pursuant to JAMS' Streamlined Arbitration Rules and Procedures; provided, that (i) any party or witness may appear remotely via video conference, (ii) the arbitrator shall have the power and authority to resolve any and all Disputes between the Parties, including any dispute regarding the arbitrability of any Dispute or issue, and (iii) the arbitrator's decision shall be provided in writing and shall succinctly set forth the arbitrator's findings of fact, conclusions of law, and remedy, if any. Judgment on the award may be entered in any California Court. This Section 13(b) shall not preclude any Party from seeking provisional remedies in aid of arbitration from a California Court.

(c) Prevailing Party. The prevailing Party in any Dispute shall be entitled to reasonable attorneys' fees, costs, and disbursements to the maximum extent permitted by law, in addition to any other relief to which such Party may be entitled. For purposes of this Section 13(c), the prevailing Party shall be the party to the Dispute who is the net winner of the major issues therein, taking into account the claims pursued, the claims on which the pursuing Party prevailed, the amount of money sought, the amount of money awarded, and offsets or counterclaims pursued (successfully or unsuccessfully) by the other Party or parties thereto.

(d) Waiver of Rights. The failure to exercise any right or remedy contained within this Agreement or otherwise provided, or delay in exercising such right or remedy, shall not operate as a waiver. No waiver shall be deemed effective unless and until such waiver is reduced to writing and signed by the Party sought to be charged with such waiver. The waiver of any right or remedy shall not be deemed to be a waiver of any other right or remedy or any subsequent breach of the same or any other right or remedy.

(e) Survival. The terms and provisions contained in Sections 5 through 12 and in Section 13 shall survive the termination of the Term or this Agreement. In addition, the termination of the Term shall not affect any of the rights or obligations of either Party arising prior to, or at the time of, the termination of the Term.

(f) Severability. If any provision of this Agreement is adjudged by any court to be void or unenforceable, in whole or in part, then this adjudication shall not affect the validity of the remainder of the Agreement. Each provision of this Agreement is separable from every other provision and constitutes a separate and distinct covenant.

(g) Successors; Assignment. This Agreement will be binding upon Employee's heirs, executors and administrators and will inure to the benefit of Employer and its successors and assigns. The obligations of Employee are personal and shall not be assigned by Employee. Employer may assign its rights and obligations under this Agreement, and Employee hereby consents to such assignment.

(h) Notices. All notices and other communications required or permitted under this Agreement must be in writing and will be deemed to have been duly given (i) when delivered in person, (ii) when sent by electronic mail (upon confirmation of receipt, exclusive of any automated reply), (iii) one (1) business day after having been dispatched by a nationally recognized overnight courier service, or (iv) five (5) business days after being sent by Registered or Certified Mail, return receipt requested, postage prepaid; in each case, to the appropriate Party at the address or email address specified below:

If to Employer:

Attention: Chris Nichols and Wayne Ipsen
736 Mariposa Road
Modesto, California 95354
Email: CNichols@LiveVentures.com; WIpsen@LiveVentures.com

If to Employee:

At Employee's last known residence and email address in Employer's employment records

Any Party may change its address or email address for the purposes of this Section 13(h) by giving notice as provided in this Section 13(h).

(i) Complete Understanding. This Agreement, together with the Notice of Approved Activities, constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the Parties (including the Original Agreement and Section 5 of the MOU), with respect to the subject matter hereof. If any provision of any agreement, plan, program, policy, arrangement or other written document between, or relating to the employment relationship between, Employer and Employee conflicts with any provision of this Agreement, then the provision of this Agreement shall control and prevail.

(j) No Third-Party Beneficiaries. This Agreement is made solely for the benefit of the Parties and their respective permitted successors and assigns, and no other individual or entity shall have or acquire any right or remedy by virtue hereof except as otherwise expressly provided herein.

(k) Modification. No alteration or modification of any of the provisions of this Agreement shall be valid unless made in writing and signed by both Parties.

(l) Voluntary Execution. Each Party has executed this Agreement voluntarily, in the absence of coercion or duress, has been represented by counsel in the negotiation and delivery of this Agreement, and understands the terms hereof and intends to be legally bound by the same. The Parties have negotiated this Agreement at arms-length. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any of the Parties by virtue of the authorship of any of the provisions of this Agreement.

(m) Construction; Headings. For purposes of this Agreement, unless the context clearly requires otherwise, (i) the term "electronic transmission" means facsimile, email and any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, (ii) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation"; (iii) the word "or" is not exclusive; (iv) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Agreement as a whole and not to any particular section or subsection hereof; (v) references to Sections refer to the Sections of this Agreement; (vi) the singular number includes the plural number and vice versa and reference to any gender includes each other gender; (vii) a "writing" shall include an electronic transmission; (viii) references to days are specifically to calendar days; and (ix) references to the termination of a contract (including this Agreement), period (including the Term) or relationship includes the expiration thereof. The headings have been inserted for convenience only and are not to be considered when construing the provisions of this Agreement.

(n) Enforceability. The provisions of this Agreement shall be enforceable notwithstanding the existence of any claim or cause of action of Employee against Employer, whether predicated on this Agreement or otherwise.

(o) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument. This Agreement (or any such counterpart) may be executed by electronic signature (including any electronic signature complying with the ESIGN Act of 2000, such as *www.docusign.com*) or delivered by electronic transmission (including by facsimile or electronic

mail), and when so executed or delivered shall have been duly and validly executed or delivered, and be valid and effective, for all purposes.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Employment Agreement as of the date first set forth above.

"Employer" FLOORING LIQUIDATORS, INC.

By: /s/ Chris Nichols
Chris Nichols
Chief Executive Officer

"Employee" /s/ Stephen J. Kellogg
Stephen J. Kellogg

Exhibit 31.1

Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jon Isaac, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 of Live Ventures Incorporated (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Jon Isaac

Jon Isaac
President and Chief Executive Officer
(Principal Executive Officer)

Dated: May 8, 2025

Exhibit 31.2

Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David Verret, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 of Live Ventures Incorporated (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ David Verret

David Verret
Chief Financial Officer
(Principal Financial Officer)

Dated: May 8, 2025

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the3 Quarterly Report of Live Ventures Incorporated (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jon Isaac, the President and Chief Executive Officer of the Company, to the best of my knowledge and belief, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jon Isaac

Jon Isaac
President and Chief Executive Officer
(Principal Executive Officer)

Dated: May 8, 2025

The certification set forth above is being furnished as an exhibit solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Report as a separate disclosure document of the Company or the certifying officers.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Live Ventures Incorporated (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Verret, the Chief Accounting Officer (Principal Financial Officer) of the Company, to the best of my knowledge and belief, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David Verret

David Verret
Chief Financial Officer
(Principal Financial Officer)

Dated: May 8, 2025

The certification set forth above is being furnished as an exhibit solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Report as a separate disclosure document of the Company or the certifying officers.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.