

The background of the entire page is a dark, textured overlay of various financial charts. In the upper right, there is a line chart with a peak and a subsequent decline, labeled with '52.34%'. Below this, there are several bar charts and candlestick patterns, some in blue and some in orange, set against a grid. The overall aesthetic is professional and data-driven.

HAVEN

EQUITIES

Equity Research Report

Research Standards

HAVEN Report Standards (Mandatory)

1. Structure

- Do not remove sections.
- Pages may be duplicated for depth.
- Every report must include thesis, industry, financials, valuation, risks, and conclusion.

2. Clarity

- Use bullet points, not long paragraphs.
- If crowded → create a new page.
- Visuals > text walls.

3. Evidence

All claims must be supported by:

- Financial data
- Industry comparisons
- Historical performance
- Valuation logic

4. Professional Formatting

- Maintain layout, fonts, and spacing.
- No casual language.
- No opinions without reasoning.

Equity Research Report

SoundHound AI

SoundHound (SOUN)
Technology | Software
Application

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Date: 1 March 2026

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Investment Overview

SoundHound AI (SOUN)

Sector: Technology | Industry: Voice AI / Software | Price: \$8.60

Thesis: SoundHound is one of the most compelling pure-play Voice AI bets of the decade through enterprise adoption with \$20M in cost synergies that can drive the stock toward its \$16.50 consensus target within 18 months. The key risks still remain big-tech competition from Google and Microsoft, continued share dilution and a market that won't re-rate the stock until breakeven is confirmed, which many believe is closer than the current \$8.60 price suggests.

Key Drivers:

- Explosive growth in enterprise Voice AI adoption
- Proven revenue diversification, no single customer exceeds 10% of revenue across many areas of services reducing the concentration risk that kills most early-stage AI companies
- Amelia AI application drives larger contracts, higher retention, and \$20M in annual cost synergies

Key Risks:

- Big-tech competition from Google and Microsoft who can add voice AI into existing enterprises at a near-zero cost, which threatens SoundHound's pricing
- Persistent share dilution: shares outstanding grew to 29% YoY
- Profitability timeline risk: the company still loses money until EBITDA breakeven is confirmed

Haven Rating:

Recommendation: BUY

Time Horizon: 12-18 Months

Risk Level: High Risk

Catalyst Driven: Yes

Catalysts (Next 1-6 Months):

- Upcoming Q2/Q3 2026 earnings prints confirming EBITDA breakeven progress and guidance raises
- Amelia 7 migration completion driving higher ARR per seat, visible in revenue acceleration by mid-2026
- Analyst upgrades and price target hikes as the profitability timeline becomes concrete
- Continued growth in AI adoption across everyday businesses that need voice technology

Quick Stats:

- Price: \$8.60
- P/E Ratio: -10.5
- Market Cap: \$3.6B
- Enterprise Value: \$3.4B
- Revenue (TTM): \$168.9M
- Cash: \$248.5M
- FCF: \$-111.9M
- Beta (5Y): 2.88

Business Overview

Company Snapshot

Business Description:

SoundHound AI is a voice AI software company that lets businesses add conversational agents in drive-thrus, cars, and customer service lines. Unlike Google or Amazon, SoundHound is platform-agnostic so it works across any device or cloud without vendor lock-in, serving large enterprises across many different services with no single customer exceeding 10% of revenue.

Revenue Model:

SoundHound AI generates revenue through three different streams which are: royalties from automotive integrations, SaaS subscriptions from enterprise clients, and usage-based fees from the Amelia AI platform. Revenue is recurring through subscription and royalty contracts being multi-year with a smaller portion of one-time professional service fees tied to implementation/onboarding.

Operating Segments

Segment	% of Revenue
Service Subscriptions	- 68%
Product Royalties	- 25%
Monetization	- 7%

Key Operating Metrics

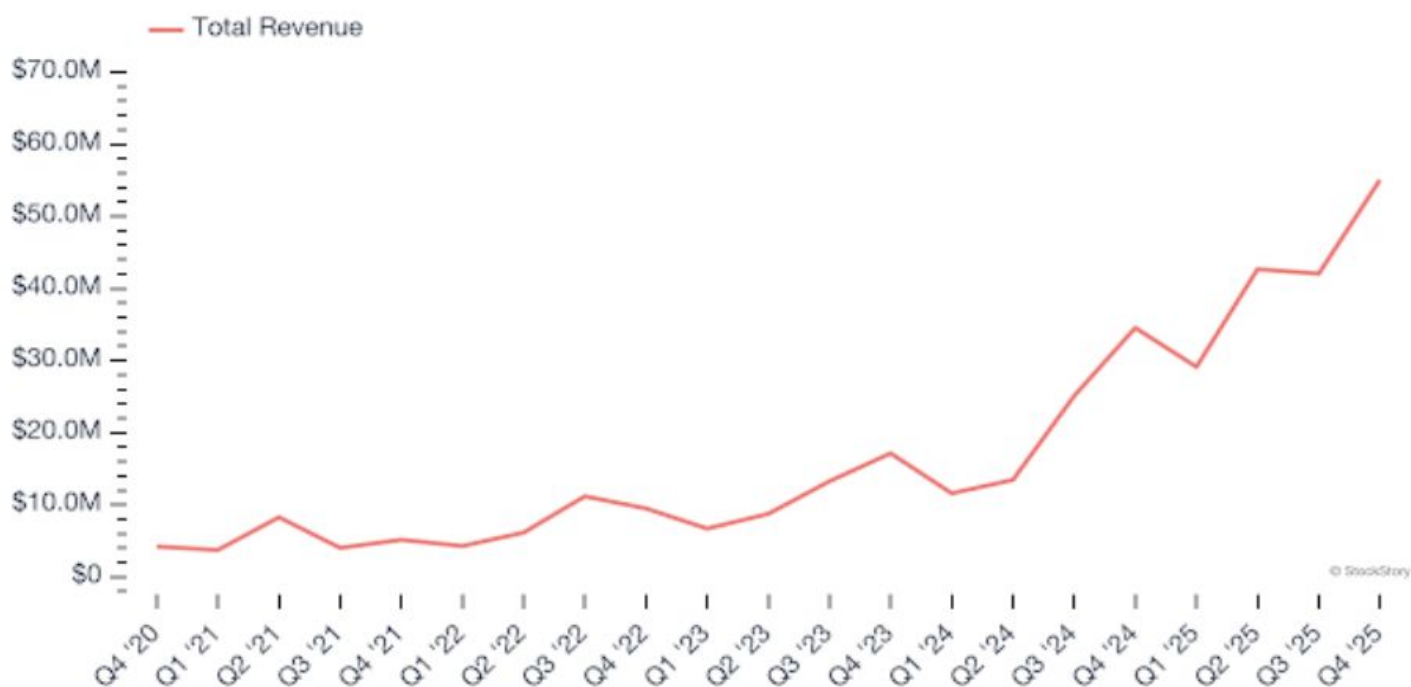
- Restaurant Network Size: Exceeds 14,000 Locations
- Total revenues and year-over-year percentage growth: Q4 2025 revenue up ~59% YoY to ~\$55M
- GAAP net income: \$40.1 million (Q4 2025)

Industry & Competition

Industry Overview

The voice and conversational AI industry focuses on technologies that allow computers to understand and respond to human speech. The market is currently valued around \$10-15 billion and is expected to grow rapidly to \$50+ billion over the next decade, with annual growth rates of 20-30% driven by increasing adoption across industries.

SoundHound AI Quarterly Revenue



Trends

The voice AI industry is growing quickly because of increasing business demand for automation, more enterprise use, and integration of voice technology into devices like cars. Advancements in large language models and speech recognition have improved AI accuracy and usability significantly. At the same time changing consumer expectations for hands-free, quick interactions and stricter data privacy regulations are shaping how companies design voice AI systems.

Industry & Competition

Main Competitors

Competitor	Ticker	Market Cap	Additional Notes
Google	GOOG	\$3.71T	Google AI Assistant
Microsoft	MSFT	\$2.96T	Microsoft Copilot AI
Amazon	AMZN	\$2.24T	Amazon Alexa

Company Positioning

SoundHound AI fits between major tech giants like Google, Microsoft, or Amazon by having its main focus be on enterprise voice and conversational AI rather than building a massive all-purpose AI. While Google, Microsoft, and Amazon dominate broad AI platforms across consumer devices, SoundHound competes by offering specialized customizable voice solutions for industries like drive through restaurants or customer service where businesses may want and independent option instead of relying on Big Tech infrastructure.

Valuation

Current Valuation:

	Prev. Year	Current Year	Next Year (Projected)
EV/Revenue	- 41X	21X	- 14X
P/S	- 41X	20X	- 14X
Market Cap	- \$8.85B	\$3.5B	- \$3.7-10B

Peer Comparison

	EV/Revenue	P/S	Market Cap
SOUN	- 21X	20X	- \$3.5B
CRNC	- 1.6x	-1.6x	- \$408M
NICE	- 2.5x	-2.5x	- \$7.1B
PLTR	- 70x	- 68x	- \$270B

Valuation Scenarios

Scenario	Assumption	Implied Value	Upside/Downside
Base Case	- +44% rev growth	\$3.6B	- +6%
Bull Case	- +54% rev growth	\$6.5B	- +92%
Bear Case	- +33% rev growth	\$1.8B	- -47%

Fundamental Analysis

Quantitative Analysis (Financial Health)

- **Income Statement:** In 2025, SoundHound AI generated \$168.9M in revenue, almost doubling from its past revenue of \$84.7M in 2024. This shows strong growth as adoption of its voice AI platform is used among more industries. Although the company still reported a net loss of about \$14M, it is a major improvement compared to the \$350 million loss the year before, which shows progress towards higher profitability.
- **Balance Sheet:** SoundHound keeps a strong balance sheet with over \$230M in cash and equivalents with little to no debt, leaving the company in a net cash position. This provides financial flexibility to continue investing in AI development,
- **Cash Flow Statement:** Cash flow stays negative as the company continues investing in growth. Operating cash flow was around \$98M, however SoundHound raised extra capital through financing activities, helping maintain a cash runway to support any future expansion.

Key Ratios

- **Valuation:** SoundHound AI trades at a P/S ratio of about 18-19x, reflecting strong growth expectations. The company does not have a P/E ratio yet since it remains unprofitable. Its P/B ratio is relatively high, which is common for early-stage AI companies.
- **Profitability:** Profitability is still negative with negative net profit margin, ROE, and ROA, as the company continues investing in growth. However, net losses decreased significantly in 2025, showing improving efficiency
- **Liquidity & Solvency:** SoundHound has strong liquidity with a current ratio above 3 and very low debt, giving it a healthy financial position and flexibility to fund growth.
- **Growth Metrics:** Revenue nearly doubled in 2025, growing from \$84.7M to \$168.9M. EPS remains negative, but losses are improving as the company scales.

Fundamental Analysis

Quantitative Analysis (Business Fundamentals)

- **Management Effectiveness:** SoundHound AI is led by CEO Keyvan Mohajer, who founded the company and led its development in voice AI for over a decade. Leadership has focused on expanding partnerships and acquisitions to scale the company's technology and market presence.
- **Competitive Advantage:** SoundHound's main advantage is its independent voice AI platform, which allows companies to build custom voice assistants without relying on larger platforms like Google or Amazon. Its growing partnerships in automotive and restaurants help strengthen its marketing position.
- **Business Model:** The company generates revenue by licensing its voice AI technology and providing subscription-based services to businesses. As the use of conversational AI increases, this model offers long-term recurring revenue potential.
- **Industry Trends:** The conversational AI market is growing quickly as businesses adopt voice technology to improve automation and customer experience. However, SoundHound still faces strong competition from large tech companies, which could impact its market share.

Technical Analysis

Price Action and Charts

- **Historical Price Movements & Trends:** SOUN reached a high of \$24 in early 2025 before selling off quickly, and then made a second push to \$21 mid-2025 before dropping again. The stock is currently trading around \$8, on the lower end.
- **Volume:** Volume was highest during both price spikes in early and mid-2025, which confirms strong momentum during those moves. Since the second peak, volume has declined with price.
- **Support and resistance:** The lower trendline of channel acts as the support which currently is sitting around \$8-9 where the price is trading right now. Resistance is around \$10-11, which lines up with the Hull Moving Average (HMA)
- **Trendlines & Channels:** The chart shows a converging wedge with a rising lower trendline and a descending upper trendline. Price is currently pressing against the bottom of the channel which will be a key level to watch.



Technical Analysis

Common Technical Indicators

- Moving Averages: SOUN trades below both its 50-day(\$9.57) and 200 day (\$12.37) MAs, showing a continued decrease from previous highs.
- RSI: RSI sits at 37-38, it's not overbought or oversold, although it was oversold for a short amount of time during recent selling pressure.
- MACD: The MACD line has crossed above the signal line, hinting at short-term momentum recovery even though its overall negative reading.
- Bollinger Bands: Price is consistently near the middle band (\$8.10), which shows consolidation rather than an extreme move in either direction.

Core Assumption

- Market Discounts Everything: All of SOUN's fundamental progress including its expanding restaurant and automotive AI partnerships, is already priced in. This means that the current price of \$8 is the market's full assessment of both its potential and its risks.
- Prices Move In Trends: SOUN's current price action has followed two trend phases: a strong uptrend that peaked at \$24 in early 2025 followed by a consistent decrease that has brought the stock back toward the lower side of its channel.
- Repetition of History: SOUN's current price action shows all three core assumptions of technical theory: the market has already priced its growth story in AI voice technology, leaving the trend driven by the macro sentiment. However because history repeats itself, the stock's decline in price to \$8 channel support mirrors previous oversold phases where fear outweighed recovery. While the trend remains bearish short-term, price is entering a zone where market psychology had shifted from selling to accumulation.

Conclusion/Recommendation

Investment Recommendation

BUY

Core Thesis Summary

SoundHound AI is a compelling pure-play Voice AI company benefiting from quick enterprise adoption. With the Amelia 7 platform driving revenue acceleration, \$20M in cost synergies, and a path to EBITDA breakeven, the stock offers significant upside towards the \$16.50 target over an 18-month horizon.

Key Risks:

- Timeline Risk: SoundHound AI will continue to lose money until EBITDA breakeven is confirmed.
- Google and Microsoft can add voice AI into existing enterprises at a near-zero cost challenging SoundHound's pricing
- Shares outstanding grew 29% YoY

Stock Type

Asset Class: Growth
Size: Mid Cap
Dividend: No

Target Price & Potential Returns

Target Price: \$16.50
Potential Upside: 92%

Key Catalysts

- Upcoming Q2/Q3 earnings confirming EBITDA breakeven
- Amelia 7 migration completion
- Strategic partnerships and analyst upgrades

Key Financial Metrics

Revenue: \$168.9M
EBITDA Margin:-34.5
Cash Balance: \$248M
Market Cap: \$3.6B
P/E Ratio: -10.5
EPS: \$0.10

Company Snapshot

Ticker: SOUN
Current Price: \$8.60

Sources

Financial Data (Quick Stats, Revenue, Cash, FCF, etc.)

- SoundHound AI 10-K / Annual Report — SEC EDGAR
- SoundHound Q4 2025 Earnings Release & Press Release

Valuation & Peer Comparison (EV/Revenue, P/S, Market Cap)

- Bloomberg Terminal
- Yahoo Finance

Industry Size & Growth Figures (\$10-15B market, 20-30% CAGR)

- Grand View Research
- Statista

Competitor Data (Google, Microsoft, Amazon market caps)

- Yahoo Finance
- Bloomberg

Technical Analysis (Chart, HMA, RSI, MACD, Bollinger Bands)

- TradingView

Restaurant Network / Operating Metrics

- SoundHound AI Investor Relations page
- Q4 2025 Earnings Call Transcript

Amelia AI / Cost Synergies

- SoundHound AI press releases
- SEC filings 8-K acquisition announcements