Arrive AI Reports Second Quarter 2026 Results and Highlights Growing Commercial Pipeline

August 13, 2026

Accomplished Wall Street Executive, Piyush Phadke, Appointed CFO, bringing 20+ Years of Capital Markets Experience to Help Drive Arrive AI's Growth

INDIANAPOLIS, IN / ACCESS Newswire / August 13, 2026 / Arrive AI (NASDAQ:ARAI) (the "Company"), an autonomous delivery network company built around patented, AI-powered Arrive Points ™, today reported financial results for the second quarter ended June 30, 2026, and provided an update on its commercial pipeline progress, product development, and operational milestones. In addition, the Company announced the appointment of Mr. Piyush Phadke as Chief Financial Officer.

The Company will host a conference call and webcast today at 8:30 AM Eastern Time to review results, discuss recent developments, and answer investor questions.

Operational Highlights

During the second quarter, Arrive AI:

- Strengthened its partnership with Nexus AMR, whose site introduces hospitals to new delivery technology, including Arrive AI's, throughout the year.
- Continued its partnership with DXC, supporting deployment of the company's technology into pharmaceutical manufacturing environments.
- Expanded engagement with Avride, which became the continuity partner for university campus delivery when Starship exited that space and expects to operate on more than 20 campuses by year end.
- Upgraded infrastructure at Hancock Regional Hospital, the company's anchor healthcare deployment, in preparation for a unit upgrade.
- Advanced its improved AP3 Plus platform and is on track to have over a dozen units to ship in September, pulling forward Arrive OS and NIQ technology from the company's next-generation platform.
- Continued development of AP4, which is on track for a first quarter 2027 launch, supporting multi-tenant pickup and delivery by autonomous mobile robots.
- Continued development of its next-generation APX platform, targeting a technology-showcase prototype by the end of 2027.

Capital Markets Executive Piyush Phadke Appointed CFO

Arrive AI appointed Piyush Phadke as its new Chief Financial Officer, effective August 17, 2026, succeeding Todd Pepmeier. Mr. Phadke brings a proven track record as a public-company CFO, built on more than two decades of capital markets experience, including senior roles at Bank of America, BTIG, and Jefferies before moving into executive finance leadership. His progression from Wall Street capital markets to executive leadership roles gives Arrive AI a senior finance leader who understands both sides of the table as the company converts its growing commercial pipeline into durable financial momentum.

"Arrive AI is at an important inflection point," said Dan O'Toole, Founder and CEO of Arrive AI. "We are seeing commercial interest build across healthcare, manufacturing and specialty pharmacy delivery, and we are continuing to strengthen the technology platform behind it all. Piyush understands both the opportunity in front of us and the work required to capture it. He is highly aligned with our vision, and his capital markets experience will help the company build on this momentum and create long-term shareholder value."

Q2 2026 Financial Highlights

- Revenue was $14,700 for the second quarter, compared to $90,725 in the second quarter of 2025; revenue in the prior-year period included a non-recurring consulting contribution.

- Net loss was $14.1 million for the second quarter, compared to a net loss of $3.7 million in the second quarter of 2025. The increase was driven primarily by a $9.7 million non-cash loss on conversion of convertible notes payable.
- Cash and cash equivalents were $3.0 million at quarter end, with an additional $2.2 million in investments at fair value, for a combined $5.2 million. This compares to $2.1 million in cash at year end 2025.
- Operating cash outflow was approximately $3.3 million for the second quarter, in line with the same period of 2025.

"Our operating cash use this quarter reflects deliberate investment in the team, technology, and infrastructure required to convert our commercial pipeline into scaled recurring revenue," said Dan O'Toole. "As we execute against this opportunity, we have meaningful financing optionality and will remain disciplined in evaluating paths that best support the company's long-term strategy and shareholder interests."

Earnings Call Details

Title: Arrive AI Inc. Q2 2026 Earnings Call
Date: August 13, 2026
Time: 8:30 AM EDT (Live Event)
Duration: 60 minutes
Webcast Link: https://edge.media-server.com/mmc/p/rjf42jfk

If you are an analyst and would like to join the call to ask questions, please contact Alliance IR at ARAI.IR@allianceadvisors.com.

A replay of the call will be available after the event on Arrive AI's website at arriveai.com/investor-relations.

Following opening remarks from Founder and CEO Dan O'Toole, portions of the prepared comments will be delivered using AI-assisted voice technology as part of the company's continued exploration of practical AI applications in business communications.

About Arrive AI

Arrive AI (NASDAQ:ARAI) is building the infrastructure for autonomous logistics through a network of intelligent delivery endpoints that enable secure, asynchronous exchange of goods. The company's platform supports drones, ground robotics, and human couriers, solving the "last inch of the last-mile" challenge across logistics, healthcare, and enterprise delivery.

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Cautionary Note Regarding Forward-Looking Statements

This news release and statements of Arrive AI's management in connection with this release or related events may contain "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995.

Forward-looking statements relate to future events and expected business and financial performance and often include words such as "expects," "anticipates," "intends," "plans," "believes," "potential," "will," "should," "could," "would," "optimistic," or "may," and similar expressions.

These statements are based on information available as of the date of this release and reflect management's current views and assumptions. They are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors that may be beyond the company's control.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this release. Potential investors should review Arrive AI's SEC filings, including risk factors, available at www.sec.gov.

Arrive AI undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date of this release, except as required by law.

ARRIVE AI INC.
CONDENSED BALANCE SHEETS

	June 30, 2026	December 31, 2025
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,976,535	$ 2,104,004
Investments at fair value	2,160,954	-
Accounts receivable, net of allowance	9,800	4,975
Inventory	29,378	-
Prepaid expenses	462,859	189,878
Other current assets	12,325	12,325
Total current assets	5,651,851	2,311,182
OTHER ASSETS		
Property and equipment, net	817,337	514,684
Right of use assets - operating leases	1,926,885	2,117,284
Patents, net of accumulated amortization of $3,636 and $2,603	271,064	272,097
Deferred offering costs	3,475,514	5,650,185
Other assets	301,257	65,633
Total other assets	6,792,057	8,619,883
TOTAL ASSETS	$ 12,443,908	$ 10,931,065

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable	$ 249,611	$ 183,993
Accrued expenses	1,669,322	538,234
Operating lease liability	424,215	392,950
Derivative liabilities	348,830	1,460,000
Convertible note payable, net of discount and debt issuance costs of $1,842,184, and $3,620,343, respectively	3,460,834	4,144,657
Note payable	15,088	9,140
Total current liabilities	6,167,900	6,728,974
LONG TERM LIABILITIES		
Operating lease liability	1,504,887	1,725,073
Note payables, net of current portion	31,563	1,418
Total long term liabilities	1,536,450	1,726,491
Total liabilities	7,704,350	8,455,465
Commitments and Contingencies (See Note 16)	-	-
STOCKHOLDERS' EQUITY		
Common stock, $0.0002 par value, 200,000,000 authorized, 51,859,347 and 34,213,387 issued and outstanding at June 30, 2026 and December 31, 2025	10,371	6,841

Additional paid-in capital	53,949,594	31,215,698
Deferred compensation	(26,834)	-
Accumulated deficit	(49,193,573)	(28,746,939)
Total stockholders' equity	4,739,558	2,475,600
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 12,443,908	$ 10,931,065

ARRIVE AI INC.
CONDENSED STATEMENTS OF OPERATIONS (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
REVENUE	$ 14,700	$ 90,725	$ 29,625	$ 90,725
OPERATING EXPENSES				
General and administrative	4,048,851	3,474,059	8,258,917	5,369,038
Research and development	346,541	293,468	703,614	384,731
Sales and marketing	72,064	49,602	183,414	57,263
Total operating expenses	4,467,456	3,817,129	9,145,945	5,811,032
OTHER INCOME (EXPENSES)				
Interest expense	(153,476)	(168,080)	(515,346)	(169,257)
Other income	150,878	43,151	328,668	60,066

Change in fair value of derivative liabilities	93,053	190,000	1,222,822	190,000
Accretion of debt discount	(128,946)	(27,738)	(379,915)	(27,738)
Loss on conversion of convertible notes payable	(9,696,797)	-	(12,042,410)	-
Realized gain (loss) on investments	(123,506)	-	322,818	-
Unrealized gain (loss) on investments	241,136	-	(260,976)	-
Loss on disposal of fixed assets	(5,974)	-	(5,974)	-
Total other income (expenses)	(9,623,632)	37,333	(11,330,313)	53,071
NET LOSS BEFORE TAXES	(14,076,388)	(3,689,071)	(20,446,633)	(5,667,236)
PROVISION (BENEFIT) FOR INCOME TAXES	-	-	-	-
NET LOSS	$ (14,076,388)	$ (3,689,071)	$ (20,446,633)	$ (5,667,236)
NET LOSS PER SHARE:				
Basic and diluted	$ (0.28)	$ (0.12)	$ (0.47)	$ (0.18)
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING:				
Basic and diluted	50,057,185	31,543,921	43,150,562	30,637,620

ARRIVE AI INC.
CONDENSED STATEMENTS OF CASH FLOWS

For the Six Months Ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		

Net loss	$ (20,446,633)	$ (5,667,236)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation	1,846,078	2,032,723
Depreciation and amortization	121,553	17,118
Credit loss expense	300	-
Operating lease liability - non-cash adjustment	1,478	-
Change in fair value of derivative liabilities	(1,222,822)	(190,000)
Loss on conversion of convertible notes payable	12,042,410	-
Accretion of discount on convertible note payable	379,915	27,738
Accretion and immediate expensing of issuance costs on convertible note payable	133,927	165,869
Realized gain on investments	(322,818)	-
Unrealized loss on investments	260,976	-
Other non-cash item	16,515	-
Changes in operating assets and liabilities		
(Increase) decrease in		
Accounts receivable	(5,125)	(89,075)
Inventory	(29,378)	-
Prepaid expenses	(272,981)	(141,431)
Other current assets	-	971
Other assets	(235,624)	-
Increase (decrease) in		
Accounts payable	65,618	61,131
Accrued expenses	1,408,768	(17,302)

Net cash used in operating activities	(6,257,843)	(3,799,494)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(439,688)	(47,827)
Proceeds from sales of investments	24,258,747	-
Purchase of investments	(26,299,029)	-
Net cash used in investing activities	(2,479,970)	(47,827)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of common stock, net	-	444,360
Taxes paid for shares withheld upon vesting of restricted stock units	(25,749)	
Proceeds from the exercise of warrants, net	-	573,896
Proceeds from note payables	40,579	-
Repayments of note payables	(4,486)	(4,187)
Proceeds from issuance of convertible notes payable	10,000,000	4,000,000
Debt issuance costs	(400,000)	-
Deferred offering costs	-	(688,570)
Net cash provided by financing activities	9,610,344	4,325,499
NET INCREASE IN CASH AND CASH EQUIVALENTS	872,531	478,178

CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	2,104,004	129,318
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 2,976,535	$ 607,496
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for:		
Interest	$ 4,310	$ 1,939
Income taxes	$ -	$ -
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION		
Common stock issued as payment of offering costs	$ -	$ 6,927,869
Common stock issued in exchange for services	$ 161,000	$ 1,204,737
Common stock issued for conversion of convertible notes payable	$ 20,807,755	$ -
Derivative liabilities reclassified as additional paid-in capital upon conversion of convertible notes payable	$ 2,257,179	$ -
Deferred offering costs recognized as additional paid-in capital upon financing drawdown	$ 2,174,671	$ 871,882
Cashless exercise of stock options	$ -	$ 8,970

SOURCE: Arrive AI Inc.

press release