



Algorhythm Holdings Announces Record First Quarter 2026 Financial Results

Revenue Increases 71% Sequentially as Cash Balance Grows to Almost \$11 Million

FORT LAUDERDALE, FL, UNITED STATES, May 14, 2026 /EINPresswire.com/ -- [Algorhythm Holdings, Inc.](https://www.algorhythm.com) (the "Company") (NASDAQ: RIME) – a leading provider of AI-powered logistics solutions, today announced its financial results for the first quarter ended March 31, 2026, including the achievement of a record amount of revenue since becoming a pure-play AI technology company.

Algorhythm Holdings is a [B2i Digital Featured Company](https://www.b2idigital.com). See the company's profile at [b2idigital.com/algorhythm-holdings-1](https://www.b2idigital.com/algorhythm-holdings-1)

First Quarter 2026 Financial Highlights

- Revenue increased \$1.0 million, or 71%, sequentially to \$2.4 million for the three months ended March 31, 2026 compared to \$1.4 million for the three months ended December 31, 2025.
- Revenue increased \$2.3 million, or 1,851%, year-over-year to \$2.4 million for the three months ended March 31, 2026 from \$123,000 for the three months ended March 31, 2025.



We are off to a strong start in 2026, with revenue growing more than 71% sequentially and over 1,800% year-over-year."

Gary Atkinson, CEO of Algorhythm Holdings, Inc.

Algorhythm Holdings, Inc. and Subsidiaries CONDENSED CONSOLIDATED BALANCE SHEETS		
	March 31, 2026	December 31, 2025
	(unaudited)	
Assets		
Current Assets		
Cash	\$ 7,699,000	\$ 1,632,000
Restricted cash	3,240,000	4,514,000
Accounts receivable, net of allowances of \$113,000 and \$113,000, respectively	918,000	1,061,000
Prepaid expenses and other current assets	1,773,000	729,000
Total Current Assets	13,630,000	7,936,000
Property and equipment, net	34,000	22,000
Other non-current assets	81,000	79,000
Intangible assets, net	2,028,000	2,005,000
Goodwill	2,682,000	2,682,000
Total Assets	\$ 18,455,000	\$ 12,724,000
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 984,000	\$ 1,413,000
Accrued expenses	1,691,000	1,556,000
Other current liabilities	688,000	69,000
Promissory notes payable, net	9,498,000	9,102,000
Notes payable to related parties	2,300,000	2,300,000
Total Current Liabilities	15,161,000	14,440,000
Long-term provision for employee benefits	126,000	144,000
Total Liabilities	15,287,000	14,584,000
Commitments and Contingencies		
Shareholders' Equity (Deficit)		
Preferred stock, \$1.00 par value; 1,000,000 shares authorized; no shares issued and outstanding at March 31, 2026 and December 31, 2025	-	-
Common stock, \$0.01 par value; 800,000,000 and 100,000,000 shares authorized; 14,651,665 and 3,414,542 shares issued and outstanding at March 31, 2026 and December 31, 2025	147,000	35,000
Additional paid-in capital	75,979,000	65,674,000
Accumulated other comprehensive loss	(32,000)	(25,000)
Accumulated deficit	(70,149,000)	(65,043,000)
Non-controlling interest	(2,019,000)	(1,743,000)
Treasury stock, 10,990 shares reserved at March 31, 2026 and December 31, 2025	(758,000)	(758,000)
Total Shareholders' Equity (Deficit)	3,168,000	(1,860,000)
Total Liabilities and Shareholders' Equity/ (Deficit)	\$ 18,455,000	\$ 12,724,000

See notes to the condensed consolidated financial statements

compared to \$12.7 million at December 31, 2025.

- Cash and restricted cash totaled \$10.9 million at March 31, 2026, an increase of 78% compared to \$6.1 million at December 31, 2025.
- Net loss decreased \$3.9 million, or 42%, to \$5.4 million (of which \$1.8 million consisted of non-cash expenses) for the three months ended March 31, 2026 from \$9.3 million for the three months ended March 31, 2025.
- Total assets grew 45% to \$18.5 million at March 31, 2026

“We are off to a strong start in 2026, with first quarter revenue growing more than 71% sequentially and more than 1,800% year-over-year as we continue to scale our SemiCab business,” stated Gary Atkinson, Chief Executive Officer of Algorhythm Holdings. “Our SMCB acquisition in May 2025 continues to deliver meaningful results, and our customer base in India is broadening as existing customers expand their lane coverage and new enterprise shippers come on board. With our Apex SaaS platform opening the door to the U.S. and European markets, we believe we are well-positioned to sustain strong revenue growth throughout the remainder of 2026.”

“Our balance sheet strengthened significantly during the first quarter,” added Alex Andre, Chief Financial Officer of Algorhythm Holdings. “We ended the quarter with \$10.9 million in cash and restricted cash, up from \$6.1 million at year-end 2025, providing us with substantially greater liquidity to support the growth of our SemiCab business. As of May 12, 2026, we had a cash and restricted cash balance of almost \$9.4 million.

“We also reduced our net loss by more than 40% year-over-year, reflecting both the elimination of prior-year non-cash warrant charges and continued discipline in managing our operating expenses relative to revenue growth,” added Mr. Andre. “Importantly, we returned to positive stockholders’ equity of \$3.2 million from a deficit of \$1.9 million at the end of 2025, a swing of approximately \$5.0 million, which exceeds the \$2.5 million threshold required by Nasdaq’s continued listing standards.”

The Company expects net sales to continue to grow over the remainder of 2026 as its SemiCab business expands its customer base in India and begins generating revenue in the United States and Europe through its Apex SaaS platform.

First Quarter 2026 Business Highlights

During its first fiscal quarter, the Company made several notable announcements, including the following:

- The Company achieved an annualized revenue run rate (ARR) of more than \$12 million.
- It entered into new service agreements with Coca-Cola India and MTR Foods and was awarded

Algorhythm Holdings, Inc. and Subsidiaries		
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS		
	For the Three Months Ended	
	March 31, 2026	March 31, 2025
Net Sales	\$ 2,400,000	\$ 123,000
Cost of Sales	3,077,000	129,000
Gross Loss	(677,000)	(6,000)
Operating Expenses		
Selling expenses	33,000	-
General and administrative expenses	3,634,000	1,056,000
Total Operating Expenses	3,667,000	1,056,000
Loss From Operations	(4,344,000)	(1,062,000)
Other Expenses		
Change in fair value of warrant liability	-	(6,466,000)
Interest expense, net	(1,036,000)	(16,000)
Total Other Expenses	(1,036,000)	(6,484,000)
Loss From Continuing Operations Before Income Tax	(5,380,000)	(7,546,000)
Income tax loss attributable to continuing operations	-	-
Net Loss From Continuing Operations	(5,380,000)	(7,546,000)
Net loss from discontinued operations	-	(1,748,000)
Net Loss	(5,380,000)	(9,294,000)
Net loss attributable to non-controlling interest	274,000	103,000
Net Loss Available to Common Shareholders	\$ (5,106,000)	\$ (9,191,000)
Loss Per Common Share		
Basic and diluted from continuing operations	\$ (0.52)	\$ (3.77)
Basic and diluted from discontinued operations	-	(0.89)
Basic and diluted	\$ (0.52)	\$ (4.66)
Weighted Average Common and Common Equivalent Shares:		
Basic and diluted	9,897,743	1,972,869

See notes to the condensed consolidated financial statements

a contract expansion with Unilever India and Apollo Tyres.

- It raised an additional \$9.5 million under its existing \$20 million financing facility.
- SemiCab appointed Jonathan Miller as Vice President of U.S. Sales to drive sales of its Apex SaaS platform offering in the U.S. and Europe, bringing almost 30 years of logistics and freight technology leadership experience to the company.

“SemiCab has evolved into a leading high-growth AI logistics company that is delivering real savings, real efficiency gains, and real environmental benefits to some of the world’s largest shippers,” stated Mr. Atkinson. “The rollout of our Apex SaaS platform marks our entry into the more than \$450 billion U.S. full-truckload market and provides us with the opportunity to generate asset-light, recurring revenue with attractive gross margins. We remain focused on disciplined execution, prudent capital management, and continued investment in the technology and customer relationships that we believe will drive long-term shareholder value.”

Conference Call Details

Management hosted a conference call to discuss the financial results and provide a business update.

Date: Thursday, May 14, 2026

Time: 10:00 a.m. EDT

Dial-in number: 888-999-3182

Conference ID: RIME

About Algorhythm Holdings

Algorhythm Holdings, Inc. is a leading AI technology company focused on the growth and development of SemiCab, an emerging leader in the global logistics and distribution industry. Since 2020, SemiCab has enabled major retailers, brands and transportation providers to address common supply-chain problems globally. Its AI-enabled, cloud-based Collaborative Transportation Platform achieves the scalability required to predict and optimize millions of loads and hundreds of thousands of trucks. SemiCab uses real-time data from API-based load tendering and pre-built integrations with TMS and ELD partners to orchestrate collaboration across manufacturers, retailers, distributors, and their carriers. SemiCab uses AI/ML predictions and advanced predictive optimization models to enable fully loaded round trips. With SemiCab’s AI platform, shippers pay less and carriers make more without having to change a thing. For additional information, please go to: <http://www.semicab.com>

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Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any statement that is not historical in nature is a forward-looking statement and may be identified by the use of words and phrases such as "expects," "anticipates," "believes," "will," "will likely result," "will continue," "plans to," "potential," "promising," and similar expressions. These statements are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those described in the forward-looking statements, including the risk factors described from time to time in Algorhythm's reports to the SEC, including, without limitation Algorhythm's Annual Report on Form 10-K for the year ended December 31, 2025. You should not place undue reliance on any forward-looking statement, each of which applies only as of the date of this press release. Except as required by law, we undertake no obligation to update or revise publicly any of the forward-looking statements after the date of this press release to conform our statements to actual results or changed expectations, or as a result of new information, future events or otherwise.

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