

Algorhythm Holdings Reports Second Quarter 2026 Financial Results

Revenue Increases 25% Sequentially and 161% YOY to \$3.0 Million

FORT LAUDERDALE, FL, UNITED STATES, August 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 second quarter ended June 30, 2026.

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

	June 30, 2026 (unaudited)	December 31, 2025
Assets		
Current Assets		
Cash	\$ 4,972,000	\$ 1,632,000
Restricted cash	2,983,000	4,514,000
Accounts receivable, net of allowances of \$0 and \$113,000, respectively	1,444,000	1,061,000
Prepaid expenses and other current assets	3,989,000	729,000
Total Current Assets	13,388,000	7,936,000
Property and equipment, net	36,000	22,000
Operating lease- right of use assets	304,000	-
Other non-current assets	95,000	79,000
Intangible assets, net	2,064,000	2,005,000
Goodwill	2,682,000	2,682,000
Total Assets	\$ 18,568,000	\$ 12,724,000
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	\$ 2,229,000	\$ 1,413,000
Accrued expenses	3,106,000	1,556,000
Other current liabilities	756,000	69,000
Current portion of operating lease liabilities	90,000	-
Promissory notes payable, net	8,413,000	9,102,000
Notes payable to related parties	2,300,000	2,300,000
Total Current Liabilities	14,894,000	14,440,000
Operating lease liabilities, net of current portion	216,000	-
Long-term provision for employee benefits	178,000	144,000
Total Liabilities	15,288,000	14,584,000
Commitments and Contingencies		
Shareholders' Equity (Deficit)		
Preferred stock, \$1.00 par value; 1,000,000 shares authorized; 3,500 and 0- shares issued and outstanding at June 30, 2026 and December 31, 2025	4,000	-
Common stock, \$0.01 par value; 800,000,000 and 100,000,000 shares authorized; 15,670,768 and 3,414,542 shares issued and outstanding at June 30, 2026 and December 31, 2025	157,000	35,000
Additional paid-in capital	80,210,000	65,674,000
Accumulated other comprehensive loss	(19,000)	(25,000)
Accumulated deficit	(73,978,000)	(65,043,000)
Non-controlling interest	(2,336,000)	(1,743,000)
Treasury stock, 10,990 shares reserved at June 30, 2026 and December 31, 2025	(758,000)	(758,000)
Total Shareholders' Equity (Deficit)	3,280,000	(1,860,000)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 18,568,000	\$ 12,724,000

Q2 2026 Financial Highlights

- Revenue increased 25% sequentially to \$3.0 million for the second quarter of 2026 compared to \$2.4 million in the first quarter of 2026.



We are pleased with our second quarter financial results, highlighted by continued strong sequential and year-over-year revenue growth."

Gary Atkinson, CEO of Algorhythm Holdings

- Revenue increased \$1.8 million, or 161%, from \$1.2 million in the second quarter of 2025.
- Gross margin percentage improved by 850 basis points or approximately 30% sequentially.
- Cash and restricted cash totaled approximately \$8.0 million as of June 30, 2026.
- Total assets grew 46% to \$18.6 million at June 30, 2026 from \$12.7 million at December 31, 2025.

Q2 2026 Business Highlights

During the quarter, the Company's business continued to execute on numerous fronts as

follows:

- Expanded SemiCab's relationship with Procter & Gamble India through an additional contract expansion, increasing annualized contract value by approximately 32%.
- Signed a new Master Services Agreement with Onida Electronics, expanding SemiCab's enterprise customer portfolio in India.
- Continued commercial expansion of the SemiCab Apex SaaS platform in North America through investments in business development and the hiring of Jonathan Miller as Vice President of U.S. Sales.
- Participated as a Gold Sponsor at Reuters Events: Supply Chain USA 2026, showcasing Apex to enterprise shippers, logistics providers and transportation leaders.
- Hosted the inaugural SemiCab Freight Network Forum, bringing together supply chain executives to discuss AI, freight orchestration and transportation network optimization.

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net Sales	\$ 3,005,000	\$ 1,152,000	\$ 5,405,000	\$ 1,275,000
Cost of Sales	3,598,000	1,492,000	6,675,000	1,821,000
Gross Loss	(593,000)	(340,000)	(1,270,000)	(346,000)
Operating Expenses				
Selling expenses	49,000	-	82,000	-
General and administrative expenses	2,059,000	868,000	5,693,000	1,924,000
Total Operating Expenses	2,108,000	868,000	5,775,000	1,924,000
Loss From Operations	(2,701,000)	(1,208,000)	(7,045,000)	(2,270,000)
Other Expenses				
Change in fair value of warrant liability	-	-	-	(6,468,000)
Loss on debt extinguishment	(400,000)	-	(400,000)	-
Interest expense, net	(1,045,000)	(27,000)	(2,081,000)	(43,000)
Total Other Expenses	(1,445,000)	(27,000)	(2,481,000)	(6,511,000)
Loss From Continuing Operations Before Income Tax	(4,146,000)	(1,235,000)	(9,526,000)	(8,781,000)
Income tax loss attributable to continuing operations	(3,000)	-	(3,000)	-
Net Loss From Continuing Operations	(4,149,000)	(1,235,000)	(9,529,000)	(8,781,000)
Net loss from discontinued operations	-	426,000	-	(1,322,000)
Net Loss	(4,149,000)	(809,000)	(9,529,000)	(10,103,000)
Net loss attributable to non-controlling interest	320,000	224,000	594,000	327,000
Net Loss Available to Common Shareholders	\$ (3,829,000)	\$ (585,000)	\$ (8,935,000)	\$ (9,776,000)
Loss Per Common Share				
Basic and diluted from continuing operations	\$ (0.25)	\$ (0.41)	\$ (0.71)	\$ (3.80)
Basic and diluted from discontinued operations	-	0.17	-	(0.59)
Basic and diluted	\$ (0.25)	\$ (0.24)	\$ (0.71)	\$ (4.40)
Weighted Average Common and Common Equivalent Shares:				
Basic and diluted	15,148,297	2,472,464	12,537,525	2,224,047

CEO Commentary

"We are pleased with our second quarter financial results, highlighted by continued strong sequential and year-over-year revenue growth," said Gary Atkinson, Chief Executive Officer of Algorhythm Holdings. "Revenue was \$3.0 million for the quarter, representing an increase of 25% sequentially and 161% year over year. We continue to maintain a strong balance sheet with more than \$6 million in cash on the books and almost \$3.3 million of stockholders' equity."

"During the quarter, we signed a new master services agreement with Onida Electronics and expanded our relationship with Procter & Gamble India, providing us with additional validation for our SemiCab technology platform," continued Mr. Atkinson. "We also engaged in a variety of public networking events, showcasing our Apex SaaS product offering as a Gold Sponsor at Reuters Events: Supply Chain USA 2026 and hosting our inaugural SemiCab Freight Network Forum."

"Looking ahead, our focus will be on financial discipline," added Mr. Atkinson. "We will be focused on controlling our costs and reducing our expenses where we can as we continue to evaluate business and acquisition opportunities that we believe will enhance long-term shareholder value. We are excited about what the future holds for Algorhythm Holdings."

About Algorhythm Holdings

Algorhythm Holdings, Inc. is a leading AI technology company that owns and operates SemiCab. 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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