



Arrive AI Announces Third Quarter 2025 Results, Continued Momentum on Strategic and Operating Milestones

November 14, 2025

INDIANAPOLIS, IN / [ACCESS Newswire](#) / November 14, 2025 / [Arrive AI](#) (NASDAQ:ARAI), an autonomous delivery network anchored by patented AI-powered Arrive Points™, today announced its business results for the third quarter of 2025.

Q3 2025 Key Highlights:

- **Team Expansion:** Hired nearly 30 professionals during third quarter; year-end goal is 60 new hires across AI, software, and product engineering.
- **Autonomous Robotic Automation for Healthcare:** In a first phase of work at [Hancock Health](#), installed and began testing robotic delivery system, the first deployed fully asynchronous robotic automation for medical deliveries inside a hospital, aiming to generate significant cost savings and operational efficiencies. The deployment at Hancock Health is ongoing, where Arrive AI is optimizing robotic delivery of biospecimens, lab samples, and medications. Phase two involves linking Hancock's 29 satellite facilities to the primary lab via drone.
- **Strategic Partnerships and Expansion:** Expanded partnership with Skye Air Mobility in India for international module deployment. Signed new agreements with a diverse range of partners, including Synoptek and Ottonomy.
- **Strengthened Intellectual Property Leadership:** Secured U.S. Patent Office protection for ninth Arrive Point patent, strengthening security by reducing ways units can be tampered with or damaged by weather or other impacts. This patent expands CEO Dan O'Toole's foundational patent for the Arrive Point, the first device ever to win patent protection for a smart mailbox docking station housing, to not only include drones but also robots and humans.
- **Product development :** Integrating AI-powered Time-of-Flight (TOF) sensors into Arrive Points to optimize pickup efficiency, lower energy use, and improve data analytics as part of the current Arrive Point (AP3)

Q3 2025 Key Financial Results

Revenue: \$7,450. Recurring subscription revenue growth was increased with two new Arrive Points in service this quarter. At this early stage in the development of Arrive AI's business, management expects quarterly fluctuations in revenue levels as customer agreements are secured, built out and ramped up over time.

Net Loss: \$2.2 million, compared to a loss of \$0.8 million in the same quarter of 2024. Spending was kept to a minimum through strict cost management while still investing in future growth, with operating expenses approximately \$1 million lower than planned in the quarter.

Cash and short-term liquid investments: \$2.7 million at quarter-end, an increase of \$2.1 million from the end of the prior quarter. Proceeds from the capital line of \$4 million were received in August. Nearly all the new capital facility is available for future growth.

CEO Commentary

"During the third quarter, we made solid progress along our 2025 strategic and operating roadmap, building out our talent pool, completing phase one work with Hancock Health, and broadening our roster of strategic partnerships," said Arrive AI CEO Dan O'Toole. "These are important steps forward along our value-creation strategy. We aren't simply building a product at Arrive AI. We are building a system that has the potential to solve a \$440 billion infrastructure problem in the last inch and drives measurable returns by reducing carrier operating costs and eliminating failed deliveries."

O'Toole continued, "We look forward to coming changes in the U.S. regulatory environment that enable autonomous operations, particularly following the FAA's proposed Beyond Visual Line of Sight (BVLOS) rule and Governor Braun's Indiana Initiative for Drone Dominance Task Force. Arrive AI's platform enables full chain-of-custody, tracking every delivery from arrival through authenticated retrieval, and our Arrive Points are equipped with climate-assist technology for sensitive goods like pharmaceuticals and grocery items, and they integrate with smart home and smart city systems. Collectively, these components form the nervous system of autonomous logistics, one that ensures packages arrive securely, intelligently and precisely where they're needed, with the intention of operating within coming regulatory standards."

Arrive AI continues to focus on its strategy built on disciplined, intelligent growth, deploying capital to build a scalable and defensible business model for the long-term, with near-term focus on four key areas:

1. **Team Expansion:** Continue executing plans to triple Arrive AI's workforce, focusing on AI, engineering, and business development.
2. **Commercialization and Operational Excellence:** Productizing AP3 units - patented Arrive Points - and ongoing AP5 development to drive scalability and cost efficiency
3. **IP and Partnerships:** Expanding intellectual property moat and forging alliances with strategic partners that embed our technology into their operations.
4. **Building Recurring Revenue Model:** Building a platform-as-a-service model where every installation, delivery, and data point captured drives recurring revenue.

O'Toole said, "We are approaching several potential catalysts and, as we execute our strategic growth plan, are focused on initiatives we believe can enhance long-term, shareholder value."

THIRD QUARTER CONFERENCE CALL

The company will host a conference call and webcast today at 9:30 AM Eastern Time to review its results and strategic progress. Please join the webcast live via this link: <https://edge.media-server.com/mmc/p/82noxgww>. Webcast participants will be able to submit questions through the webcast portal. To submit a question, simply login through the website link and click "ask a question" located in the upper right-hand side of the menu bar. A replay of the call will be accessible at <https://www.arriveai.com/investor-relations>.

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About Arrive AI

Arrive AI's patented Autonomous Last Mile (ALM) platform enables secure, efficient delivery to and from a smart, AI-powered mailbox, whether by drone, ground robot or human courier. The platform provides real-time tracking, smart logistics alerts and advanced chain of custody controls to support shippers, delivery services and autonomous networks. By combining artificial intelligence with autonomous technology, Arrive AI makes the exchange of goods between people, robots and drones frictionless and convenient. Its system integrates with smart home devices such as doorbells, lighting and security systems to streamline the entire last-mile delivery experience. Learn more at www.arriveai.com and via the company's [press kit](#).

Media contact: Cheryl Reed, media@arriveai.com

Investor Relations Contact: Alliance Advisors IR, ARAI.IR@allianceadvisors.com

Cautionary Note Regarding Forward Looking Statements

This news release and statements of Arrive AI's management in connection with this news release or related events contain or 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. In this context, forward-looking statements mean statements, including but not limited to statements related to the future regulatory environment applicable to Arrive AI, the prospects of hiring the desired talents, and building productive and profitable products or systems related to future events, which may impact our expected future business and financial performance, and often contain words such as "expects", "anticipates", "intends", "plans", "believes", "potential", "will", "should", "could", "would", "optimistic" or "may" and other words of similar meaning. These forward-looking statements are based on information available to us as of the date of this news release and represent management's current views and assumptions. Forward-looking statements are not guarantees of future performance, events or results and involve significant known and unknown risks, uncertainties and other factors which may be beyond our control. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this news release. Potential investors should review Arrive AI's filings with the United States Securities and Exchange Commission for more complete information, including the risk factors that may affect future results, which are available for review at www.sec.gov. Accordingly, forward-looking statements should not be relied upon as a predictor of actual results. We do not undertake to update our forward-looking statements to reflect events or circumstances that may arise after the date of this news release, except as required by law.

CONDENSED FINANCIAL STATEMENTS

ARRIVE AI INC.

CONDENSED BALANCE SHEETS

(Unaudited)

	<u>September</u> <u>30, 2025</u>	<u>December</u> <u>31, 2024</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 816,715	\$ 129,318
Accounts receivable	4,900	-

Prepaid expenses	164,777	55,867
Deferred offering costs	6,312,586	427,898
Investments at fair value	1,918,995	-
Other current assets	721	4,179
	<u>9,218,694</u>	<u>617,262</u>
Total current assets		
LONG-TERM ASSETS		
Property and equipment, net	152,915	95,425
Right of use assets - operating leases	73,041	-
Patents, net	272,914	273,601
Security deposit	1,500	1,500
	<u>500,370</u>	<u>370,526</u>
Long-term assets		
	<u>\$ 9,719,064</u>	<u>\$ 987,788</u>
TOTAL ASSETS		
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	\$ 707,100	\$ 1,868,689
Accrued liabilities	205,398	79,556
Credit card payable	8,574	3,636
Current portion of operating lease liability	38,041	-
Convertible note payable, net of discount of \$282,667 and issuance costs of \$240,000	4,002,333	-
Current portion of note payable	8,982	8,524
	<u>4,970,428</u>	<u>1,960,405</u>
Total current liabilities		
NONCURRENT LIABILITIES		
Noncurrent portion of operating lease liability	35,000	-
Note payables, net of current portion	3,763	10,558
	<u>5,009,191</u>	<u>1,970,963</u>
Total liabilities		
STOCKHOLDERS' EQUITY (DEFICIT)		
Common stock, \$0.0002 par value, 200,000,000 shares authorized, 34,233,087 issued and 34,213,387 outstanding as at September 30, 2025, and 29,120,905 issued and outstanding at December 31, 2024	6,845	5,822
Treasury stock, at cost, 19,700 and -0- shares as of September 30, 2025, and December 31, 2024, respectively	(74,743)	-
Additional paid-in capital	29,602,998	14,984,561
Subscription receivable	-	(53,003)
Accumulated deficit	<u>(24,825,227)</u>	<u>(15,920,555)</u>

Total stockholders' equity (deficit)	<u>4,709,873</u>	<u>(983,175)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 9,719,064</u>	<u>\$ 987,788</u>

ARRIVE AI INC.
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	<u>Three Months</u>		<u>Nine Months</u>	
	<u>Ended September 30,</u>		<u>Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
REVENUE	\$ 7,450	\$ -	\$ 98,175	\$ -
OPERATING EXPENSES				
General and administrative	1,370,347	791,639	7,551,884	2,395,881
Research and development	179,854	7,940	564,585	548,879
Sales and marketing	<u>107,530</u>	<u>28,414</u>	<u>164,793</u>	<u>281,160</u>
Total operating expenses	1,657,731	827,993	8,281,262	3,225,920
OTHER INCOME (EXPENSES)				
Other income	23,388	5,434	83,454	29,523
Interest expense and bank charges	(580,021)	(1,192)	(775,410)	(3,209)
Realized gain on investments	46,491	-	46,491	-
Unrealized loss on investments	<u>(76,120)</u>	<u>-</u>	<u>(76,120)</u>	<u>-</u>
Total other income (expenses)	<u>(586,262)</u>	<u>4,242</u>	<u>(721,585)</u>	<u>26,314</u>
NET LOSS BEFORE TAXES	<u>(2,236,543)</u>	<u>(823,751)</u>	<u>(8,904,672)</u>	<u>(3,199,606)</u>
PROVISION FOR INCOME TAXES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET LOSS	<u>\$ (2,236,543)</u>	<u>\$ (823,751)</u>	<u>\$ (8,904,672)</u>	<u>\$ (3,199,606)</u>
NET LOSS PER SHARE:				
Basic and diluted	\$ (0.07)	\$ (0.03)	\$ (0.28)	\$ (0.11)
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING:				
Basic and diluted	33,241,510	29,000,241	31,515,121	28,935,738

ARRIVE AI INC.
CONDENSED STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2025 and 2024 (Unaudited)

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (8,904,672)	\$ (3,199,606)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation	3,134,655	880,120

Depreciation and amortization	31,048	21,792
Amortization of discount on convertible debt	357,333	-
Amortization of issuance costs on convertible debt	240,000	-
Realized gain on investments	(46,491)	-
Unrealized depreciation on investments	76,120	-
Changes in operating assets and liabilities		
(Increase) decrease in		
Accounts receivable	(4,900)	-
Prepaid expenses	(108,910)	(63,407)
Other current assets	3,458	-
Increase (decrease) in		
Accounts payable	43,148	408,485
Accrued liabilities	125,842	21,889
Credit card payable	<u>4,938</u>	<u>(28,720)</u>
Net cash used in operating activities	<u>(5,048,431)</u>	<u>(1,959,447)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Construction in progress	(87,850)	-
Proceeds from sales of investments	3,018,635	-
Purchase of investments	<u>(4,967,259)</u>	<u>-</u>
Net cash used in investing activities	<u>(2,036,474)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of common stock, net	448,056	2,031,682
Purchase of treasury stock	(74,743)	-
Proceeds from the exercise of warrants, net	573,896	-
Repayments of note payables	(6,337)	(5,914)
Proceeds from issuance of convertible debt	7,530,000	-
Deferred offering costs	<u>(698,570)</u>	<u>(100,000)</u>
Net cash provided by financing activities	<u>7,772,302</u>	<u>1,925,768</u>
NET INCREASE (DECREASE) IN CASH	687,397	(33,679)
CASH, BEGINNING OF PERIOD	<u>129,318</u>	<u>325,472</u>
CASH, END OF PERIOD	<u>\$ 816,715</u>	<u>\$ 291,793</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for:		
Interest	\$ 175,640	\$ 1,277
Income taxes	\$ -	\$ -
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION		
Common stock issued as payment of offering costs	\$ 6,927,869	\$ -
Common stock issued as settlement of legal expenses	\$ 1,204,737	\$ -
Conversion of notes payable to common stock	\$ 4,125,000	\$ -
Deferred offering costs recognized as additional paid-in capital	\$ 1,741,750	\$ -
Cashless exercise of stock options	\$ 9,269	\$ -

SOURCE: Arrive AI Inc.

[press release](#)