Arrive AI Eliminates All Debt Through Preferred Equity Exchange

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Exchange of approximately $3.96 million of debt strengthens the balance sheet and expands future financing flexibility

INDIANAPOLIS, IN / ACCESS Newswire / November 19, 2026 / Arrive AI (NASDAQ:ARAI), a physical AI and autonomous logistics infrastructure company enabling drones, autonomous mobile robots (AMRs), autonomous vehicles (AVs) and human couriers to securely exchange goods, today announced the completion of a preferred equity exchange with Streeterville Capital, LLC that eliminated approximately $3.96 million in debt, representing all of the Company's outstanding debt.

The Company exchanged all outstanding Streeterville debt for preferred equity on defined terms. The transaction supports a stronger stockholders' equity position and eliminates the company's debt. Management believes the transaction addresses a significant financing headwind and positions Arrive AI to pursue additional capital opportunities that support commercialization and long-term shareholder value.

"We are taking decisive steps to strengthen Arrive AI's financial foundation and improve the way we fund our growth," said Dan O'Toole, Founder and Chief Executive Officer of Arrive AI. "By exchanging our remaining, approximately $3.96 million of Streeterville debt for preferred equity, we have eliminated all of our outstanding debt on the balance sheet, which we believe has weighed on our common stock. This is a meaningful milestone in building a stronger balance sheet, creating greater certainty for our shareholders and expanding our financial flexibility."

Key Benefits of the Preferred Equity Exchange

- **Debt-free balance sheet:** The exchange converts the remaining approximately $3.96 million of Streeterville debt into preferred equity, leaving the Company with no outstanding debt.
- **Stronger stockholders' equity:** Each dollar of obligations exchanged for preferred equity is expected to produce a corresponding increase in stockholders' equity, subject to final accounting treatment and transaction-related adjustments.
- **Expanded capital opportunities:** The improved capital structure provides a stronger foundation for pursuing financing and strategic transactions with terms designed to support common shareholders' interests.
- **Improved positioning for investor engagement:** Management believes a clearer financing structure can help investors evaluate Arrive AI's operating progress and growth opportunities with greater confidence.

A Stronger Foundation for Growth

Arrive AI believes the exchange expands its flexibility to evaluate negotiated investments, strategic capital relationships and use of its existing at-the-market equity program when market conditions are favorable. Management intends to weigh these opportunities against capital costs, shareholder interests and the Company's commercial priorities.

"Our goal is to give the progress of our business greater opportunity to be reflected in our market valuation," O'Toole continued. "A more predictable capital structure helps us focus on what drives lasting value: deploying Arrive Points, expanding customer relationships and building recurring revenue. We believe this preferred equity exchange is an important step toward that goal. Coming off our 433% year-over-year revenue increase in the third quarter of 2026, it is important that we are positioned to finance the future growth we are building toward."

Additional details regarding the preferred equity exchange will be included in the Company's Current Report on Form 8-K which will be filed with the SEC.

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.

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 Registration Statement and other filings, including risk factors, available at the U.S. Securities and Exchange Commission website 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.

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press release