UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 5, 2026**

SOUNDHOUND AI, INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-40193**	**85-1286799**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

5400 Betsy Ross Drive **Santa Clara, CA**	**95054**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (408) 441-3200

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, $0.0001 par value per share	SOUN	The Nasdaq Stock Market LLC
Warrants, each exercisable for one share of Class A Common Stock at an exercise price of $11.50 per share, subject to adjustment	SOUNW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On November 5, 2026, SoundHound AI, Inc. (the "Company") issued a press release announcing financial results and operational highlights for the third quarter ended September 30, 2026. A copy of the press release is furnished as Exhibit 99.1 to this current report on Form 8-K. The Company is also furnishing as Exhibit 99.2 to this current report on Form 8-K the condensed consolidated balance sheets of the Company as of September 30, 2026, and the related condensed consolidated statements of operations and comprehensive loss and condensed consolidated statements of cash flows for the period ended September 30, 2026.

Item 2.05 Costs Associated with Exit or Disposal Activities.

On November 4, 2026, the Company implemented a restructuring plan (the "Plan") intended to align our teams and resources with our strategic priorities to drive long-term profitability. The Plan includes a reduction of the Company's current global workforce by approximately 27%. Decisions regarding the elimination of positions are subject to local law and consultation requirements in certain countries, as well as the Company's business needs.

In connection with the Plan, the Company currently estimates that it will incur GAAP pre-tax charges in the range of $18 million to $22 million, substantially all of which are expected to be related to severance payments and post-employment benefits. Of the aggregate amount of charges that the Company estimates it will incur in connection with the Plan, the Company expects that approximately $16 million to $19 million will be in cash expenditures. The majority of these charges will be recognized and distributed during the fourth quarter of 2026. The actions associated with the employee restructuring under the Plan are expected to be substantially complete by the end of 2026 subject to local law and consultation requirements and the Company's business needs. The Company expects that expense savings resulting from the Plan will be used to further the Company's strategic initiatives.

The estimates of the charges and expenditures that the Company expects to incur in connection with the Plan are subject to a number of assumptions, including local law requirements in various jurisdictions. The Company may also incur other charges or cash expenditures not currently contemplated due to unanticipated events that may occur in connection with the implementation of the Plan. Accordingly, actual amounts may differ materially from these estimates.

Item 9.01. Financial Statement and Exhibits.

Exhibit Number	Description
99.1	Press Release, dated November 5, 2026
99.2	Financial statements for the period ended September 30, 2026
104	Cover Page Interactive Data File (formatted as inline XBRL)

Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements, including, but not limited to, statements related to the timing of completion of the Plan and the expected costs and charges of the Plan. Words such as "expects," "anticipates," "aims," "projects," "intends," "plans," "believes," "estimates," "seeks," "assumes," "may," "should," "could," "would," "foresees," "forecasts," "predicts," "targets," "commitments," variations of such words and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are based upon the Company's current plans, assumptions, beliefs, and expectations. Forward-looking statements are subject to the occurrence of many events outside of the Company's control. Actual results and the timing of events may differ materially from those contemplated by such forward-looking statements due to numerous factors that involve substantial known and unknown risks and uncertainties. These risks and uncertainties include, among other things, the risk that the restructuring costs and charges may be greater than anticipated; the risk that the Company's restructuring efforts may adversely affect the Company's internal programs and the Company's ability to recruit and retain skilled and motivated personnel, and may be distracting to employees and management; the risk that the Company's restructuring efforts may negatively impact the Company's business operations and reputation with or ability to serve customers; the risk that the Company's restructuring efforts may not generate their intended benefits to the extent or as quickly as anticipated; and other risks and uncertainties included in the reports on Forms 10-K, 10-Q and 8-K and in other filings the Company makes with the Securities and Exchange Commission from time to time, available at www.sec.gov. Forward-looking statements should be considered in light of these risks and uncertainties. Investors and others are cautioned not to place undue reliance on forward-looking statements. All forward-looking statements contained herein speak only as of the date hereof. The Company assumes no obligation and does not intend to update these forward-looking statements, except as required by law.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

November 5, 2026

SoundHound AI, Inc.

By: /s/ Keyvan Mohajer
Name: Keyvan Mohajer
Title: Chief Executive Officer

SoundHound AI Reports Record Q3 Revenue and

Guides to Sustained Adjusted EBITDA Profitability within 2H 2027

SANTA CLARA, Calif.--SoundHound AI, Inc. (Nasdaq: SOUN), a global leader in voice and agentic AI, today reported its financial results for the third quarter 2026.

"This is a milestone moment for SoundHound. We announced another record quarter, closed our acquisition of LivePerson, and guided that the company will be adjusted EBITDA profitable within the second half of 2027," **said Keyvan Mohajer, CEO and Co-Founder of SoundHound AI.** *"Our OASYS platform now leads its category and is positioned to become the operating system of the new agentic era, strengthened by technology from six pioneering businesses we have combined under SoundHound AI."*

Financial Highlights

- Third quarter reported revenue was $62.4 million, an increase of 48.5% year-over-year.
- Third quarter GAAP gross margin was 34.1%; non-GAAP gross margin was 50.3%.
- Third quarter GAAP net loss was $(46.4) million; non-GAAP net loss was $(21.2) million.
- Third quarter adjusted EBITDA was a loss of $(20.7) million.
- Third quarter GAAP earnings per share was a loss of $(0.10); non-GAAP earnings per share was a loss of $(0.05).

"Since closing the LivePerson acquisition, we have moved swiftly and decisively to integrate the businesses and realize substantial cost and revenue synergies. At the same time, we are improving our quality of earnings by shifting upfront license deals to hosted structures and exiting non-core, dilutive business lines, making our revenue more stable and predictable," **said John Collins, CFO of SoundHound AI.** *"These business transformations provide the operating leverage necessary to reach sustainable, profitable growth within the second half of 2027."*

Business Highlights

LivePerson Update

- Closed the acquisition of LivePerson on September 4th, retiring all but a negligible portion of the debt, which will be repaid at maturity in the fourth quarter.
- Coordinated outreach to LivePerson's top 90 enterprise accounts representing over $100 million in ARR, receiving overwhelmingly positive feedback regarding financial stability and the addition of enterprise-grade voice and agentic AI capabilities.
- Renewals and upsells included a major US healthcare benefits provider, a leading European broadcaster and telecommunications provider, and a leading UK water utility.

Enterprise and Customer Care

- A leading academic health system selected SoundHound across both its hospital services and its health plan.
- Randox, a health testing provider serving UK and global populations, selected SoundHound for customer care.
- A major US electric utility signed a new contract to bring AI to its back-office functions.
- A British multinational telecommunications company added additional services.

Auto, Devices, and Voice Commerce

- Signed a 7-figure minimum-guarantee agreement with a tier one Chinese automotive supplier for voice AI and edge capabilities.
- Signed a new deal with Greaves Electric, a leading electric two-wheeler maker, for an embedded voice assistant.
- Launched OASYS Edge, an on-device architecture bringing LLM-powered voice AI agents directly onto local device hardware in vehicles, TVs, and smart devices.
- Signed a deal with a global electronics manufacturer LG to debut a new commerce channel across approximately 20 million smart TVs in the US.
- Signed direct voice commerce partnerships with a large coffeehouse brand and a growing fast-casual restaurant chain.

Consumer Brands, Hospitality and Physical Operations

- A multinational food and beverage company renewed its enterprise HR deployment.
- Resorts World Las Vegas, a global resort operator, expanded from an on-property digital concierge to an external-facing autonomous booking agent.
- A household-name pizza chain added SoundHound AI ordering to nearly 100 additional restaurant locations.
- Won a major global consumer products company as a new end customer through our partnership with Alta Resources, a business process outsourcing and customer management partner.

Third Quarter 2026 Financial Measures[1]

Three Months Ended (thousands, unless otherwise noted)	September 30, 2026	September 30, 2025	Change
Revenues	$ 62,425	$ 42,049	48 %
GAAP gross profit	$ 21,282	$ 17,921	19 %
GAAP gross margin	34.1%	42.6%	(8.5) pp
Non-GAAP gross profit	$ 31,394	$ 24,917	26 %
Non-GAAP gross margin	50.3%	59.3%	(9.0) pp
GAAP operating loss[2]	$ (46,497)	$ (115,891)	60 %
Non-GAAP adjusted EBITDA	$ (20,665)	$ (14,546)	(42) %
GAAP net loss[2]	$ (46,368)	$ (109,271)	58 %
Non-GAAP net loss	$ (21,215)	$ (13,022)	(63) %
GAAP net loss per share[2]	$ (0.10)	$ (0.27)	$ 0.17
Non-GAAP net loss per share	$ (0.05)	$ (0.03)	$ (0.02)

1) Please see tables below for a reconciliation from GAAP to non-GAAP.

2) GAAP operating loss includes an impact from the calculated fair value of contingent acquisition liabilities where future earn-out shares are marked-to-market on a quarterly basis, and with the fluctuation in stock price compared to the previous quarter there was a gain associated with this item of $23.4 million in the third quarter of 2026. Non-GAAP measures exclude this non-operating/non-cash impact.

Liquidity and Cash Flows

The company's total cash and cash equivalents was $207.6 million at September 30, 2026. The Company had $3.8 million of short-term debt as of September 30, 2026, assumed from the LivePerson acquisition in September 2026.

Condensed Cash Flow Statement

Nine Months Ended (thousands)	September 30, 2026	September 30, 2025
Cash flows:		
Net cash used in operating activities	$ (95,986)	$ (76,336)
Net cash provided by (used in) investing activities	9,803	(56,965)
Net cash provided by financing activities	45,315	204,514
Effects of exchange rate changes on cash	291	(257)
Net change in cash and cash equivalents	**$ (40,577)**	**$ 70,956**

Business Outlook

- SoundHound has identified significant annualized cost synergies of $120 million, with over $80 million in actions scheduled to take effect before January 1, 2027, and the full $120 million run-rate expected in 2027.
- The Company has been strategically non-renewing and exiting certain negative gross margin contracts inherited from prior acquisitions and expects to continue doing so, with a positive impact on both gross margin and EBITDA.
- SoundHound will use the self-learning feature of OASYS to prioritize a hosted-service model and reduce upfront licensing, which has historically resulted in fluctuating point-in-time revenue contributions in prior quarters. The expected impact is more predictable revenue and long-term, sustainable ARR growth.
- With the impact of the actions above, SoundHound expects the 2026 revenue to be in the range of $250M - $260M, and 2027 revenue in the range of $350M - $400M.
- SoundHound expects to reach sustained adjusted EBITDA positive within the second half of 2027, even at the lower-end of its revenue guidance.

Additional Information

For more information please see the company's SEC filings which can be obtained on the company's website at investors.soundhound.com. The financial statements for the fiscal quarter will be posted on the website, and will also be filed as an exhibit when the company files its 8-K including this press release. The financial data presented in this press release should be considered preliminary until the company files its 10-Q.

Conference Call and Webcast

SoundHound AI will host a live audio conference call and webcast today at 2:00 p.m. Pacific Time/5:00 p.m. Eastern Time. A live webcast and replay will also be accessible at investors.soundhound.com.

About SoundHound AI

SoundHound AI is a voice and agentic AI company that enables businesses to deliver natural, end-to-end conversational experiences across digital and physical channels, including phones, kiosks, chat, smart devices, drive-thrus, TVs, in-vehicle, and more. Its agentic platform, OASYS, is a self-learning, orchestrated AI system where organizations can build and deploy conversational AI agents to handle transactions, tasks, and workflows on behalf of customers and employees. Built on proprietary technology backed by 800+ patents and years of AI research, SoundHound serves leading brands across industries including automotive, financial services, healthcare, retail, telecommunications, and more. It powers millions of products and processes billions of interactions annually for enterprise customers worldwide. For more information, visit: www.soundhound.com

Forward Looking Statements

This press release contains forward-looking statements, which are not historical facts, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements by the use of words such as “may,” “could,” “expect,” “intend,” “plan,” “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue,” “likely,” “will,” “would” and variations of these terms and similar expressions, or the negative of these terms or similar expressions. These forward-looking statements include, but are not limited to, statements concerning our expected financial performance, our ability to implement our business strategy and anticipated business and operations, including our ability to integrate the business and operations of LivePerson and our ability to realize the expected benefits of such acquisition, our ability to achieve and sustain positive adjusted EBITDA within the second half of 2027 and guidance for financial results for 2026 and 2027. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. As a result, readers are cautioned not to place undue reliance on these forward-looking statements. Our actual results may differ materially from those expressed or implied by these forward-looking statements as a result of risks and uncertainties impacting SoundHound’s business including, our ability to successfully launch and commercialize new products and services and derive significant revenue, our market opportunity and our ability to acquire new customers and retain existing customers, unexpected costs, charges or expenses resulting from our recent acquisitions, the ability of our recent acquisitions to be accretive on the company's financial results, our ability to reduce our annualized cost structure and achieve expected cost synergies associated therewith and those other factors described in our risk factors set forth in our filings with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We do not intend to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Non-GAAP Measures of Financial Performance

To supplement the company’s financial statements, which are presented on the basis of U.S. generally accepted accounting principles (GAAP), the following non-GAAP measures of financial performance are included in this release: non-GAAP gross profit, non-GAAP gross margin, adjusted EBITDA, non-GAAP net loss and non-GAAP earnings per share.

The company believes that providing this non-GAAP information in addition to the GAAP financial information allows investors to view the financial results in the way the company views its operating results. The company also believes that providing this information allows investors to not only better understand the company's financial performance, but also, better evaluate the information used by management to evaluate and measure such performance.

As such, the company believes that disclosing non-GAAP financial measures to the readers of its financial statements provides the reader with useful supplemental information that allows for greater transparency in the review of the company’s financial and operational performance.

The company defines its non-GAAP measures by excluding certain items:

The company arrives at non-GAAP gross profit and non-GAAP gross margin by excluding (i) amortization of intangibles (including acquired intangible assets), (ii) stock-based compensation and related payroll taxes, and (iii) acquisition-related costs

The company arrives at adjusted EBITDA by excluding (i) total other income/(expense), net, (ii) income taxes, (iii) depreciation and amortization expense (including acquired intangible assets), (iv) amortization of capitalized commissions, (v) stock-based compensation and related payroll taxes, (vi) change in fair value of contingent acquisition liabilities, (vii) litigation settlement expenses and (viii) acquisition-related costs.

The company arrives at non-GAAP net loss and non-GAAP net loss per share by excluding (i) depreciation and amortization expense (including acquired intangible assets), (ii) amortization of capitalized commissions, (iii) stock-based compensation and related payroll taxes, (iv) change in fair value of contingent acquisition liabilities, (v) change in fair value of derivative, (vi) litigation settlement expenses, (vii) acquisition-related costs and (viii) income tax effects related to acquisitions.

Reconciliations of GAAP to these adjusted non-GAAP financial measures are included in the tables below. When analyzing the company's operating results, investors should not consider non-GAAP measures as substitutes for the comparable financial measures prepared in accordance with GAAP.

To the extent that the company presents any forward-looking non-GAAP financial measures, the company does not present a quantitative reconciliation of such measures to the most directly comparable GAAP financial measure (or otherwise present such forward-looking GAAP measures) because it is impractical to do so.

Third Quarter Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit and GAAP Gross Margin to Non-GAAP Gross Margin

Three Months Ended (thousands, unless otherwise noted)	September 30, 2026	September 30, 2025
GAAP gross profit[1]	**$ 21,282**	**$ 17,921**
Adjustments:		
Depreciation and amortization	6,672	4,334
Stock-based compensation and related payroll taxes[2]	3,129	2,662
Acquisition-related expenses	311	—
Non-GAAP gross profit	**$ 31,394**	**$ 24,917**
GAAP gross margin	**34.1%**	**42.6%**
Non-GAAP gross margin	**50.3%**	**59.3%**

1) GAAP gross profit is calculated by subtracting the cost of revenues from revenues.

2) Q3 2026 and Q3 2025 include employer payroll taxes that result from stock-based compensation in the amount of $0.1 million and $0.2 million, respectively.

Third Quarter Reconciliation of GAAP Net Loss to Non-GAAP Adjusted EBITDA

Three Months Ended (thousands)	September 30, 2026	September 30, 2025
GAAP net loss	**$ (46,368)**	**$ (109,271)**
Adjustments:		
Total other expense (income), net[1]	233	(7,077)
Income taxes	(362)	457
Depreciation and amortization	13,320	8,557
Amortization of capitalized commissions	65	—
Stock-based compensation and related payroll taxes[2]	22,540	21,217
Change in fair value of contingent acquisition liabilities	(23,428)	66,245
Litigation settlement expenses	420	—
Acquisition-related expenses[3]	12,915	5,326
Non-GAAP adjusted EBITDA	**$ (20,665)**	**$ (14,546)**

1) Includes $0.2 million of other expense, net and $7.2 million of other income, net for the three months ended September 30, 2026 and 2025, respectively.

2) Q3 2026 and Q3 2025 include employer payroll taxes that result from stock-based compensation in the amount of $0.7 million and $1.5 million, respectively.

3) Acquisition-related expenses in Q3 2026 also include acquisition-related severance expenses and transition expenses resulting from the transition agreements under specific acquisition.

Third Quarter Reconciliation of GAAP Net Loss to Non-GAAP Net Loss and Non-GAAP Net Loss Per Share

Three Months Ended (thousands, unless otherwise noted)	September 30, 2026	September 30, 2025
GAAP net loss attributable to SoundHound common shareholders	**$ (46,368)**	**$ (109,271)**
Adjustments:		
Depreciation and amortization	13,320	8,557
Amortization of capitalized commissions	65	—
Stock-based compensation and related payroll taxes[1]	22,540	21,217
Change in fair value of contingent acquisition liabilities	(23,428)	66,245
Change in fair value of derivative	581	(5,096)
Litigation settlement expenses	420	—
Acquisition-related expenses[2]	12,915	5,326
Income tax effects related to acquisitions	(1,260)	—
Non-GAAP net loss	**$ (21,215)**	**$ (13,022)**
Basic:		
GAAP net loss per share[3]	**$ (0.10)**	**$ (0.27)**
Adjustments	0.05	0.24
Non-GAAP net loss per share[4]	**$ (0.05)**	**$ (0.03)**
Diluted:		
GAAP net loss per share[3]	**$ (0.10)**	**$ (0.27)**
Adjustments	0.05	0.24
Non-GAAP net loss per share[4]	**$ (0.05)**	**$ (0.03)**

1) Q3 2026 includes employer payroll taxes that result from stock-based compensation in the amount of $0.7 million.

2) Acquisition-related expenses in Q3 2026 also include acquisition-related severance expenses and transition expenses resulting from the transition agreements under specific acquisition.

3) GAAP EPS: Weighted average common shares outstanding (basic) for the three months ended September 30, 2026 and 2025, were 454,512,160 and 409,783,470, respectively. Weighted average common shares outstanding (diluted) for the three months ended September 30, 2026 and 2025, were 454,512,160 and 411,702,440, respectively. Diluted EPS excludes earnings impact from realized portion of contingently issuable shares related to prior acquisitions.

4) Non-GAAP EPS: Weighted average common shares outstanding (basic) for the three months ended September 30, 2026 and 2025, were 454,512,160 and 409,783,470, respectively. Weighted average common shares outstanding (diluted) for the three months ended September 30, 2026 and 2025, were 454,512,160 and 411,702,440, respectively. Diluted EPS excludes earnings impact from realized portion of contingently issuable shares related to prior acquisitions.

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SOUNDHOUND AI, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)
(Unaudited)

	September 30, 2026	December 31, 2025
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 207,579	$ 248,490
Accounts receivable, net of allowances of $3,804 and $2,254 as of September 30, 2026 and December 31, 2025, respectively	50,562	32,336
Contract assets and unbilled receivable, net	37,391	38,189
Other current assets	26,310	10,114
Total current assets	321,842	329,129
Restricted cash equivalents, non-current	1,010	676
Investments	5,000	—
Right-of-use assets	4,580	3,791
Property and equipment, net	5,598	2,928
Goodwill	261,796	122,277
Intangible assets, net	324,514	181,395
Deferred tax asset	1,114	29
Contract assets and unbilled receivable, non-current, net	47,928	29,906
Other non-current assets	24,469	18,042
Total assets	$ 997,851	$ 688,173
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 21,676	$ 10,562
Accrued liabilities	60,306	26,325
Operating lease liabilities	1,978	1,812
Finance lease liabilities	168	332
Income tax liability	5,686	2,662
Deferred revenue	64,491	24,042
Convertible notes, current	3,785	—
Contingent acquisition liabilities	—	4,400
Other current liabilities	677	1,604
Total current liabilities	158,767	71,739
Operating lease liabilities, net of current portion	2,531	2,069
Deferred revenue, net of current portion	5,003	8,195
Contingent acquisition liabilities, net of current portion	4,400	129,227
Deferred tax liabilities	1,430	1,363
Income tax liability, net of current portion	7,132	2,254
Other non-current liabilities	12,330	9,540
Total liabilities	191,593	224,387
Commitments and contingencies		
Stockholders' equity:		
Series A Preferred Stock, $0.0001 par value; 1,000,000 shares authorized; 0 and 0 shares issued and outstanding, aggregate liquidation preference of $0 and $0 as of September 30, 2026 and December 31, 2025, respectively	—	—
Class A Common Stock, $0.0001 par value; 755,000,000 shares authorized as of September 30, 2026 and December 31, 2025; 456,399,737 and 390,070,691 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	43	37
Class B Common Stock, $0.0001 par value; 44,000,000 shares authorized; 32,535,408 shares issued and outstanding as of September 30, 2026 and December 31, 2025	3	3
Additional paid-in capital	1,877,340	1,420,672
Accumulated deficit	(1,071,279)	(957,066)
Accumulated other comprehensive income	151	140
Total stockholders' equity	806,258	463,786
Total liabilities and stockholders' equity	$ 997,851	$ 688,173

SOUNDHOUND AI, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Revenues[1]	$ 62,425	$ 42,049	$ 168,517	$ 113,861
Operating expenses:				
Cost of revenues	41,143	24,128	105,563	68,660
Sales and marketing	18,216	16,381	54,066	44,225
Research and development	30,867	22,848	84,197	73,409
General and administrative	35,954	24,346	87,619	60,983
Change in fair value of contingent acquisition liabilities	(23,428)	66,245	(66,517)	(78,496)
Amortization of intangible assets	6,170	3,992	16,055	10,925
Total operating expenses	108,922	157,940	280,983	179,706
Loss from operations	(46,497)	(115,891)	(112,466)	(65,845)
Other (expense) income, net:				
Interest expense	(44)	(153)	(176)	(557)
Other (expense) income, net	(189)	7,230	1,047	14,871
Total other (expense) income, net	(233)	7,077	871	14,314
Loss before provision for income taxes	(46,730)	(108,814)	(111,595)	(51,531)
(Benefit from) provision for income taxes	(362)	457	2,618	2,532
Net loss	$ (46,368)	$ (109,271)	$ (114,213)	$ (54,063)
Earnings attributable to participating Class A Common Shares	—	—	—	—
Net loss attributable to SoundHound common shareholders	$ (46,368)	$ (109,271)	$ (114,213)	$ (54,063)
Other comprehensive loss:				
Unrealized (losses) gains on investments	(8)	47	11	20
Comprehensive loss	$ (46,376)	$ (109,224)	$ (114,202)	$ (54,043)
Net loss per share:				
Basic	$ (0.10)	$ (0.27)	$ (0.26)	$ (0.13)
Diluted	$ (0.10)	$ (0.27)	$ (0.30)	$ (0.14)
Weighted-average common shares outstanding:				
Basic	454,512,160	409,783,470	435,623,278	401,325,300
Diluted	454,512,160	411,702,440	441,261,985	403,252,575

(1) Includes related party revenue from an investee company of $0.1 million and $7.6 million for the three and nine months ended September 30, 2026.

SOUNDHOUND AI, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows used in operating activities:		
Net loss	$ (114,213)	$ (54,063)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	34,391	24,086
Stock-based compensation	61,020	60,956
Loss on disposal of property and equipment	—	42
Non-cash lease amortization	2,459	2,141
Amortization of capitalized commissions	1,064	990
Bad debt expenses	3,794	—
Foreign currency gain/loss from remeasurement	528	(555)
Change in fair value of contingent acquisition liabilities	(66,517)	(78,496)
Change in fair value of derivative	3,211	(7,275)
Deferred income taxes	(1,547)	—
Other, net	(178)	3,118
Changes in operating assets and liabilities:		
Accounts receivable, net	12,268	7,254
Other current assets	(3,069)	(4,040)
Contract assets	(17,032)	(15,543)
Other non-current assets	3	(3,480)
Accounts payable	426	(1,764)
Accrued liabilities	10,086	(1,329)
Contingent acquisition liabilities	(1,335)	—
Other current liabilities	(130)	(2,742)
Operating lease liabilities	(2,465)	(1,972)
Deferred revenue	(21,115)	(8,743)
Other non-current liabilities	2,365	5,079
Net cash used in operating activities	(95,986)	(76,336)
Cash flows provided by (used in) investing activities:		
Purchases of property and equipment	(1,125)	(526)
Capitalized software development costs	(7,718)	(1,837)
Purchase of equity investment	(5,000)	—
Payment related to asset acquisition	(28,023)	—
Payment related to acquisitions, net of cash acquired	—	(54,602)
Cash acquired in the acquisition of LivePerson, net of cash paid	51,669	—
Net cash provided by (used in) investing activities	9,803	(56,965)
Cash flows provided by financing activities:		
Proceeds from sales of Class A common stock under the Second Equity Distribution Agreement	48,481	201,519
Proceeds from exercise of stock options and employee stock purchase plan	4,015	7,233
Proceeds from warrants exercised	—	29
Payment of financing costs associated with the Second Equity Distribution Agreement	(970)	(4,030)
Payment on convertible notes	(1,237)	—
Payment to settle contingent acquisition liabilities	(3,538)	(198)
Payment to settle deferred holdback liabilities	(1,150)	—
Payments on finance leases	(286)	(39)
Net cash provided by financing activities	45,315	204,514
Effects of exchange rate changes on cash	291	(257)
Net change in cash, cash equivalents, and restricted cash equivalents	(40,577)	70,956
Cash, cash equivalents, and restricted cash equivalents, beginning of period	249,166	198,916
Cash, cash equivalents, and restricted cash equivalents, end of period	$ 208,589	$ 269,872

SOUNDHOUND AI, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - continued
(In thousands)
(Unaudited)

Reconciliation to amounts on the condensed consolidated balance sheets:		
Cash and cash equivalents	$ 207,579	$ 268,936
Non-current portion of restricted cash equivalents	1,010	936
Total cash, cash equivalents, and restricted cash equivalents shown in the condensed consolidated statements of cash flows	$ 208,589	$ 269,872
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 37	$ 33
Cash paid for income taxes, net	$ 2,560	$ 2,741
Noncash investing and financing activities:		
Right-of-use assets obtained in exchange for lease liabilities	$ 2,886	$ —
Issuance of Class A Common Stock to settle contingent acquisition liabilities	$ 56,188	$ 3,922
Fair value of deferred cash consideration under Interactions acquisition	$ —	$ 1,150
Fair value of contingent earnout consideration under Interactions acquisitions	$ —	$ 9,900
Fair value of Class A common stock issued to acquire LivePerson	$ 283,478	$ —
Deferred offering costs reclassified to additional paid-in capital	$ 49	$ 210
Stock-based compensation included in capitalized software development costs	$ 3,042	$ 1,208
Reclassification of contingent earnout consideration to equity	$ 1,468	$ —