

**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): **May 7, 2026**

**SOUNDHOUND AI, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**001-40193**

(Commission File  
Number)

**85-1286799**

(I.R.S. Employer  
Identification No.)

**5400 Betsy Ross Drive  
Santa Clara, CA**

(Address of principal executive offices)

**95054**

(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 May 7, 2026, SoundHound AI, Inc. (the “Company”) issued a press release announcing financial results and operational highlights for the first quarter ended March 31, 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 March 31, 2026, and the related condensed consolidated statements of operations and comprehensive loss and condensed consolidated statements of cash flows for the period ended March 31, 2026.

**Item 9.01. Financial Statement and Exhibits.**

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#">Press Release, dated May 7, 2026</a>
99.2	<a href="#">Financial statements for the period ended March 31, 2026</a>
104	Cover Page Interactive Data File (formatted as inline XBRL)

**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.

May 7, 2026

SoundHound AI, Inc.

By: /s/ Keyvan Mohajer

Name: Keyvan Mohajer

Title: Chief Executive Officer

## SoundHound AI Reports Record Q1 Revenue of \$44.2 million, Up 52%

*Launches OASYS as the gold standard agentic platform to revolutionize the way businesses interact with customers across every channel and touchpoint*

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

*"SoundHound started the year strong with our top line growing 52%. Excluding the impact of all acquisitions, revenue was up 88% in our core automotive and IoT AI vertical, highlighting incredible demand across all pillars of our business," said Keyvan Mohajer, CEO and Co-founder of SoundHound AI. "Our launch of OASYS and our planned acquisition of LivePerson will bring the world's first self-learning agentic AI platform to one of the most robust enterprise footprints in the entire conversational AI sector."*

### Financial Highlights

- First quarter reported revenue was \$44.2 million, an increase of 52% year-over-year
- First quarter GAAP gross margin was 31.1%; non-GAAP gross margin was 49.7%
- First quarter GAAP net loss was \$(25.0) million; non-GAAP net loss was \$(26.6) million
- First quarter adjusted EBITDA was a loss of \$(26.7) million
- First quarter GAAP earnings per share was a loss of \$(0.06); non-GAAP earnings per share was a loss of \$(0.06)
- First quarter expenses included certain non-recurring charges such as true up costs from vendors that also impacted both GAAP and non-GAAP gross margin
- GAAP results include a gain from the calculated fair value of contingent acquisition liabilities where future earnout shares are marked-to-market on a quarterly basis based on the company's stock price. Non-GAAP measures exclude this non-operating/non-cash impact.

*"We had a strong start to the year, delivering undeniable value for our end customers across multiple channels and a growing number of industries," said James Hom, CFO and Co-founder of SoundHound AI. "Our rapid innovation positions us for scale while setting us up for massive cost benefits in future years. We are exiting the quarter with a strong balance sheet and are poised to achieve robust growth for the rest of the year."*

### Business Highlights

- **SoundHound AI Signs Agreement To Acquire LivePerson**
  - Acquisition will combine SoundHound's strengths in voice and agentic AI with LivePerson's digital messaging services
  - Combined company expects a \$500M revenue opportunity, accelerated path to profitability, strong balance sheet, and no debt
  - Results in one of the most comprehensive enterprise customer footprints in the conversational AI sector, including 25 of the Fortune 100
  - 2027 revenue range expected to be, at minimum, \$350M-\$400M, with at least \$100M of growable contribution from LivePerson's long-tenured customers
  - Expected to close in the second half of 2026, subject to customary regulatory approvals and closing conditions
- **Launches OASYS**
  - Launched the world's first self-learning orchestrated agentic AI platform, where AI builds AI
  - OASYS allows businesses to do in minutes what once took months by managing the entire agentic AI lifecycle: automatically creating, orchestrating, evaluating, and improving agents over time
  - The technology marks a fundamental shift in the role of AI from something that must be continuously built and maintained, to a system that actively evolves based on real-world usage
- **Auto, Devices & Voice Commerce:**
  - Multiple TV and auto OEMs integrating SoundHound's Voice Commerce
  - Signed a new 7-figure commitment with prominent Japanese manufacturer to deploy SoundHound's voice assistant across vehicles globally
  - Multinational OEM signed expansion in South America
  - Signed agreement to integrate SoundHound's voice AI across Walmart's TV brand, ONN
- **Restaurants, Retail & Consumer Goods:**
  - Major QSR seeing growing ROI with positive results from SoundHound's drive thru technology - with AI-enabled locations generating more revenue than those not deploying the technology
  - Increased cross-sell wins among restaurant solutions, and a strong uptick in the adoption of SoundHound's Voice Insights product

- Deployed AI solutions with major global fitness apparel brands, representing the majority of the market share in that category
- Signed deals with:
  - A national residential and commercial service company specializing in eco-friendly indoor air quality, with over 200 franchise locations
  - A 450 location water survival and swim school.
  - Multiple boutique fitness chains, with a total opportunity of 900+ locations
- **Banking, Financial Services & Insurance:**
  - Expanded services with:
    - One the world's largest banks that serves millions of customers, clients and communities in over 100 global markets
    - A New York based global financial services platforms company
    - An American multinational financial services corporation headquartered in Denver, Colorado
    - A multinational conglomerate corporation that offers a number of products and services across its multiple business groups
    - One of the 10th largest credit unions in the US operating with over 100 branches
    - A major American insurance corporation headquartered in Texas and operating in all 50 states
  - Renewed with one of the largest insurance companies in the U.S., a Fortune 100 company
- **Utilities, Energy & Telecommunications:**
  - Closed a multi-year renewal with an American retail electricity provider headquartered in Texas, serving both residential and business customers
  - Expanded services with a large Kansas-based electric company serving both residential and commercial customers
  - Renewed and expanded services with a large telecommunications provider that offers broadband internet, digital television, and computer technical support to customers in 25 states
- **Healthcare, Pharmaceuticals & Life Sciences**
  - Renewed and added additional services as part of our relationship with Allina Health
  - Won the business of a specialized U.S. healthcare organization offering care in multiple states
  - Renewed with a large U.S.-based healthcare network specializing in medical, surgical, and cosmetic dermatology, operating across 14 states in over 150 locations
- **Technology, Software & IT Services:**
  - Renewed and expanded with a Japanese multinational conglomerate operating across sectors including energy, digital systems, mobility, and industrial infrastructure
  - Expanded services into Europe with one of the largest technology companies in the world
- **Channel Expansion:**
  - Announced a partnership with Manpower Group bringing AI and automation solutions to large enterprises
  - Agreed to a partnership with an American multinational corporation that designs, builds, and manages infrastructure services.
  - Renewed with:
    - A leading global IT services and consulting company, providing digital transformation, AI, and cloud computing solutions
    - One of the largest information technology services and consulting companies in the world, headquartered in France
    - A Japanese-headquartered company that offers IT services, system integration, cloud computing, and information security.

## First Quarter 2026 Financial Measures<sup>1</sup>

Three Months Ended (thousands, unless otherwise noted)	March 31, 2026		March 31, 2025		Change
Revenues	\$	44,195	\$	29,129	52 %
GAAP gross profit	\$	13,742	\$	10,618	29 %
GAAP gross margin		31.1%		36.5%	(5.4) pp
Non-GAAP gross profit	\$	21,960	\$	14,807	48 %
Non-GAAP gross margin		49.7%		50.8%	(1.1) pp
GAAP operating income (loss) <sup>2</sup>	\$	(22,671)	\$	128,097	(118) %
Non-GAAP adjusted EBITDA	\$	(26,688)	\$	(22,172)	(20) %
GAAP net income (loss) <sup>2</sup>	\$	(25,028)	\$	129,932	(119) %
Non-GAAP net loss	\$	(26,554)	\$	(22,331)	(19) %
GAAP net income (loss) per share <sup>2</sup>	\$	(0.06)	\$	0.33	\$ (0.39)
Non-GAAP net loss per share	\$	(0.06)	\$	(0.06)	\$ —

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

2) GAAP-only operating loss includes a significant 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 decrease in stock price compared to the previous quarter the gain associated with this item was \$39 million in the first 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 \$216 million at March 31, 2026, with no debt.

## Condensed Cash Flow Statement

### Quarter Ended

(thousands)

	March 31, 2026	March 31, 2025
<b>Cash flows:</b>		
Net cash used in operating activities	\$ (26,258)	\$ (19,185)
Net cash used in investing activities	(3,060)	(162)
Net cash provided by (used in) financing activities	(3,243)	67,010
Effects of exchange rate changes on cash	(287)	(94)
<b>Net change in cash and cash equivalents</b>	<b>\$ (32,848)</b>	<b>\$ 47,569</b>

## Business Outlook

SoundHound AI reaffirms its full year 2026 revenue outlook and still expects it to be in a range of \$225 - \$260 million.

## 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](https://investors.soundhound.com). The financial statements will be posted on the website, and will be included when the company files its 8-K. 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](https://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 400+ 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](https://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, the anticipated closing of our pending acquisition of LivePerson, and guidance for financial results for 2026 and 2027 giving effect to the acquisition of LivePerson. 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, our ability to close the acquisition of LivePerson in our expected timeframe or at all, unexpected costs, charges or expenses resulting from our recent acquisitions and our pending acquisition of LivePerson, the ability of our recent acquisitions and, upon closing, our acquisition of LivePerson, to be accretive on the company's financial results, 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, and (vii) 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) acquisition-related costs.

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.

### First 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)	March 31, 2026	March 31, 2025
<b>GAAP gross profit<sup>1</sup></b>	<b>\$ 13,742</b>	<b>\$ 10,618</b>
Adjustments:		
Depreciation and amortization	4,983	4,046
Stock-based compensation and related payroll taxes <sup>2</sup>	3,090	143
Acquisition-related expenses	145	—
<b>Non-GAAP gross profit</b>	<b>\$ 21,960</b>	<b>\$ 14,807</b>
<b>GAAP gross margin</b>	<b>31.1%</b>	<b>36.5%</b>
<b>Non-GAAP gross margin</b>	<b>49.7%</b>	<b>50.8%</b>

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

2) Q1 2026 includes employer payroll taxes that result from stock-based compensation in the amount of \$0.2 million.

### First Quarter Reconciliation of GAAP Net Income (Loss) to Non-GAAP Adjusted EBITDA

Three Months Ended (thousands)	March 31, 2026	March 31, 2025
<b>GAAP net income (loss)</b>	<b>\$ (25,028)</b>	<b>\$ 129,932</b>
Adjustments:		
Total other income (expense), net <sup>1</sup>	1,559	(2,654)
Income taxes	798	819
Depreciation and amortization	9,966	7,755
Amortization of capitalized commissions	538	—
Stock-based compensation and related payroll taxes <sup>2</sup>	19,952	17,440
Change in fair value of contingent acquisition liabilities	(39,392)	(176,100)
Acquisition-related expenses <sup>3</sup>	4,919	636
<b>Non-GAAP adjusted EBITDA</b>	<b>\$ (26,688)</b>	<b>\$ (22,172)</b>

1) Includes other income (expense), net of \$(1.5) million and \$2.9 million for the three months ended March 31, 2026 and 2025, respectively.

2) Q1 2026 includes employer payroll taxes that result from stock-based compensation in the amount of \$1.4 million.

- 3) Acquisition-related expenses in Q1'26 also include acquisition-related severance expenses and transition expenses resulting from the transition agreements under specific acquisition. Acquisition-related transition expenses were newly added to non-GAAP adjustments in the current period and were not included in the comparative period.

## First Quarter Reconciliation of GAAP Net Income (Loss) to Non-GAAP Net Loss and Non-GAAP Net Loss Per Share

Three Months Ended (thousands, unless otherwise noted)	March 31, 2026	March 31, 2025
<b>GAAP net income (loss) attributable to SoundHound common shareholders</b>	<b>\$ (25,028)</b>	<b>\$ 129,227</b>
Adjustments:		
Depreciation and amortization	9,966	7,755
Amortization of capitalized commissions	538	—
Stock-based compensation and related payroll taxes <sup>1</sup>	19,952	17,440
Change in fair value of contingent acquisition liabilities	(39,392)	(176,100)
Change in fair value of derivative	2,491	(1,289)
Acquisition-related expenses <sup>2</sup>	4,919	636
<b>Non-GAAP net loss</b>	<b>\$ (26,554)</b>	<b>\$ (22,331)</b>
<i>Basic:</i>		
<b>GAAP net income (loss) per share<sup>3</sup></b>	<b>\$ (0.06)</b>	<b>\$ 0.33</b>
Adjustments	—	(0.39)
<b>Non-GAAP net loss per share<sup>3</sup></b>	<b>\$ (0.06)</b>	<b>\$ (0.06)</b>
<i>Diluted:</i>		
<b>GAAP net income (loss) per share<sup>4</sup></b>	<b>\$ (0.11)</b>	<b>\$ 0.31</b>
Adjustments	0.05	(0.37)
<b>Non-GAAP net loss per share<sup>4</sup></b>	<b>\$ (0.06)</b>	<b>\$ (0.06)</b>

- 1) Q1 2026 includes employer payroll taxes that result from stock-based compensation in the amount of \$1.4 million.
- 2) Acquisition-related expenses in Q1'26 also include acquisition-related severance expenses and transition expenses resulting from the transition agreements under specific acquisition. Acquisition-related transition expenses were newly added to non-GAAP adjustments in the current period and were not included in the comparative period.
- 3) Weighted average common shares outstanding (basic) for the three months ended March 31, 2026 and 2025 were 421,472,827 and 393,893,313, respectively.
- 4) Weighted average common shares outstanding (diluted) for the three months ended March 31, 2026 and 2025 were 421,472,827 and 393,893,313, respectively. Excludes earnings impact from realized portion of contingently issuable shares related to prior acquisitions.

### Investors:

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

	March 31, 2026	December 31, 2025
	(Unaudited)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 215,642	\$ 248,490
Accounts receivable, net of allowances of \$2,807 and \$2,254 as of March 31, 2026 and December 31, 2025, respectively	30,068	32,336
Contract assets and unbilled receivable, net	32,752	38,189
Other current assets	10,343	10,114
Total current assets	288,805	329,129
Restricted cash equivalents, non-current	676	676
Right-of-use assets	5,920	3,791
Property and equipment, net	2,863	2,928
Goodwill	122,277	122,277
Intangible assets, net	172,036	181,395
Deferred tax asset	28	29
Contract assets and unbilled receivable, non-current, net	34,067	29,906
Other non-current assets	18,279	18,042
Total assets	\$ 644,951	\$ 688,173
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 8,048	\$ 10,562
Accrued liabilities	29,321	26,325
Operating lease liabilities	2,751	1,812
Finance lease liabilities	289	332
Income tax liability	2,812	2,662
Deferred revenue	28,509	24,042
Contingent acquisition liabilities	—	4,400
Other current liabilities	1,557	1,604
Total current liabilities	73,287	71,739
Operating lease liabilities, net of current portion	3,186	2,069
Deferred revenue, net of current portion	6,756	8,195
Contingent acquisition liabilities, net of current portion	87,334	129,227
Deferred tax liabilities	1,379	1,363
Income tax liability, net of current portion	2,209	2,254
Other non-current liabilities	10,134	9,540
Total liabilities	184,285	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 March 31, 2026 and December 31, 2025, respectively	—	—
Class A Common Stock, \$0.0001 par value; 755,000,000 shares authorized as of March 31, 2026 and December 31, 2025; 393,742,421 and 390,070,691 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	37	37
Class B Common Stock, \$0.0001 par value; 44,000,000 shares authorized; 32,535,408 shares issued and outstanding as of March 31, 2026 and December 31, 2025	3	3
Additional paid-in capital	1,442,560	1,420,672
Accumulated deficit	(982,094)	(957,066)
Accumulated other comprehensive income	160	140
Total stockholders' equity	460,666	463,786
Total liabilities and stockholders' equity	\$ 644,951	\$ 688,173

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

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Unaudited)</b>	
Revenues	\$ 44,195	\$ 29,129
Operating expenses:		
Cost of revenues	30,453	18,511
Sales and marketing	19,215	12,007
Research and development	26,200	24,756
General and administrative	25,676	18,407
Change in fair value of contingent acquisition liabilities	(39,392)	(176,100)
Amortization of intangible assets	4,714	3,451
Total operating expenses	<u>66,866</u>	<u>(98,968)</u>
Income (loss) from operations	<u>(22,671)</u>	<u>128,097</u>
Other income (expense), net:		
Interest expense	(71)	(235)
Other income (expense), net	(1,488)	2,889
Total other income (expense), net	<u>(1,559)</u>	<u>2,654</u>
Income (loss) before provision for income taxes	(24,230)	130,751
Provision for income taxes	798	819
Net income (loss)	\$ (25,028)	\$ 129,932
Earnings attributable to participating Class A Common Shares	—	(705)
Net income (loss) attributable to SoundHound common shareholders	<u>\$ (25,028)</u>	<u>\$ 129,227</u>
Other comprehensive income:		
Unrealized gains on investments	20	6
Comprehensive income (loss)	\$ (25,008)	\$ 129,938
Net income (loss) per share:		
Basic	\$ (0.06)	\$ 0.33
Diluted	<u>\$ (0.11)</u>	<u>\$ 0.31</u>
Weighted-average common shares outstanding:		
Basic	<u>421,472,827</u>	<u>393,893,313</u>
Diluted	<u>429,783,201</u>	<u>414,156,455</u>

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

	Three Months Ended March 31,	
	2026	2025
Cash flows used in operating activities:		
Net income (loss)	\$ (25,028)	\$ 129,932
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	9,966	7,755
Stock-based compensation	18,546	17,440
Loss on disposal of property and equipment	—	31
Non-cash lease amortization	858	664
Amortization of capitalized commissions	538	—
Foreign currency gain/loss from remeasurement	791	(160)
Change in fair value of contingent acquisition liabilities	(39,392)	(176,100)
Change in fair value of derivative	2,491	(1,289)
Deferred income taxes	17	(1)
Other, net	744	903
Changes in operating assets and liabilities:		
Accounts receivable, net	1,542	2,347
Other current assets	(767)	(239)
Contract assets	1,261	5,816
Other non-current assets	548	(1,181)
Accounts payable	(2,503)	1,151
Accrued liabilities	2,655	(8,403)
Contingent acquisition liabilities	(1,335)	—
Other current liabilities	(61)	(581)
Operating lease liabilities	(809)	(836)
Deferred revenue	3,028	3,667
Other non-current liabilities	652	(101)
Net cash used in operating activities	(26,258)	(19,185)
Cash flows used in investing activities:		
Purchases of property and equipment	(468)	(162)
Capitalized software development costs	(2,592)	—
Net cash used in investing activities	(3,060)	(162)
Cash flows provided by (used in) financing activities:		
Proceeds from sales of Class A common stock under the Second Equity Distribution Agreement	—	67,707
Proceeds from exercise of stock options and employee stock purchase plan	396	666
Proceeds from warrants exercised	—	13
Payment of financing costs associated with the Second Equity Distribution Agreement	—	(1,355)
Payment to settle contingent earnout liabilities	(3,538)	—
Payments on finance leases	(101)	(21)
Net cash provided by (used in) financing activities	(3,243)	67,010
Effects of exchange rate changes on cash	(287)	(94)
Net change in cash, cash equivalents, and restricted cash equivalents	(32,848)	47,569
Cash, cash equivalents, and restricted cash equivalents, beginning of period	249,166	198,916
Cash, cash equivalents, and restricted cash equivalents, end of period	\$ 216,318	\$ 246,485

**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	\$ 215,642	\$ 245,809
Non-current portion of restricted cash equivalents	\$ 676	\$ 676
Total cash, cash equivalents, and restricted cash equivalents shown in the condensed consolidated statements of cash flows	<u>\$ 216,318</u>	<u>\$ 246,485</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	<u>\$ 15</u>	<u>\$ 2</u>
Cash paid for income taxes, net	<u>\$ 689</u>	<u>\$ 1,230</u>
Noncash investing and financing activities:		
Right-of-use assets obtained in exchange for lease liabilities	<u>\$ 2,886</u>	<u>\$ —</u>
Issuance of Class A Common Stock to contingent earnout liabilities	<u>\$ 2,028</u>	<u>\$ —</u>
Deferred offering costs reclassified to additional paid-in capital	<u>\$ —</u>	<u>\$ 69</u>
Stock-based compensation included in capitalized software development costs	<u>\$ 918</u>	<u>\$ —</u>