UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ____________

Commission File Number: 001-41514

RXO, INC.

(Exact name of registrant as specified in its charter)

Delaware	**88-2183384**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
11215 North Community House Road Charlotte, NC	**28277**
(Address of principal executive offices)	**(Zip Code)**

(980) 308-6058

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	RXO	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 4, 2026, there were 164,926,128 shares of the registrant’s common stock, par value $0.01 per share, outstanding.

RXO, Inc.
Quarterly Report on Form 10-Q
For the Quarterly Period Ended June 30, 2026
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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

RXO, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

(Dollars in millions, shares in thousands, except per share amounts)	June 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 15	$ 17
Accounts receivable, net of $15 and $16 in allowances, respectively	1,444	1,226
Other current assets	97	74
Total current assets	1,556	1,317
Long-term assets		
Property and equipment, net of $412 and $381 in accumulated depreciation, respectively	126	134
Operating lease assets	205	238
Goodwill	1,111	1,111
Identifiable intangible assets, net of $184 and $164 in accumulated amortization, respectively	432	453
Other long-term assets	29	24
Total long-term assets	1,903	1,960
Total assets	$ 3,459	$ 3,277
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 713	$ 539
Accrued expenses	404	397
Short-term debt and current maturities of long-term debt	36	17
Short-term operating lease liabilities	66	75
Other current liabilities	8	10
Total current liabilities	1,227	1,038
Long-term liabilities		
Long-term debt and obligations under finance leases	459	387
Deferred tax liabilities	35	51
Long-term operating lease liabilities	167	191
Other long-term liabilities	65	69
Total long-term liabilities	726	698
Commitments and Contingencies (Note 9)		
Equity		
Preferred stock, $0.01 par value; 10,000 shares authorized; 0 shares issued and outstanding as of June 30, 2026 and December 31, 2025	—	—
Common stock, $0.01 par value; 300,000 shares authorized; 164,920 and 164,160 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	2	2
Additional paid-in capital	1,940	1,929
Accumulated deficit	(429)	(384)
Accumulated other comprehensive loss	(7)	(6)
Total equity	1,506	1,541
Total liabilities and equity	$ 3,459	$ 3,277

See accompanying notes to condensed consolidated financial statements.

RXO, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

(Dollars in millions, shares in thousands, except per share amounts)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenue	$ 1,774	$ 1,419	$ 3,199	$ 2,852
Cost of transportation and services (exclusive of depreciation and amortization)	1,472	1,118	2,643	2,271
Direct operating expense (exclusive of depreciation and amortization)	53	47	103	95
Sales, general and administrative expense	211	214	408	424
Depreciation and amortization expense	26	30	52	62
Transaction and integration costs	4	7	6	13
Restructuring costs	7	3	14	17
Operating income (loss)	$ 1	$ —	$ (27)	$ (30)
Other expense	—	2	1	2
Debt extinguishment loss	—	—	11	—
Interest expense, net	9	8	18	17
Loss before income taxes	$ (8)	$ (10)	$ (57)	$ (49)
Income tax provision (benefit)	1	(1)	(12)	(9)
Net loss	$ (9)	$ (9)	$ (45)	$ (40)
Loss per share				
Basic	$ (0.05)	$ (0.05)	$ (0.27)	$ (0.24)
Diluted	$ (0.05)	$ (0.05)	$ (0.27)	$ (0.24)
Weighted-average common shares outstanding				
Basic	169,646	168,525	169,377	168,275
Diluted	169,646	168,525	169,377	168,275

See accompanying notes to condensed consolidated financial statements.

RXO, Inc.
Condensed Consolidated Statements of Comprehensive Loss
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	**2026**	**2025**	**2026**	**2025**
Net loss	$ (9)	$ (9)	$ (45)	$ (40)
Other comprehensive income (loss)				
Foreign currency gain (loss)	$ —	$ 3	$ (1)	$ 5
Other comprehensive income (loss)	—	3	(1)	5
Comprehensive loss	$ (9)	$ (6)	$ (46)	$ (35)

See accompanying notes to condensed consolidated financial statements.

RXO, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(In millions)	Six Months Ended June 30, 2026	2025
Operating activities		
Net loss	$ (45)	$ (40)
Adjustments to reconcile net loss to net cash from operating activities		
Depreciation and amortization expense	52	62
Stock compensation expense	14	14
Deferred tax benefit	(15)	(13)
Impairment of operating lease assets	2	4
Debt extinguishment loss	11	—
Other	5	6
Changes in assets and liabilities		
Accounts receivable	(223)	159
Other current assets and other long-term assets	(26)	(7)
Accounts payable	179	(93)
Accrued expenses, other current liabilities and other long-term liabilities	(1)	(71)
Net cash provided by (used in) operating activities	(47)	21
Investing activities		
Payment for purchases of property and equipment	(29)	(29)
Proceeds from sale of property and equipment	—	1
Business acquisition, net of cash acquired	—	(10)
Other	—	(5)
Net cash used in investing activities	(29)	(43)
Financing activities		
Proceeds from borrowings on revolving credit facilities	656	261
Repayment of borrowings on revolving credit facilities	(607)	(227)
Proceeds from issuance of debt	400	—
Repurchase of debt	(362)	—
Repayment of debt and finance leases	(1)	(1)
Payment for debt issuance costs	(9)	—
Payment for equity issuance costs	—	(1)
Payment for tax withholdings related to vesting of stock compensation awards	(3)	(18)
Other	—	(10)
Net cash provided by financing activities	74	4
Effect of exchange rates on cash, cash equivalents and restricted cash	—	2
Net decrease in cash, cash equivalents and restricted cash	(2)	(16)
Cash, cash equivalents, and restricted cash, beginning of period	18	35
Cash, cash equivalents, and restricted cash, end of period	$ 16	$ 19
Supplemental disclosure of cash flow information:		
Leased assets obtained in exchange for new operating lease liabilities	$ 19	$ 22
Cash paid for income taxes, net	5	4
Cash paid for interest, net	11	16
Purchases of property and equipment in accounts payable, accrued expenses and other liabilities	2	10

See accompanying notes to condensed consolidated financial statements.

RXO, Inc.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

(Dollars in millions, shares in thousands)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity
Balance as of March 31, 2026	164,867	$ 2	$ 1,934	$ (420)	$ (7)	$ 1,509
Net loss	—	—	—	(9)	—	(9)
Stock compensation expense	—	—	7	—	—	7
Vesting of stock compensation awards	53	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(1)	—	—	(1)
Balance as of June 30, 2026	164,920	$ 2	$ 1,940	$ (429)	$ (7)	$ 1,506

(Dollars in millions, shares in thousands)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity
Balance as of December 31, 2025	164,160	$ 2	$ 1,929	$ (384)	$ (6)	$ 1,541
Net loss	—	—	—	(45)	—	(45)
Other comprehensive loss	—	—	—	—	(1)	(1)
Stock compensation expense	—	—	14	—	—	14
Vesting of stock compensation awards	760	—	—	—	—	—
Tax withholdings related to vesting of stock compensation awards	—	—	(3)	—	—	(3)
Balance as of June 30, 2026	164,920	$ 2	$ 1,940	$ (429)	$ (7)	$ 1,506

(Dollars in millions, shares in thousands)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity
Balance as of March 31, 2025	163,912	$ 2	$ 1,908	$ (315)	$ (8)	$ 1,587
Net loss	—	—	—	(9)	—	(9)
Other comprehensive income	—	—	—	—	3	3
Stock compensation expense	—	—	7	—	—	7
Vesting of stock compensation awards	58	—	—	—	—	—
Balance as of June 30, 2025	163,970	$ 2	$ 1,915	$ (324)	$ (5)	$ 1,588

(Dollars in millions, shares in thousands)	Common Stock									
	Shares	Amount		Additional Paid-in Capital		Accumulated Deficit		Accumulated Other Comprehensive Loss		Total Equity
Balance as of December 31, 2024	162,517	$	2	$	1,904	$	(284)	$	(10)	$ 1,612
Net loss	—		—		—		(40)		—	(40)
Other comprehensive income	—		—		—		—		5	5
Stock compensation expense	—		—		14		—		—	14
Vesting of stock compensation awards	1,453		—		—		—		—	—
Tax withholdings related to vesting of stock compensation awards	—		—		(3)		—		—	(3)
Balance as of June 30, 2025	163,970	$	2	$	1,915	$	(324)	$	(5)	$ 1,588

See accompanying notes to condensed consolidated financial statements.

RXO, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Organization

RXO, Inc. ("RXO", the "Company" or "we") is a brokered transportation platform defined by cutting-edge technology and an asset-light business model. The largest component is our core truck brokerage business. Our operations also include asset-light managed transportation and last mile services, which complement our truck brokerage business. We present our operations in the condensed consolidated financial statements as one reportable segment.

2. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and pursuant to the rules of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. These financial statements have been prepared on a basis that is substantially consistent with the accounting principles applied in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"). The accompanying unaudited condensed consolidated financial statements and notes thereto should be read in conjunction with the 2025 Form 10-K.

The Company's condensed consolidated financial statements include the accounts of RXO, Inc. and its majority-owned subsidiaries. All intercompany accounts and transactions have been eliminated. In management's opinion, the condensed consolidated financial statements reflect all adjustments that are of a normal recurring nature and are necessary for a fair presentation of financial condition, results of operations and cash flows for the interim periods presented. Operating results for the three and six months ended June 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

Significant Accounting Policies

Our significant accounting policies are disclosed in Note 2 to the 2025 Form 10-K. There have been no material changes to the Company's significant accounting policies as of June 30, 2026.

Restricted Cash

As of June 30, 2026 and December 31, 2025, our restricted cash included in Other current assets on our Condensed Consolidated Balance Sheets was $1 million.

Adoption of New Accounting Standard

In July 2025, the FASB issued ASU 2025-05, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-09"), which creates a new optional practical expedient related to the estimation of future expected credit losses on accounts receivable. If elected, this expedient removes the requirement, when estimating expected credit losses, to consider changes in forecasted macroeconomic conditions, such as changes in unemployment rates or gross domestic product growth. Instead, companies electing the practical expedient may assume that current conditions as of the balance sheet date will not change for the remaining life of the asset. The amendments in ASU 2025-05 are effective for annual reporting periods beginning after December 15, 2025, including interim periods within those fiscal years. We adopted this standard on January 1, 2026, on a prospective basis. The adoption did not have an impact on our condensed consolidated financial statements.

Accounting Pronouncements Issued but Not Yet Effective

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40) - Disaggregation of Income Statement Expenses ("ASU 2024-03"). ASU 2024-03 seeks to improve the disclosures about a public business entity's expenses by requiring more detailed information about the types of expenses in commonly presented expense captions. The amendments are effective for annual periods beginning after December 15, 2026 and interim reporting periods after December 15, 2027 on either a prospective or retrospective basis. Early adoption is permitted. We are currently evaluating the impact of the new guidance.

In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other - Internal Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software ("ASU 2025-06"). ASU 2025-06 improves the operability of the accounting for internal-use software by removing all references to software development project stages so that the guidance is neutral to different software development methods. This standard is effective for annual periods beginning after December 15, 2027, including interim periods within those fiscal years, and early adoption is permitted. We are currently evaluating the potential impact of the new guidance.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements ("ASU 2025-11"), which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. ASU 2025-11 provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. This standard is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the potential impact of the new guidance.

On July 4, 2025, the U.S. enacted into law H.R.1, commonly referred to as "The One Big Beautiful Bill Act" (the "Act"). The Act contains several key tax provisions impacting businesses, including the permanent reinstatement of 100% bonus depreciation for qualified property and the restoration of immediate expensing of domestic research and experimental expenditures. The Act also modifies the business interest deduction limitation as well as several international tax provisions. The legislation has various effective dates of implementation from 2025 through 2027. Certain provisions of the Act that were in effect for fiscal 2025 were reflected in our consolidated financial statements for the year ended December 31, 2025. The Act did not have any material impact on our effective tax rate or cash flow for the three and six months ended June 30, 2026.

3. Segment Reporting

The tables below provide information about the Company's reportable segment:

(In millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenue	$ 1,774	$ 1,419	$ 3,199	$ 2,852
Less:				
Cost of transportation and services (exclusive of depreciation and amortization)	1,472	1,118	2,643	2,271
Direct operating expense (exclusive of depreciation and amortization)	53	47	103	95
Sales, general and administrative expense [1]	198	202	385	405
Segment adjusted EBITDA	$ 51	$ 52	$ 68	$ 81
Unallocated corporate expenses	10	12	20	19
Depreciation and amortization expense	26	30	52	62
Transaction and integration costs	4	7	6	13
Restructuring and other costs	9	3	16	17
Other expense [2]	1	2	2	2
Debt extinguishment loss	—	—	11	—
Interest expense, net	9	8	18	17
Consolidated loss before income taxes	$ (8)	$ (10)	$ (57)	$ (49)

(1) Excludes unallocated corporate expenses and other costs.
(2) Excludes other costs.

(In millions)	June 30, 2026	December 31, 2025
Segment assets	$ 3,395	$ 3,207
Corporate assets	64	70
Total assets	$ 3,459	$ 3,277

4. Revenue Recognition

Disaggregation of Revenues

We disaggregate our revenue by geographic area, service offering and industry sector. The majority of our revenue, based on sales office location, is generated in the U.S. Approximately 8% and 7% of our revenues were generated outside the U.S. (primarily in Canada, Europe, Mexico and Asia) for the three months ended June 30, 2026 and 2025, respectively. Approximately 7% of our revenues were generated outside the U.S. (primarily in Canada, Europe, Mexico and Asia) for the six months ended June 30, 2026 and 2025.

Our revenue disaggregated by service offering is as follows:

(In millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Truck brokerage	$ 1,349	$ 1,025	$ 2,446	$ 2,092
Last mile	344	315	609	593
Managed transportation	144	142	267	279
Eliminations	(63)	(63)	(123)	(112)
Total	$ 1,774	$ 1,419	$ 3,199	$ 2,852

Our revenue disaggregated by industry sector is as follows:

(In millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Retail/e-commerce	$ 652	$ 540	$ 1,182	$ 1,071
Industrial/manufacturing	364	269	638	547
Food and beverage	320	220	571	453
Logistics and transportation	124	111	244	236
Automotive	121	92	216	188
Other	193	187	348	357
Total	$ 1,774	$ 1,419	$ 3,199	$ 2,852

Performance Obligations

Remaining performance obligations represent firm contracts for which services have not been performed and future revenue recognition is expected. As permitted in determining the remaining performance obligation, we omit obligations that: (i) have original expected durations of one year or less or (ii) contain variable consideration. As of June 30, 2026, the fixed consideration component of our remaining performance obligation was approximately $54 million, and we expect approximately 98% of that amount to be recognized over the next four years and the remainder thereafter. We estimate remaining performance obligations at a point in time and actual amounts may differ from these estimates due to contract revisions or terminations.

5. Restructuring Charges

We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure. These actions generally include severance and impairment of real estate and equipment operating lease assets, and are intended to improve our efficiency and profitability going forward.

The following is a roll-forward of the Company's restructuring activity:

(In millions)	Reserve Balance as of December 31, 2025	Six Months Ended June 30, 2026: Charges Incurred	Six Months Ended June 30, 2026: Payments	Six Months Ended June 30, 2026: Other	Reserve Balance as of June 30, 2026
Severance	$ 8	$ 6	$ (10)	$ —	$ 4
Equipment and facilities	19	8	(8)	2	21
Total	$ 27	$ 14	$ (18)	$ 2	$ 25

We expect the majority of the cash outlays related to the remaining severance restructuring liability at June 30, 2026 to be complete within twelve months. Cash outlays related to the remaining equipment and facilities restructuring liability at June 30, 2026 will be completed over the remaining term of the impaired leases.

6. Debt

The following table summarizes the principal balance and carrying value of our debt:

	June 30, 2026		December 31, 2025	
(In millions)	Principal Balance	Carrying Value	Principal Balance	Carrying Value
Revolver	$ —	$ —	$ 35	$ 35
ABL Facility	65	65	—	—
7.50% Notes due 2027 [(1)]	—	—	355	351
6.375% Notes due 2031 [(2)]	400	394	—	—
Finance leases, asset financing and short-term debt	36	36	18	18
Total debt and obligations under finance leases	501	495	408	404
Less: Short-term debt and current maturities of long-term debt	36	36	17	17
Total long-term debt and obligations under finance leases	$ 465	$ 459	$ 391	$ 387

(1) The carrying value of the 7.50% Notes due 2027 is presented net of unamortized debt issuance cost and discount of $4 million as of December 31, 2025.

(2) The carrying value of the 6.375% Notes due 2031 is presented net of unamortized debt issuance cost of $6 million as of June 30, 2026.

Revolving Credit Facilities

On February 5, 2026 we entered into an asset-based revolving credit facility (the "ABL Facility") and used proceeds from loans under the ABL Facility to repay and terminate our previous revolving credit agreement (the "Revolver"). The ABL Facility matures on February 5, 2031.

The aggregate commitment of all lenders under the ABL Facility is $450 million, with the option to request an increase in the revolving commitment by up to the greater of $200 million and the amount, if positive, by which the borrowing base exceeds the aggregate commitments of the lenders, not to exceed 5% of the aggregate amount of the commitments of the lenders at such time. A portion of the ABL Facility, not to exceed $100 million, is available for the issuance of letters of credit. The Company is required to pay a commitment fee on any unused commitment, based on pricing levels set forth in the agreement.

The ABL Facility is secured by a first priority perfected security interest (subject to customary exceptions) in all assets of the credit parties, whether consisting of personal, tangible or intangible property; provided that all interests in fee-owned real property and all leasehold interests in real property are excluded. Amounts available to be drawn under the ABL Facility are determined by calculating the applicable borrowing base, which is based upon applicable percentages of the values of eligible investment grade accounts receivable, eligible non-investment grade accounts receivable, eligible unbilled accounts receivable, and eligible liquid assets, less reserves.

As of June 30, 2026, the Company had $335 million available under the ABL Facility, net of $65 million of outstanding borrowings and $50 million of outstanding letters of credit.

Outstanding amounts under the ABL Facility bear interest at a rate per annum equal to, at the Company's election: (i) a base rate plus an applicable margin or (ii) an adjusted term SOFR plus an applicable margin; interest is payable monthly or quarterly, at the Company's election. The effective interest rate on the ABL Facility was 5.12% as of June 30, 2026.

Subject to customary exceptions and restrictions, the Company may voluntarily prepay outstanding amounts under the ABL Facility at any time without premium or penalty. Any voluntary prepayments made will not reduce commitments under the ABL Facility. The ABL Facility contains mandatory prepayment provisions which require prepayment of amounts outstanding under the ABL Facility (i) upon the receipt of proceeds from the issuance of any non-permitted indebtedness and (ii) when there is an availability shortfall.

The ABL Facility contains customary representations and warranties, events of default and financial, affirmative and negative covenants for facilities of this type, including, but not limited to, financial covenants relating to a fixed charge coverage ratio, a minimum liquidity requirement and a minimum excess availability requirement, and restrictions on indebtedness, liens, investments and acquisitions, asset dispositions, specified agreements, restricted payments and prepayment of certain indebtedness. At June 30, 2026, the Company was in compliance with the covenants of the ABL Facility.

We also have a non-U.S. revolving credit facility with a maximum commitment of approximately $17 million. This facility has a one-year term and we had $13 million outstanding as of June 30, 2026 classified as short-term debt.

In the second quarter of 2026, we entered into a non-U.S. revolving credit facility with a maximum commitment of approximately $21 million. This facility has an indefinite term and can be terminated at any time. We had $21 million outstanding as of June 30, 2026 classified as short-term debt.

2027 Notes

On February 20, 2026 (the "Redemption Date"), the Company completed the redemption (the "Redemption") of all of its outstanding 7.50% Notes due 2027 (the "2027 Notes" or the "7.50% Notes due 2027"). The 2027 Notes were redeemed using a portion of the net proceeds from the offering of the 2031 Notes at a redemption price of 101.875% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the Redemption Date. We recorded a debt extinguishment loss of $11 million in the first quarter of 2026 due to the Redemption.

2031 Notes

On February 20, 2026, we completed an offering of $400 million in aggregate principal amount of unsecured notes (the "2031 Notes" or the "6.375% Notes due 2031"). The 2031 Notes bear interest at a rate of 6.375% per annum payable semiannually in cash in arrears on May 15 and November 15 of each year, beginning November 15, 2026, and mature on May 15, 2031, unless repurchased or redeemed earlier, if applicable. The 2031 Notes were issued at an issue price of 100% of par. The effective interest rate on the 2031 Notes was 6.71% as of June 30, 2026.

We may redeem the 2031 Notes in whole or in part on or after May 15, 2028, at redemption prices of 103.188% or 101.594% of the principal amount thereof if the redemption occurs during the 12-month period beginning on May 15, 2028 or 2029, respectively, and a redemption price of 100% of the principal amount thereof if the redemption occurs on or after May 15, 2030, in each case plus accrued and unpaid interest to, but excluding, the redemption date. Prior to May 15, 2028, the Company may redeem up to 40% of the aggregate principal amount of the 2031 Notes (calculated after giving effect to any issuance of additional notes) with an amount equal to the net cash proceeds of one or more equity offerings, at a price equal to 106.375% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the redemption date, provided that at least 50% of the original aggregate principal amount of the 2031 Notes (calculated after giving effect to any issuance of additional notes) remains outstanding after the redemption. Prior to May 15, 2028, the Company also may redeem the 2031 Notes in whole or in part at a redemption price equal to 100.00% of the aggregate principal amount thereof, plus accrued and unpaid interest to, but excluding, the redemption date plus a "make-whole" premium.

The 2031 Notes are guaranteed by each of our direct and indirect wholly-owned domestic subsidiaries (other than certain excluded subsidiaries). The 2031 Notes and its guarantees are unsecured, senior indebtedness for us and our guarantors. The 2031 Notes contain covenants customary for debt securities of this nature. At June 30, 2026, the Company was in compliance with the covenants of the 2031 Notes.

7. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The levels of inputs used to measure fair value are:

- Level 1—Quoted prices for identical instruments in active markets;
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets; and
- Level 3—Valuations based on inputs that are unobservable, generally utilizing pricing models or other valuation techniques that reflect management's judgment and estimates.

Assets and Liabilities

The Company bases its fair value estimates on market assumptions and available information. The carrying values of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and short-term debt and current maturities of long-term debt approximated their fair values as of June 30, 2026 and December 31, 2025, due to their short-term nature and/or being receivable or payable on demand.

Debt

The fair value of our debt and classification in the fair value hierarchy is as follows:

(In millions)	Level	June 30, 2026	December 31, 2025
Revolver	3	$ —	$ 35
ABL Facility	3	65	—
7.50% Notes due 2027	1	—	363
6.375% Notes due 2031	1	407	—

We valued Level 1 debt using quoted prices in active markets. We valued Level 3 debt using unobservable inputs, which reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

8. Earnings per Share

The computations of basic and diluted loss per share are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars in millions, shares in thousands, except per share data)	2026	2025	2026	2025
Net loss	$ (9)	$ (9)	$ (45)	$ (40)
Basic weighted-average common shares	169,646	168,525	169,377	168,275
Dilutive effect of stock-based awards	—	—	—	—
Diluted weighted-average common shares	169,646	168,525	169,377	168,275
Basic loss per share	$ (0.05)	$ (0.05)	$ (0.27)	$ (0.24)
Diluted loss per share	$ (0.05)	$ (0.05)	$ (0.27)	$ (0.24)
Antidilutive shares excluded from diluted weighted-average common shares	2,099	2,476	1,779	1,994

9. Commitments and Contingencies

We are involved, and will continue to be involved, in numerous proceedings arising out of the conduct of our business. These proceedings may include claims for property damage or personal injury incurred in connection with the transportation of freight, environmental liability, commercial disputes, and employment-related claims, including claims involving asserted breaches of employee restrictive covenants. These matters also include several class action and collective action cases involving claims that the contract carriers with which we contract for performance of delivery services, or their delivery workers, should be treated as employees, rather than independent contractors ("misclassification claims"). Plaintiffs in such cases may seek substantial monetary damages (including claims for unpaid wages, overtime, unreimbursed business expenses, deductions from wages, penalties and other items), injunctive relief, or both.

We establish accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. If a loss is not both probable and reasonably estimable, or if an exposure to loss exists in excess of the amount accrued, we assess whether there is at least a reasonable possibility that a loss, or additional loss, may have been incurred. If there is a reasonable possibility that a loss, or additional loss, may have been incurred, we disclose the estimate of the possible loss or range of loss if it is material and an estimate can be made, or disclose that such an estimate cannot be made. The determination as to whether a loss can reasonably be considered to be possible or probable is based on our assessment, together with legal counsel, regarding the ultimate outcome of the matter.

We believe that we have adequately accrued for the potential impact of loss contingencies that are probable and reasonably estimable. We do not believe that the ultimate resolution of any matters to which we are presently a party will have a material adverse effect on our results of operations, cash flows or financial condition. However, the results of these matters cannot be predicted with certainty, and an unfavorable resolution of one or more of these matters could have a material adverse effect on our results of operations, cash flows or financial condition. Legal costs incurred related to these matters are expensed as incurred.

We carry liability and excess umbrella insurance policies that we deem sufficient to cover potential legal claims arising in the normal course of conducting our operations as a transportation company. The liability and excess umbrella insurance policies generally do not cover the misclassification claims described in this note. In the event we are required to satisfy a legal claim outside the scope of the coverage provided by insurance, our results of operations, cash flows or financial condition could be negatively impacted.

Our last mile subsidiary is involved in several class action and collective action cases involving misclassification claims. The misclassification claims relate solely to our last mile business, which operated as a wholly owned subsidiary of XPO, Inc. ("XPO") until the spin-off of RXO was completed.

Pursuant to the Separation and Distribution Agreement between XPO and RXO, the liabilities of XPO's last mile subsidiary, including legal liabilities, if any, related to the misclassification claims, were spun-off as part of RXO as of November 1, 2022. Pursuant to the Separation and Distribution Agreement, RXO has agreed to indemnify XPO for certain matters relating to RXO, including indemnifying XPO from and against any liabilities, damages, costs, or expenses incurred by XPO arising out of or resulting from the misclassification claims.

In two misclassification claims, *Gonzalez v. RXO Last Mile, Inc.* and *Espinal v. RXO Last Mile, Inc.*, we have reached agreements to settle both matters for immaterial amounts, without admitting any liability. We have accrued the full amount of each settlement as of June 30, 2026.

We continue to believe the other misclassification claims are without merit and we intend to defend the Company vigorously in these matters. We do not believe that the incurrence of a loss is probable at this time and, accordingly, we have not accrued for any losses in these matters. Further, the plaintiffs have not quantified damages sought in the misclassification claims and we are unable at this time to determine the amount of the possible loss or range of loss, if any, that we may incur as a result of the other misclassification claims.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q and other written reports and oral statements we make from time to time contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target," "trajectory" or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include those discussed below and the risks discussed in the Company's other filings with the Securities and Exchange Commission (the "SEC"). All forward-looking statements set forth in this Quarterly Report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequence to or effects on the Company or its business or operations. The following discussion should be read in conjunction with the Company's unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report, and with the audited consolidated financial statements and related notes thereto included in the 2025 Annual Report on Form 10-K. Forward-looking statements set forth in this Quarterly Report speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.

Business Overview

RXO, Inc. ("RXO", the "Company" or "we") is a brokered transportation platform defined by cutting-edge technology and an asset-light business model. The largest component is our core truck brokerage business. Our operations also include asset-light managed transportation and last mile services, which complement our truck brokerage business.

Our truck brokerage business has a history of generating robust free cash flow conversion and a high return on invested capital. Shippers create demand for our service, and we place their freight with qualified independent carriers using our technology. We price our service on either a contract or a spot basis.

Notable factors that enable volume growth in our business include our ability to access massive truckload capacity for shippers through our carrier relationships; our proprietary, cutting-edge technology; our strong management expertise; and favorable long-term industry tailwinds.

We provide our customers with highly efficient access to capacity through our digital brokerage technology. This proprietary platform is a major differentiator for our truck brokerage business, and together with our pricing technology, we believe it can unlock incremental profitable growth. Our complementary services for managed transportation and last mile also utilize our digital brokerage technology.

Our managed transportation service provides asset-light solutions for shippers who outsource their freight transportation to gain reliability, visibility and cost savings. The service uses proprietary technology to enhance our revenue synergy, with cross-selling to truck brokerage and last mile. Our managed transportation offering includes bespoke load planning and procurement, complex solutions tailored to specific challenges, performance monitoring, engineering and data analytics, among other services. Our control tower solution leverages the expertise of a dedicated team focused on continuous improvement, and digital, door-to-door visibility into order status and freight in transit. In addition, we offer technology-enabled managed expedite services that automate transportation procurement for time-critical freight moved by road and air charter carriers. We also offer freight forwarding services, including facilitation of ocean and air transportation, customs brokerage and additional domestic services including middle mile.

Our last mile offering is an asset-light service that facilitates consumer deliveries performed by highly qualified third-party contractors. We are the largest provider of outsourced last mile transportation for heavy goods in the United States, positioned within reach of the vast majority of the U.S. population and serving a customer base of omnichannel and e-commerce retailers and direct-to-consumer manufacturers.

Impact of Inflation

Economic inflation can have a negative impact on our operating costs, and any economic recession could depress activity levels and adversely affect our results of operations. A prolonged period of inflation could cause interest rates, fuel, wages and other costs to increase, which would adversely affect our results of operations unless our pricing to our customers correspondingly increases. Generally, inflationary increases in labor and operating costs related to our operations have historically been offset through price increases. However, the pricing environment generally becomes more competitive during economic downturns, which may, as it has in the past, affect our ability to obtain price increases from customers both during and following such periods.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and pursuant to the rules of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. These financial statements have been prepared on a basis that is substantially consistent with the accounting principles applied in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"). The accompanying unaudited condensed consolidated financial statements and notes thereto should be read in conjunction with the 2025 Form 10-K.

The Company's condensed consolidated financial statements include the accounts of RXO, Inc. and its majority-owned subsidiaries. All intercompany accounts and transactions have been eliminated. In management's opinion, the condensed consolidated financial statements reflect all adjustments that are of a normal recurring nature and are necessary for a fair presentation of financial condition, results of operations and cash flows for the interim periods presented. Operating results for the three and six months ended June 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026. Refer to Note 2—Basis of Presentation and Significant Accounting Policies for additional details regarding the basis of presentation used for the Company's condensed consolidated financial statements.

Cost of transportation and services (exclusive of depreciation and amortization) primarily includes the cost of providing or procuring freight transportation for RXO customers.

Direct operating expenses (exclusive of depreciation and amortization) includes both fixed and variable expenses and consists mainly of personnel costs; facility and equipment expenses, such as rent, utilities, equipment maintenance and repair; costs of materials and supplies; information technology expenses; and gains and losses on sales of property and equipment.

Sales, general and administrative expense ("SG&A") primarily consists of salaries and commissions for the sales function; salary and benefit costs for executive and certain administration functions; third-party professional fees; facility costs; bad debt expense; and legal costs.

RXO has one reportable segment.

Results of Operations

	Three Months Ended June 30,		Percentage of Revenue	
(In millions)	2026	2025	2026	2025
Revenue	$ 1,774	$ 1,419	100.0 %	100.0 %
Cost of transportation and services (exclusive of depreciation and amortization)	1,472	1,118	83.0 %	78.8 %
Direct operating expense (exclusive of depreciation and amortization)	53	47	3.0 %	3.3 %
Sales, general and administrative expense	211	214	11.9 %	15.1 %
Depreciation and amortization expense	26	30	1.5 %	2.1 %
Transaction and integration costs	4	7	0.2 %	0.5 %
Restructuring costs	7	3	0.4 %	0.2 %
Operating income (loss)	$ 1	$ —	0.1 %	— %
Other expense	—	2	— %	0.1 %
Interest expense, net	9	8	0.5 %	0.6 %
Loss before income taxes	$ (8)	$ (10)	(0.5)%	(0.7)%
Income tax provision (benefit)	1	(1)	0.1 %	(0.1)%
Net loss	$ (9)	$ (9)	(0.5)%	(0.6)%

Three Months Ended June 30, 2026 Compared with Three Months Ended June 30, 2025

Revenue increased by $355 million, or 25.0%, to $1.8 billion in the second quarter of 2026, compared with $1.4 billion for the same quarter in 2025. The year-over-year increase in the second quarter of 2026 was driven by a $324 million increase in truck brokerage revenue, primarily as a result of a 44% increase in revenue per load driven by increases in freight rates and fuel prices. Truck brokerage load volume increased 2% year-over-year, excluding the impact in both periods of the business transitioned from truck brokerage to managed transportation; volume growth was driven by an increase in accretive spot volume. The increase in revenue was also driven by a $29 million increase in last mile revenue as a result of a 6% increase in rates and a 3% increase in volume.

Cost of transportation and services (exclusive of depreciation and amortization) in the second quarter of 2026 was $1.5 billion, or 83.0% of revenue, compared with $1.1 billion, or 78.8% of revenue in the same quarter in 2025. The year-over-year increase as a percentage of revenue during the second quarter of 2026 was driven primarily by a 3.8 percentage point increase in truck brokerage cost of transportation and services as a percentage of revenue as the market remained tight in the second quarter of 2026, with capacity continuing to exit, driven primarily by regulatory changes and enforcement, which caused buy rates to increase faster than our contractual sell rates. The increase in truck brokerage cost of transportation and services as a percentage of revenue was also due to higher fuel prices, which lead to increased revenue without a meaningful corresponding increase in gross profit dollars, as fuel costs are a passthrough over time. In addition, last mile cost of transportation and services as a percentage of revenue increased 1.7 percentage points as a result of freight mix changes.

Direct operating expense (exclusive of depreciation and amortization) of $53 million in the second quarter of 2026 increased $6 million, or 12.8%, from $47 million in the same quarter in 2025. As a percentage of revenue, direct operating expense (exclusive of depreciation and amortization) decreased to 3.0% in the second quarter of 2026 compared with 3.3% in the same quarter in 2025 driven primarily by improved operating leverage.

SG&A of $211 million in the second quarter of 2026 decreased $3 million, or 1.4%, from $214 million in the second quarter of 2025. As a percentage of revenue, SG&A decreased to 11.9% in the second quarter of 2026 compared with 15.1% for the same quarter in 2025 driven primarily by cost savings from restructuring actions and improved operating leverage.

Depreciation and amortization expense for the second quarter of 2026 was $26 million, compared with $30 million for the same quarter in 2025. The decrease was primarily due to a $4 million decrease in depreciation expense.

Transaction and integration costs for the second quarter of 2026 and 2025 were $4 million and $7 million, respectively, and primarily comprised acquisition integration costs.

Restructuring costs for the second quarter of 2026 and 2025 were $7 million and $3 million, respectively, and primarily comprised severance and operating lease impairment costs.

Our effective income tax rates were (3.7)% and 14.5% for the second quarter of 2026 and 2025, respectively. The effective tax rates for the second quarter of 2026 and 2025 were calculated using the discrete method. Our effective tax rates for the second quarter of 2026 and 2025 differ from the U.S. corporate income tax rate of 21% primarily due to the effect of non-deductible expense when experiencing a pre-tax loss.

	Six Months Ended June 30,		Percentage of Revenue	
(In millions)	2026	2025	2026	2025
Revenue	$ 3,199	$ 2,852	100.0 %	100.0 %
Cost of transportation and services (exclusive of depreciation and amortization)	2,643	2,271	82.6 %	79.6 %
Direct operating expense (exclusive of depreciation and amortization)	103	95	3.2 %	3.3 %
Sales, general and administrative expense	408	424	12.8 %	14.9 %
Depreciation and amortization expense	52	62	1.6 %	2.2 %
Transaction and integration costs	6	13	0.2 %	0.5 %
Restructuring costs	14	17	0.4 %	0.6 %
Operating loss	$ (27)	$ (30)	(0.8)%	(1.1)%
Other expense	1	2	— %	0.1 %
Debt extinguishment loss	11	—	0.4 %	— %
Interest expense, net	18	17	0.6 %	0.6 %
Loss before income taxes	$ (57)	$ (49)	(1.8)%	(1.7)%
Income tax benefit	(12)	(9)	(0.4)%	(0.3)%
Net loss	$ (45)	$ (40)	(1.4)%	(1.4)%

Six Months Ended June 30, 2026 Compared with Six Months Ended June 30, 2025

Revenue increased by $347 million, or 12.2%, to $3.2 billion in the first six months of 2026, compared with $2.9 billion for the same period in 2025. The year-over-year increase in the first six months of 2026 was driven by a $354 million increase in truck brokerage revenue, primarily as a result of a 27% increase in revenue per load driven by increases in freight rates and fuel prices. Truck brokerage load volume decreased 4% year-over-year, excluding the impact in both periods of the business transitioned from truck brokerage to managed transportation. The increase in revenue was also driven by a $16 million increase in last mile revenue as a result of a 5% increase in rates, partially offset by a 2% decrease in volume.

Cost of transportation and services (exclusive of depreciation and amortization) in the first six months of 2026 was $2.6 billion, or 82.6% of revenue, compared with $2.3 billion, or 79.6% of revenue in the same period in 2025. The year-over-year increase as a percentage of revenue in the first six months of 2026 was driven primarily by (i) a 2.9 percentage point increase in truck brokerage cost of transportation and services as a percentage of revenue as the market remained tight in the first six months of 2026, with capacity continuing to exit, driven primarily by regulatory changes and enforcement, which caused buy rates to increase faster than our contractual sell rates and (ii) a 1.3 percentage point increase in last mile cost of transportation and services as a percentage of revenue as a result of freight mix changes.

Direct operating expense (exclusive of depreciation and amortization) of $103 million in the first six months of 2026 increased $8 million, or 8.4%, from $95 million in the same period in 2025. As a percentage of revenue, direct operating expense (exclusive of depreciation and amortization) decreased to 3.2% in the first six months of 2026 compared with 3.3% in the same period of 2025 driven primarily by improved operating leverage.

SG&A of $408 million in the first six months of 2026 decreased $16 million, or 3.8%, from $424 million in the same period in 2025. As a percentage of revenue, SG&A decreased to 12.8% in the first six months of 2026 compared with 14.9% for the same period in 2025 driven primarily by cost savings from restructuring actions and improved operating leverage.

Depreciation and amortization expense for the first six months of 2026 was $52 million, compared with $62 million for the same period in 2025. The decrease was attributable to a $5 million reduction in depreciation expense and a $5 million reduction in intangible amortization expense.

Transaction and integration costs for the first six months of 2026 and 2025 were $6 million and $13 million, respectively, and primarily comprised acquisition integration costs.

Restructuring costs for the first six months of 2026 and 2025 were $14 million and $17 million, respectively, and primarily comprised severance and operating lease impairment costs.

Debt extinguishment loss for the first six months of 2026 was $11 million, resulting from the redemption of our outstanding 7.50% Notes due 2027 and the write off of the related unamortized debt issuance costs and discount.

Our effective income tax rates were 21.1% and 18.2% for the first six months of 2026 and 2025, respectively. The effective tax rates for the first six months of 2026 and 2025 were calculated using the discrete method. Our effective tax rate for the first six months of 2026 differs from the U.S. corporate income tax rate of 21% primarily due to the effect of nondeductible expenses when experiencing a pre-tax loss, partially offset by the recognition of discrete tax benefits. Our effective tax rate for the first six months of 2025 differs from the U.S. corporate income tax rate of 21% primarily due to the effect of nondeductible expenses when experiencing a pre-tax loss.

Liquidity and Capital Resources

Overview

Our ability to fund our operations and anticipated capital needs are reliant upon the generation of cash from operations, supplemented as necessary by utilization of our revolving credit facility. Our principal uses of cash in the future will be primarily to fund our operations, working capital needs, capital expenditures, repayment of borrowings, share repurchases and strategic business development transactions. The timing and magnitude of our growth and working capital needs can vary and may positively or negatively impact our cash flows.

We continually evaluate our liquidity requirements and capital structure in light of our operating needs, growth initiatives and capital resources. We believe that our existing liquidity and sources of capital are sufficient to support our operations over the next 12 months and thereafter, for the foreseeable future.

Capital Expenditures

Our 2026 capital expenditures include capital associated with strategic investments in technology, equipment and real estate. The level and the timing of the Company's capital expenditures within these categories can vary as a result of a variety of factors outside of our control, such as the timing of new contracts and availability of labor and equipment. We believe that we have significant discretion over the amount and timing of our capital expenditures as we are not subject to any agreement that would require significant capital expenditures on a designated schedule or upon the occurrence of designated events.

Debt and Financing Arrangements

Revolving Credit Facilities

On February 5, 2026, we entered into a $450 million asset-based revolving credit facility (the "ABL Facility") and used proceeds from loans under the ABL Facility to repay and terminate our previous revolving credit agreement ("the Revolver"). The ABL Facility matures on February 5, 2031.

As of June 30, 2026, the Company had $335 million available under the ABL Facility, net of $65 million of outstanding borrowings and $50 million of outstanding letters of credit.

2031 Notes

On February 20, 2026, we completed an offering of $400 million in aggregate principal amount of unsecured notes (the "2031 Notes"). A portion of the proceeds from the offering were used to redeem all the outstanding 2027 Notes at a redemption price of 101.875% of the principal amount thereof, plus accrued and unpaid interest. We recorded a debt extinguishment loss of $11 million in the first quarter of 2026 due to the redemption of the 2027 Notes.

The 2031 Notes bear interest at a rate of 6.375% per annum payable semiannually in cash in arrears on May 15 and November 15 of each year, beginning November 15, 2026, and mature on May 15, 2031, unless repurchased or redeemed earlier, if applicable. The 2031 Notes were issued at an issue price of 100% of par. The Company may redeem the 2031 Notes in whole or in part prior to the 2031 redemption date at predetermined prices depending on the date the 2031 Notes are redeemed.

Refer to Note 6—Debt to our condensed consolidated financial statements in this Quarterly Report on Form 10-Q for additional disclosures regarding the Company's debt and financing arrangements as of June 30, 2026.

Financial Condition

Our asset and liability balances are summarized as follows:

(In millions)	June 30, 2026	December 31, 2025	$ Change	% Change
Total current assets	$ 1,556	$ 1,317	$ 239	18.1 %
Total long-term assets	1,903	1,960	(57)	(2.9)%
Total current liabilities	1,227	1,038	189	18.2 %
Total long-term liabilities	726	698	28	4.0 %

Total assets increased by $182 million from December 31, 2025 to June 30, 2026, primarily due to (i) a $218 million increase in accounts receivable as a result of an increase in revenue and (ii) a $23 million increase in other current assets primarily as a result of the timing of prepaid contracts, partially offset by (i) a $33 million decrease in operating lease assets as a result of amortization and (ii) a $21 million decrease in identifiable intangible assets as a result of amortization.

Total liabilities increased by $217 million from December 31, 2025 to June 30, 2026, primarily due to (i) a $174 million increase in accounts payable as a result of an increase in third party transportation costs and (ii) a $91 million increase in short-term and long-term debt used to fund working capital needs associated with the increase in revenue, partially offset by a $33 million decrease in short-term and long-term operating lease liabilities as a result of lease payments.

Cash Flow Activity

Our cash flows from operating, investing and financing activities are summarized as follows:

	Six Months Ended June 30,		
(In millions)	2026	2025	$ Change
Net cash provided by (used in) operating activities	$ (47)	$ 21	$ (68)
Net cash used in investing activities	(29)	(43)	14
Net cash provided by financing activities	74	4	70
Effect of exchange rates on cash, cash equivalents and restricted cash	—	2	(2)
Net increase (decrease) in cash, cash equivalents and restricted cash	$ (2)	$ (16)	$ 14

Net cash used in operating activities for the first six months of 2026 was $47 million compared with $21 million provided by operating activities in the same period in 2025. The increase in net cash used by operating activities was primarily due to increased working capital requirements associated with higher revenue. The increase in revenue resulted in higher accounts receivable and a corresponding use of cash, partially offset by increased accounts payable.

Net cash used in investing activities for the first six months of 2026 was $29 million compared with $43 million in the same period in 2025. The use of cash in the first six months of 2026 was $29 million for purchases of property and equipment. The primary uses of cash in the first six months of 2025 were (i) $29 million for purchases of property and equipment and (ii) $10 million paid related to the Coyote acquisition for working capital and post-closing adjustments.

Net cash provided by financing activities for the first six months of 2026 was $74 million compared with $4 million in the same period in 2025. The primary sources of cash in the first six months of 2026 were (i) $400 million in proceeds from the issuance of the 2031 Notes and (ii) $49 million in net proceeds from borrowings on revolving credit facilities, partially offset by (i) $362 million paid for the redemption of the 2027 Notes and (ii) $9 million paid for debt issuance costs. The primary source of cash in the first six months of 2025 was $34 million in net proceeds from borrowings on revolving credit facilities, partially offset by $18 million in payments for tax withholdings primarily attributable to the vesting of stock compensation awards held by non-RXO employees at the time of the Company's spin-off from XPO, Inc.

Critical Accounting Policies

Our significant accounting policies, which include management's most subjective and complex estimates and judgments, are included in Note 2—Basis of Presentation and Significant Accounting Policies to the Consolidated Financial Statements for the year ended December 31, 2025 included in the 2025 Form 10-K. A discussion of accounting estimates, considered critical because of the potential for a significant impact on the financial statements due to the inherent uncertainty in such estimates, are disclosed in the Critical Accounting Policies and Estimates section of Management's Discussion and Analysis of Financial Condition and Results of Operations included in the 2025 Form 10-K. There have been no significant changes in the Company's critical accounting estimates since December 31, 2025.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk related to changes in foreign currency exchange rates, commodity prices, interest rates and the price of diesel fuel purchased for use by third-party carriers who perform the physical freight movements we arrange. There have been no material changes to our quantitative and qualitative disclosures about market risk related to our continuing operations during the quarter ended June 30, 2026, as compared with the quantitative and qualitative disclosures about market risk described in the 2025 Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended, as of June 30, 2026. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of June 30, 2026, such that the information required to be included in our SEC reports is: (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to RXO, including our consolidated subsidiaries; and (ii) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 9—Commitments and Contingencies to the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for a description of our legal proceedings.

ITEM 1A. RISK FACTORS

For a discussion of our potential risks and uncertainties, see the information under the heading "Risk Factors" in the 2025 Form 10-K. There have been no material changes with respect to these risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no issuances of unregistered securities during the three and six months ended June 30, 2026.

On May 2, 2023, the Company's Board of Directors authorized the repurchase of up to $125 million of the Company's common stock. As of June 30, 2026, $123 million remained available under the program for future share repurchases. We are not obligated to repurchase any specific number of shares or use a specific dollar amount of the approved amount. The program does not have an expiration date and may be suspended or discontinued at any time at the discretion of the Company's Board of Directors. There were no share repurchases under the program or otherwise during the three and six months ended June 30, 2026.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description
10.1+	Amendment No. 1 to the RXO 2022 Omnibus Incentive Compensation Plan (incorporated herein by reference to Annex B to the registrant's definitive proxy statement on Schedule 14A filed with the SEC on March 30, 2026).
31.1 *	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2026.
31.2 *	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2026.
32.1 **	Certification of the Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2026.
32.2 **	Certification of the Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2026.
*101.INS **	*XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*
*101.SCH **	*XBRL Taxonomy Extension Schema.*
*101.CAL **	*XBRL Taxonomy Extension Calculation Linkbase.*
*101.DEF **	*XBRL Taxonomy Extension Definition Linkbase.*
*101.LAB **	*XBRL Taxonomy Extension Label Linkbase.*
*101.PRE **	*XBRL Taxonomy Extension Presentation Linkbase.*
*104 **	*Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).*

* Filed herewith.
** Furnished herewith.
\+ This exhibit is a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 6, 2026

RXO, INC.

By: /s/ Drew M. Wilkerson
Drew M. Wilkerson
Chief Executive Officer
(Principal Executive Officer)

By: /s/ James E. Harris
James E. Harris
Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION

I, Drew M. Wilkerson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 of RXO, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Drew M. Wilkerson
Drew M. Wilkerson
Chief Executive Officer
(Principal Executive Officer)

Date: August 6, 2026

Exhibit 31.2

CERTIFICATION

I, James E. Harris, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 of RXO, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ James E. Harris

James E. Harris
Chief Financial Officer
(Principal Financial Officer)

Date: August 6, 2026

Exhibit 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350
As adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Solely for the purposes of complying with 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, the undersigned Chief Executive Officer of RXO, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Drew M. Wilkerson
Drew M. Wilkerson
Chief Executive Officer
(Principal Executive Officer)

Date: August 6, 2026

Exhibit 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350
As adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Solely for the purposes of complying with 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, the undersigned Chief Financial Officer of RXO, Inc. (the “Company”), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James E. Harris
James E. Harris
Chief Financial Officer
(Principal Financial Officer)

Date: August 6, 2026