Parabolic Reports Second Quarter 2026 Financial Results

August 14, 2026

Cost Reductions Contribute to $3.4M Increase to Net Income from Q1 2026; Company Acquires ConnectAndSell, Expected to Increase FY2026 Revenue to $17M and FY2027 Revenue to $26M

Management to Host Second Quarter 2026 Results Conference Call Today, Friday, August 14, 2026 at 4:30 p.m. Eastern Time

SEATTLE, Aug. 14, 2026 (GLOBE NEWSWIRE) -- Banzai International, Inc. (NASDAQ: PARA) (d/b/a “Parabolic” or the “Company”), a leading AI-powered agentic applications technology company, today reported financial results for the second quarter ended June 30, 2026.

Second Quarter 2026 and Subsequent Key Financial & Operational Highlights

- Company expands vision to Agentic Applications for enterprise with Parabolic rebrand
- Net Loss for Q2 2026 was $5.0 million, compared to Q1 2026 Net Loss of $8.4 million.
- The Company achieved net dollar retention in its core customer base of 91% in Q2 2026, an all-time high.
- Revenue of $2.3 million for Q2 2026, which represented a decrease of $0.4 million from Q1 2026, due to one-time non-recurring revenue in Q1 2026.
- Gross profit of $1.8 million for Q2 2026, a decrease of $0.4 million compared to Q1 2026. Gross margin was 80.2% for Q2 2026 compared to 80.7% in Q1 2026.
- Q2 2026 Adjusted EBITDA Loss improved to $1.7 million, compared to an Adjusted EBITDA Loss of $1.9 million in Q1 2026.
- Reduced net debt by $3.8 million compared to December 31, 2025, bringing net debt to an all-time low.
- Stockholder’s Equity increased to an all-time high of $12.2 million as of June 30, 2026; converted $7.0 million of debt to equity and raised an additional $8.1 million of equity since December 31, 2025.
- Customer base includes over 150,000 total customers who have purchased or subscribed to Parabolic products.
- Closed the acquisition of the assets of ConnectAndSell, expected to increase annual revenue and expand AI Platform capabilities beginning in third quarter 2026.

“Our proposed name change to Parabolic represents more than a new brand. This change reflects where we believe the future of software is headed, and the path to strategic growth through investment in high potential businesses. Our continued aim is to build a business that delivers profitable growth both organically and strategically. For example, the recently announced acquisition of ConnectAndSell, an AI sales acceleration platform, will begin contributing to company results in the third quarter of this year and will transform the scale of our business in 2H 2026 and FY 2027 when we estimate 2027 revenue growth of 50% year-over-year.

“ConnectAndSell serves approximately 250 B2B organizations such as Intuit, RingCentral, Truckstop, and SAP across financial services, healthcare, technology, and other industries. ConnectAndSell’s FY 2025 revenue was $14.7 million, with a gross margin of 86%, and an average revenue per customer of approximately $59,000.

“I am pleased to report the second quarter operating losses have decreased primarily from executing on the cost management plan that we announced in May. Additionally, I am pleased that Parabolic's management is making further cost reductions, which we expect will meaningfully reduce operating expenses within this calendar year.

“Overall, our revenue trend was influenced by one-time non-recurring revenue recognized in Q1 2026. We saw many bright spots including all-time high NRR in and growing bookings in our enterprise segment, consistently high gross margin, and meaningful decreases in operating expenses as a result of the management actions announced in May. Additionally, we are seeing improvements in leading indicators within the sales pipeline and strong customer retention statistics,” said Joe Davy, Founder and CEO of Parabolic.

“During the quarter, we strengthened our balance sheet by retiring debt totaling $4.5 million through cash payments and share conversions and improving Stockholder’s Equity by $4.1 million.

“Looking ahead, we have announced a rebranding and have aligned our business units to align leadership and go-to-market execution with our evolved vision. The Company’s operations are now organized into three business units: ConnectAndSell, the Company’s AI sales acceleration platform, Banzai, our enterprise video business, and CreateStudio, our AI-powered video content creation platform. These business units are supported by a cost-efficient shared service function.

“We also maintain an active pipeline of potential acquisition opportunities across key industries where we have strong sector experience and can leverage our AI platform and experience to add value and strategic operational acceleration. The recent acquisition of ConnectAndSell is a demonstration of a successful execution of our strategic growth goal,” concluded Davy.

Second Quarter 2026 Financial Results

Total revenue for the three months ended June 30, 2026 decreased $0.9 million to $2.3 million compared to the prior year quarter, with declines split evenly between our consumer direct products and enterprise products. On a sequential basis, total revenue for the three months ended June 30, 2026 decreased 15.7% compared to the three months ended March 31, 2026.

Total cost of revenue for the three months ended June 30, 2026 was $0.5 million, compared to $0.6 million in the prior year quarter, a decrease of 18.8%. On a sequential basis, total cost of revenue decreased by $0.1 million, or 13.6% compared to the three months ended March 31, 2026.

Gross profit for the three months ended June 30, 2026 was $1.8 million, compared to $2.6 million in the prior year quarter. Gross margin was 80.2% in second quarter 2026 compared to 82.3% in second quarter 2025. On a sequential basis, gross profit decreased by $0.4 million from $2.2 million for the three months ended March 31, 2026. Gross margin was 80.7% in first quarter 2026.

Total operating expenses for the three months ended June 30, 2026 were $6.2 million, compared to $7.4 million in the prior year quarter. Operating expenses decreased primarily driven by professional fees, partially offset by higher people expenses and stock-based compensation. On a sequential basis, total operating expenses decreased $1.7 million from $8.0 million in the three months ended March 31, 2026. Operating expenses decreased primarily driven by professional fees, sales and marketing, and people expenses.

Net Loss for three months ended June 30, 2026 was $5.0 million. Q2 2025 Net Loss of $7.9 million included a one-time expense of $1.4 million related to the termination fee from the Act-On acquisition. Adjusting for this one-time expense, Q2 2025 Net Loss would have been $6.5 million, compared to $5.0 million for Q2 2026. On a sequential basis, Net Loss for Q1 2026 was $8.4 million. The decrease in Net Loss was driven by general and administrative expense reduction and Other (Income) Expense items, primarily loss on private placement issuance.

Adjusted EBITDA Loss for the three months ended June 30, 2026 increased to $1.7 million, compared to an Adjusted EBITDA Loss of $0.9 million in the prior year quarter. On a sequential basis, Adjusted EBITDA Loss for the three months ended June 30, 2026 improved by $0.2 from $1.9 million in first quarter 2026.

First Half Financial Results

Total revenue for the six months ended June 30, 2026 decreased 23.6% to $5.0 million compared to the prior year period. Our consumer direct products showed the largest declines compared to our enterprise products.

Total cost of revenue for the six months ended June 30, 2026 was $1.0 million, compared to $1.2 million in the prior year period, an decrease of 16.3%.

Gross profit for the six months ended June 30, 2026, was $4.0 million, compared to $5.3 million in the prior year period. Gross margin was 80.5% for the six months ended June 30, 2026, compared to 82.2% in the prior year period.

Total operating expenses for the six months ended June 30, 2026 were $14.2 million, compared to $15.1 million in the prior year period. The decrease in operating expenses were primarily driven by professional fees and technology expenses, partially offset by higher people expenses and stock-based compensation expense.

Net loss for the six months ended June 30, 2026 was $13.4 million, compared to $11.6 million in the prior year period. Both periods included non-cash gains related to a negotiated reduction of liabilities. Adjusting for these gains, year to date Q2 2026 Net Loss would have been $14.1 million compared to $16.1 million for year to date Q2 2025.

Adjusted EBITDA Loss for the six months ended June 30, 2026, was $3.5 million, compared to Adjusted EBITDA Loss of $1.7 million for the prior year period.

Net cash used in operating activities for the six months ended June 30, 2026, was $9.4 million, compared to $9.0 million for the six months ended June 30, 2025.

Cash totaled $0.6 million as of June 30, 2026, compared to $0.3 million as of December 31, 2025.

During the six months ended June 30, 2026, we continued to fund our operations through a combination of equity and debt financings, and most notably, closed an additional tranche of convertible debt, totaling approximately $2.3 million, and raised an additional $8.1 million of equity.

Management has continued to strengthen the balance sheet and reduced net debt by $3.8 million in line with our strategic priorities. Stockholder's Equity increased to $12.2 million as of June 30, 2026.

2026 and 2027 Outlook

The addition of the ConnectAndSell business will more than double the company's revenue, on an annualized basis. Full year effect of this acquisition will be realized in 2027.

Combined with cost reduction actions, Management expects operations to generate operating income, excluding non-cash expenses, on a monthly run rate basis starting during Q2 2027.

Second Quarter 2026 Results Conference Call

Parabolic Founder & CEO Joe Davy and CFO Dean Ditto will host the conference call, followed by a question-and-answer session. The conference call will be accompanied by a presentation, which can be viewed during the webcast or accessed via the investor relations section of the Company's website here.

To access the call, please use the following information:

Date:	Friday, August 14, 2026
Time:	4:30 p.m. Eastern Time (1:30 p.m. Pacific Time)
Webcast Registration:	Parabolic Q2 2026 Financial Results Conference Call

A replay of the webcast and the presentation utilized during the call will be available in the Company's investor relations website here.

Note About Non-GAAP Financial Measure

Adjusted EBITDA

In addition to our results determined in accordance with U.S. GAAP, we believe that Adjusted EBITDA, a non-GAAP measure as defined below, is useful in evaluating our operational performance distinct and apart from certain irregular, non-cash, and non-operational expenses. We use this information for ongoing evaluation of operations and for internal planning purposes. We believe that non-GAAP financial information, when taken collectively with results under GAAP, may be helpful to investors in assessing our operating performance and comparing our performance with competitors and other comparable companies.

Non-GAAP measures should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. We endeavor to compensate for the limitation of Adjusted EBITDA, by also providing the most directly comparable GAAP measure, which is net loss, and a description of the reconciling items and adjustments to derive the non-GAAP measure.

Adjusted EBITDA should only be considered alongside results prepared in accordance with GAAP, including various cash-flow metrics, net income (loss) and our other GAAP results and financial performance measures.

BANZAI INTERNATIONAL, INC.
Net Income (Loss) to Adjusted EBITDA Reconciliation
(Unaudited, in thousands)

	Six Months Ended June 30,		Period-over-Period	
	2026	2025	$	%
Net loss	$ (13,382)	$ (11,572)	$ (1,810)	(15.6 %)
Interest income	(6)	—	(6)	NM
Interest expense	138	—	(138)	NM
Interest expense – related party	396	895	499	55.8 %
Income tax expense (benefit)	(133)	(157)	(24)	(15.3 %)
Depreciation and amortization expense	608	547	(61)	(11.2 %)
Stock based compensation	2,479	1,093	(1,386)	(126.8 %)
Gain on extinguishment of liabilities	(715)	(4,489)	3,774	84.1 %
Loss on debt issuance	208	443	235	53.0 %
Loss on Private Placement Issuance	1,598	837	(761)	(90.9 %)
Loss on extinguishment of debt, net	58	1,770	1,712	96.7 %
Change in fair value of financial instruments	1,179	266	(913)	(343.2 %)
Change in fair value of financial instruments – related party	43	64	21	32.8 %
Change in fair value of convertible notes	(551)	238	789	331.5 %
Loss on Yorkville SEPA advances	227	747	520	69.6 %
Other (income) expense, net	774	1,211	437	36.1 %
Transaction related expenses	3,573	6,421	2,848	44.4 %
Adjusted EBITDA	$ (3,506)	$ (1,686)	$ (1,820)	(107.9 %)

About Parabolic

Parabolic builds agentic applications that power the future of business. We believe that the future of enterprise software will be agentic applications that are net-beneficiaries of AI transformation, and we focus on building, acquiring, and investing in those and related businesses. We have over 150,000 customers including Amazon, Dell, Salesforce, Aflac, Thermo Fisher Scientific, RBC Wealth Management, and Fitch Group. Learn more at www.parabolic.io. For investors, please visit ir.banzai.io.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements often use words such as “believe,” “may,” “will,” “estimate,” “target,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “propose,” “plan,” “project,” “forecast,” “predict,” “potential,” “seek,” “future,” “outlook,” and similar variations and expressions. Forward-looking statements are those that do not relate strictly to historical or current facts. Examples of forward-looking statements may include, among others, statements regarding Banzai International, Inc.’s (d/b/a Parabolic, the “Company’s”): future financial, business and operating performance and goals; annualized recurring revenue and customer retention; ongoing, future or ability to maintain or improve its financial position, cash flows, and liquidity and its expected financial needs; potential financing and ability to obtain financing; acquisition strategy and proposed acquisitions and, if completed, their potential success and financial contributions; strategy and strategic goals, including being able to capitalize on opportunities; expectations relating to the Company’s industry, outlook and market trends; total addressable market and serviceable addressable market and related projections; plans, strategies and expectations for retaining existing or acquiring new customers, increasing revenue and executing growth initiatives; and product areas of focus and additional products that may be sold in the future. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Forward-looking statements are not guarantees of future performance, and our actual results of operations, financial condition and liquidity and development of the industry in which the Company operates may differ materially from those made in or suggested by the forward-looking statements. Therefore, investors should not rely on any of these forward-looking statements. Factors that may cause actual results to differ materially include changes in the markets in which the Company operates, customer demand, the financial markets, economic, business and regulatory and other factors, such as the Company’s ability to execute on its strategy. More detailed information about risk factors can be found in the Company’s Annual Report on Form 10-K and the Company’s Quarterly Reports on Form 10-Q under the heading “Risk Factors,” and in other reports filed by the Company, including reports on Form 8-K. The Company does not undertake any duty to update forward-looking statements after the date of this press release.

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BANZAI INTERNATIONAL, INC.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

	As of	
	June 30, 2026	**December 31, 2025**
ASSETS		
Current assets:		
Cash	$ 646	$ 259
Accounts receivable, net	399	709
Prepaid expenses and other current assets	752	445
Total current assets	1,797	1,413
Property and equipment, net	—	8
Intangible assets, net	7,434	8,027
Goodwill	21,992	21,992
Operating lease right-of-use assets	42	56
Bifurcated embedded derivative asset – related party	—	9
Deferred offering costs	32	122
Other assets	4	4
Total assets	31,301	31,631
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	2,466	2,494
Accrued expenses and other current liabilities	3,481	4,354
Convertible notes – related party	4,752	4,923
Convertible notes, carried at fair value	484	1,856
Convertible notes (Yorkville)	—	1,200
Notes payable, carried at fair value	1,489	2,591
Private placement warrant liability	1,699	296
Financial instruments – related party	34	—
Earnout liability	500	991
Deferred revenue	3,078	3,642
Operating lease liabilities, current	31	23
Total current liabilities	18,014	22,370
Deferred revenue, non-current	101	94
Deferred tax liability	945	1,078
Operating lease liabilities, non-current	11	34
Total liabilities	19,071	23,576
Stockholders' equity:		
Common stock	—	—
Additional paid-in capital	126,445	108,912
Accumulated other comprehensive (loss) income	(61)	(85)
Accumulated deficit	(114,154)	(100,772)
Stockholders' equity	12,230	8,055
Total liabilities and stockholders' equity	$ 31,301	$ 31,631

BANZAI INTERNATIONAL, INC.
Unaudited Condensed Consolidated Statements of Operations
(in thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Operating income:				
Revenue	$ 2,273	$ 3,127	$ 4,969	$ 6,506

Cost of revenue	450	554	971	1,160
Gross profit	1,823	2,573	3,998	5,346
Operating expenses:				
General and administrative expenses	5,906	7,113	13,556	14,546
Depreciation and amortization expense	303	300	608	547
Total operating expenses	6,209	7,413	14,164	15,093
Operating loss	(4,386)	(4,840)	(10,166)	(9,747)
Other expenses (income):				
Interest income	(3)	—	(6)	—
Interest expense	129	—	138	—
Interest expense – related party	202	537	396	895
Gain on extinguishment of liabilities	(715)	(146)	(715)	(4,489)
Loss on debt issuance	159	169	208	443
Loss on Private Placement Issuance	—	837	1,598	837
Loss on extinguishment of debt, net	52	—	58	1,770
Change in fair value of financial instruments	571	126	1,179	266
Change in fair value of financial instruments – related party	21	19	43	64
Change in fair value of convertible notes	(179)	79	(551)	238
Loss on Yorkville SEPA advances	199	362	227	747
Other (income) expense, net	224	1,336	774	1,211
Total other expenses, net	660	3,319	3,349	1,982
Loss before income taxes	(5,046)	(8,159)	(13,515)	(11,729)
Income tax expense (benefit)	(81)	(231)	(133)	(157)
Net loss	$ (4,965)	$ (7,928)	$ (13,382)	$ (11,572)
Net loss attributable to common shareholders	(4,965)	(7,928)	(13,382)	(11,572)
Net loss per share attributable to common shareholders				
Basic and diluted	$ (3.05)	$ (82.58)	$ (11.38)	$ (146.48)
Weighted average common shares outstanding (in thousands)				
Basic and diluted	1,627	96	1,176	79

BANZAI INTERNATIONAL, INC.
Unaudited Condensed Consolidated Statements of Cash Flows
(in thousands)

	For the Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities:		
Net loss	$ (13,382)	$ (11,572)
Adjustments to reconcile net loss to net cash used in operating activities:	—	—
Depreciation and amortization expense	608	547
Provision for credit losses on accounts receivable	(35)	50
Non-cash shares issued for consulting expenses	—	633
Discount at issuance on notes carried at fair value	—	578
Non-cash interest expense	127	—
Non-cash interest expense - related party	396	658
Amortization of debt discount and issuance costs - related party	—	(2)
Amortization of operating lease right-of-use assets	14	11
Stock based compensation expense	2,479	1,093
Gain on extinguishment of liability	(715)	(4,489)
Loss on debt issuance	208	443
Loss on Private Placement Issuance	1,598	837
Loss on extinguishment of debt, net	58	1,770
Change in fair value of financial instruments	1,179	266
Change in fair value of financial instruments – related party	43	64
Change in fair value of convertible notes, carried at fair value	(551)	238
Changes in operating assets and liabilities:		
Accounts receivable	345	77
Prepaid expenses and other current assets	(307)	(114)
Other assets	—	(3)
Accounts payable	(28)	(199)

Deferred revenue	(564)	(151)
Accrued expenses	(207)	162
Operating lease liabilities	(15)	(11)
Earnout liability	(491)	448
Deferred revenue – long-term	7	(2)
Deferred tax liability	(133)	(355)
Net cash used in operating activities	(9,366)	(9,023)
Cash flows from investing activities:		
Cash paid for acquisition of Vidello, net of cash acquired	—	(2,677)
Net cash used in investing activities	—	(2,677)
Cash flows from financing activities:		
Payment of GEM commitment fee promissory note	—	(215)
Repayment of convertible notes (Yorkville)	(1,218)	(3,640)
Proceeds from term notes, net of issuance costs	1,594	4,250
Repayment of term notes	(1,006)	(5,933)
Partial repayment of convertible notes - related party	—	(870)
Proceeds from issuance of convertible notes, net of issuance costs	2,121	5,302
Proceeds from issuance of shares to Yorkville under the SEPA	5,505	13,593
Proceeds from shares issued to Verista	—	50
Proceeds from issuance of common stock and pre-funded warrants under private placement	—	330
Proceeds from issuance of common stock and warrants	2,726	—
Net cash provided by financing activities	9,722	12,867
Effect of exchange rate changes on cash and cash equivalents	31	—
Net decrease in cash	387	1,167
Cash at beginning of period	259	1,087
Cash at end of period	$ 646	$ 2,254

Parabolic