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Research Report – Update

Investors should consider this report as only a single factor in making their investment decision.

Banzai International, Inc.

Rating: Speculative Buy

Howard Halpern

September 2, 2025

BNZI \$3.32 — (NASDAQ)

	2023 A	2024 A	2025 E	2026 E
Total Revenues (in millions)	\$4.6	\$4.5	\$13.4	\$21.0
Earnings (loss) per share	(\$16.42)	(\$69.75)	(\$7.78)	(\$2.32)
52-Week range	\$112 – \$0.65		Fiscal year ends:	December
Shares outstanding a/o 08/12/25*	3.5 million		Revenue/shares (ttm)	\$7.12
Approximate float	3.0 million		Price/Sales (ttm)	0.5X
Market Capitalization	\$11.6 million		Price/Sales (2026) E	0.6X
Tangible Book value/shr	(\$11.08)		Price/Earnings (ttm)	NMF
Price/Book	NMF		Price/Earnings (2026) E	NMF

All per share amounts reflect the reverse stock splits effective July 8, 2025 and September 19, 2024 of 1 for 10 and 1 for 50, respectively. * Reflects class A and class B shares outstanding combined (3.2 million and 231,113, respectively) ** Includes approximately (\$34.58) in unusual items related to reducing outstanding liabilities Banzai International, Inc., headquartered in Bainbridge Island, WA, is a SaaS-based marketing technology (MarTech) company that provides data-driven AI-enabled marketing and sales solutions for businesses of all sizes. The company's vision is to assist its customers accomplish their mission by enabling enhanced marketing, sales, and customer engagement outcomes. In addition to organic growth, BNZI seeks to acquire companies that will expand its existing suite of MarTech offerings.

Key Investment Considerations:

Maintaining our Speculative Buy rating and 12-month price target of \$10.00 per share.

Banzai has substantial growth potential for its MarTech platform offerings to US and international customers. Dimension Market Research issued a report projecting the global MarTech industry should experience 19.1% annualized growth reaching over \$2.8 trillion in 2034, up from an estimated \$590 billion in 2025.

BNZI core assets of Demio, OpenReel, and Vidello are AI-driven MarTech offerings within the video sector of the industry. Artificial intelligence has begun enhancing video production and marketing by enabling personalization, automation of editing and content creation, and data analysis for campaign optimization. As AI video content and marketing becomes the norm, BNZI's recurring revenue customer base should expand.

The acquisitions of OpenReel and Vidello, in 4Q24, and 1Q25, respectively, have driven the company's global customer base to approximately 140,000 and should enable annual recurring revenue to reach approximately \$18 million by 4Q26, up from \$12.6 million in 2Q25.

For 2025, we project a net loss per share of (\$7.78) on revenue growth of 196.3% to \$13.4 million. We previously projected a loss per share of (\$4.55) on revenue of \$17.3 million. While overall revenue growth reflects the acquisitions of OpenReel and Vidello, the reduction from our prior forecast reflects 1H25 results. Our increased loss per share forecast reflects high than previously anticipated 2H25 operating expenses.

For 2026, we project a net loss per share of (\$2.32) on revenue growth of 56.7% to \$21 million. We previously projected a net loss per share of (\$1.81) on revenue of \$21 million. Our revenue forecast should be supported by annualized recurring revenue for the company's MarTech offerings to at least \$18 million by 4Q26. Our increased loss per share forecast reflects operating expense margin of 116.5% (prior was 99.5%) from an estimated 217.5% in 2025. The change reflects higher than anticipated marketing costs to drive sales growth.

Please view our Disclosures on pages 16 - 18

Appreciation Potential

Maintaining our Speculative Buy rating and 12-month price target of \$10.00 per share. Our rating and price target reflect BNZI ability to leverage its core assets of Demio, OpenReel, and Vidello, which are AI-driven MarTech offerings within the video sector of the industry. Artificial intelligence has begun enhancing video production and marketing by enabling personalization, automation of editing and content creation, and data analysis for campaign optimization. As AI video content and marketing becomes the norm, BNZI's recurring revenue customer base should expand. The acquisitions of OpenReel and Vidello, in 4Q24, and 1Q25, respectively, have driven the company's global customer base to approximately 140,000 and should enable net recurring revenue to reach approximately \$18 million by 4Q26, up from \$12.6 million in 2Q25.

Our 12-month price target of \$10.00 per share implies shares could triple over the next twelve months. According to finviz.com, the average price-to-sales multiple for companies with similar to slightly larger market capitalizations in the software application sector is 2.3X (prior was 2X), compared to Banzai International trailing price-to-sales multiple of 0.5X (unchanged). We anticipate investors are likely to accord BNZI the sector's multiple due to projected revenue growth of 56.7% in 2026. We applied a price-to-sales multiple of 2.3X to our 2026 sales per share forecast of \$5.42 (prior was \$6.74), discounted for execution risks and potential common stock dilution to obtain a year-ahead price target of approximately \$10.00 per share.

Banzai International' valuation is likely to improve as it reports revenue growth and recurring revenue growth, as well as a narrowing of both operating losses and cash burn. We forecast revenue reaching \$21 million in 2026, up from \$4.5 million in 2024, as well as cash burn decreasing to \$2.6 million from \$11.3 million in 2024. In 2026, BNZI should report adjusted EBITDA loss narrowing to 1.5 million from an estimated adjusted EBITDA loss of \$5.9 million in 2025. Adjusted EBITDA loss was \$6.5 million in 2024. We forecast recurring revenue could reach \$18 million in 4Q26, which could cover approximately 73.4% of total operating expenses.

We believe Banzai International, Inc., is most suitable for high risk tolerant investors seeking exposure to an emerging growth company providing a suite of AI-driven marketing technology solutions to clients globally.

Overview

Banzai International, Inc., headquartered in Bainbridge Island, WA, is a software-as-a-service marketing technology (MarTech) company that provides data and AI-driven marketing and sales solutions for businesses of all sizes. The company's long-term vision is to assist its clients accomplish their mission by enabling enhanced marketing, sales, and customer engagement outcomes through increasingly sophisticated AI-driven analytics and data-driven applications. BNZI is in the process of consolidating mission-critical, sub-scale AI-driven MarTech platform offerings within areas of customer acquisition, customer engagement, and data analytics for campaign optimization, which should drive increased annualized recurring revenue sales through cross-selling opportunities of a larger suite of technology platform offerings.

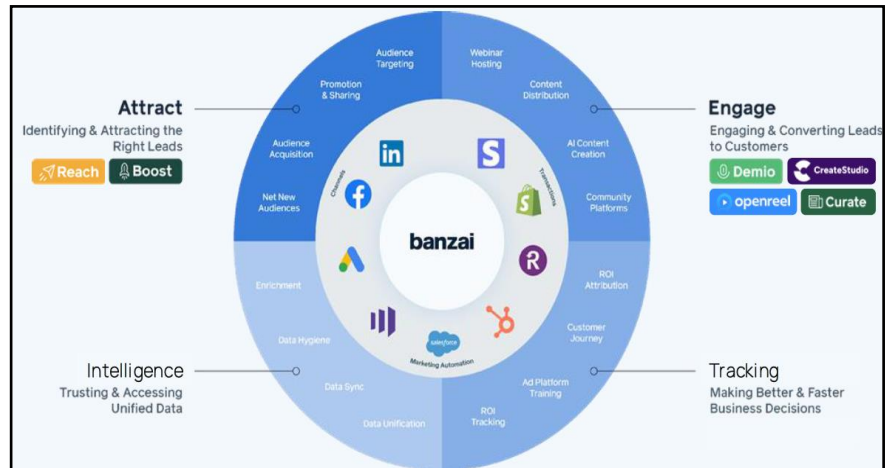
The company's customers (chart on right shows current and former customer logos) operating in over 90 countries, across industries such as including healthcare, financial services, e-commerce, technology, media, and others. Entering 2Q25, the company has annual recurring revenue of \$14.9 million, up from \$6.8 million at the end of 2024. The increase is likely attributable to completing acquisitions of OpenReel on December 19, 2024, and Vidello, Ltd. on January 31, 2025.



Banzai, was founded in 2015 as a private company with its first offering called Reach, a SaaS and managed services technology product designed to increase registration and attendance of marketing events. In 2021, the company acquired Demio, a SaaS solution for webinars designed for marketing, sales, and customer success teams. In 2023, a new offering called Boost was launched. Boost is a SaaS solution for social sharing designed to increase attendance for Demio-hosted events.

Offerings

Banzai's AI-driven revenue generating marketing technology platform offerings are designed to solve four key problems within the MarTech industry. They are helping its clients attracting customer leads, engaging client customer and potential customers through content, gathering and enriching data to drive a clients' business intelligence, and measuring results to improve operations. The chart of the right (source: company's 1Q25 presentation) shows where BNZI's offerings fits within the MarTech industry spectrum. The company's primary offerings to solve customer problems are OpenReel, CreateStudio, Reach, Demio, Boost, and Curate. All of the offerings are high margin recurring revenue SaaS technology platforms.



OpenReel is an artificial intelligence (AI) based video creation platform that enables users to remotely record, edit, host, and share high-quality videos from any location. The remote capture feature allows licensed users to film professional-grade videos using devices like smartphones or webcams, without needing to be there in person. Other features includes AI-driven editing tools for seamless content refinement and customization, along with secure cloud storage for easy access and sharing. All of its features make this technology offering efficient and cost-effective for the BNZI's global customers.

CreateStudio is a comprehensive video animation and editing software designed for both beginners and experienced creators. In February 2025, the company launched version 4.0, which is designed to enable users build videos easier, faster, and utilizing the power of three new AI-driven video builders. **Video Sales Letter** is a builder that answer seven simple questions about a clients' product or service and generates a video sales script to help sell effectively. **Explainer Video** builder provides uses with the ability to quickly create an animated explainer video by providing a brief description, and selecting a 3D character, narrator, and music genre. **AI Shorts** is a builder that enables easy generation of social media-ready content by creating scripts, voiceovers, images, and music that is intended to deliver a fully edited short video optimized for engagement using the BNZI's AI-driven technology platform.

The CreateStudio technology platform provides customers the capability of using an established library of customizable templates, animated characters, royalty-free assets, and special effects that enables the creation of professional-quality videos without the need for advanced technical skills.

Vidello's technology offering was brought into BNZI's suite of MarTech technology offerings at the end of January 2025, upon completion of its acquisition. This technology offering enables Banzai to present to existing and new customers an end-to-end video hosting and marketing platform designed to assist businesses manage, customize, and optimize their video content. It offers a customizable, fast-loading video player, along with features like A/B split testing dynamic variables, and automatic video search engine optimization to enhance user engagement and conversion rates. The technology has tools such as lower third animations, clickable links, buy buttons, email opt-in forms, and interactive video polls, all of which enables users to generate leads and drive sales directly within their videos. It can be integrated into various email auto-responders and is compatible with multiple Website builders and membership platforms.

Demio is one of the company's earlier technology offerings. It is a browser-based webinar platform designed to help businesses create, host, and manage live and automated webinars for thousands of attendees. The interface is intuitive, making setup simple and also enables users to customize registration pages, apply branding, and automate email reminders. The engagement tools include real-time chats, polls, question and answer sessions, screen sharing, and multimedia presentations, all of which was designed to make the webinar experience interactive and professional. Demio allows its customer to host live sessions or schedule automated webinars to reach audiences at scale. An important feature is **AI Moderator** that can manage audience engagement in real time, answer key questions and ensures a smoother experience for attendees. Demio has the additional capability to support lead generation and marketing integration by connecting with customer relationship management systems and marketing automation platforms, which enable BNZI's clients to streamline campaign workflows and improve follow-up calls to potential new customers.

Boost was developed in-house as an add-on product integrated with Demio to help increase webinar attendance by turning existing registrants into advocates. It enables attendees to share event registration links across platforms like LinkedIn, Facebook, X, and email, with built-in incentives to encourage referrals. This technology automates email notifications, provides customizable share pages, tracks link performance, and supports reward-based campaigns.

Reach was the company's initial MarTech technology offering (accounts for 1.7% of total revenue in 1Q25) is a targeted outreach tool helping client increase their demand generation campaigns by connecting directly with their ideal audience. It has the ability to generate tailored contact lists based on criteria like region, job title, company size, and revenue, as well as providing personalized outreach, confirmations, and reminders in order to increase results across fourteen different campaign types including event attendance, newsletter subscriptions, and opt-ins. The offering also supports privacy compliance with customizable opt-in language and allows users to include or exclude specific accounts for account-based marketing strategies.

Curate is Banzai's most recent internally developed AI-driven technology offering. Curate is an AI-driven newsletter platform designed to help brands grow their audience through fully automated targeted newsletters, which is accomplished by selecting relevant news feeds and topics. That allows Curate to automatically generate and send engaging, branded newsletters on a daily or weekly basis, saving clients' significant time on content creation. The technology platform was designed to ensure a seamless integration of a brand's voice, colors, and logo, while delivering a cohesive look that is intended for BNZI's clients' target audience. Curate has the AI-driven ability to actively promote newsletters to the right audience which should result in continual subscriber growth.

Growth Strategy

Banzai International's long-term vision is to assist its global customers accomplish their mission by enabling enhanced marketing, sales, and customer engagement outcomes through increasingly sophisticated AI-driven analytics and data-driven MarTech platform application offerings. The process of realizing the company's long-term vision should be made possible through the execution of its growth strategy, which is expanding the number of AI-driven MarTech platforms followed by seamless integration of new and existing technologies in order to make them more valuable to customers by having more ways to enhance a wider range of MarTech interactions.

The company through its growth strategy aims to acquire new customers through acquisitions and marketing activities and expand within new departments at existing customers, as well as maintain a high customer retention rate.

The company's is working to enhance and integrate its existing MarTech platform offerings (pictured on the right) into a unified set of video MarTech offerings, as well as introduce new technology platforms to its customer base either through in-house development or accretive acquisitions.



One of the newer assets was acquired in 4Q24. OpenReel provided the company with mission-critical MarTech products enabling Banzai to drive customer growth by offering new solutions to existing customers. OpenReel enables the creation of high-quality, branded video content to its enterprise customer base that includes Bristol Myers Squibb, Ingram Micro, DXC Technology, Insider Inc., and US Steel. In 1Q25, the newest set of MarTech offerings were acquired from the acquisition of Vidello, which now give BNZI a comprehensive suite of video hosting and marketing technologies that enable entrepreneurs, startups, agencies, and online businesses with tools to grow their businesses. Key tools from this acquisition include **CreateStudio** an award-winning video creation app, **PhotoVibrance** a tool that transforms static images into moving motion pictures, and **Twinkle**, which is an all-in-one audio platform for creators and agencies, featuring premium royalty-free music tailored for video projects.

As the company integrates its technology platform offerings it will strive to use its sales professionals strategically in order to cross-sell the growing suite of MarTech offerings throughout its existing global customer base.

The company is developing initiatives to become more cost efficient in acquiring customers that will include internal marketing programs and external programs through affiliates, social media, and partnerships. A high priority to maintain growth is to implement customer retention programs that will demonstrate to its customer the return on investment gains being made by utilizing the company's offerings, as well as offering customers who may want to discontinue utilizing a single offering additional offerings to replace existing ones used by the customer that would keep the customer, lower their cost structure, and increasing the revenue for BNZI by expanding the number of offerings within that customer.

Key to the company's long-term growth is enhancing and introducing new MarTech offerings. The engineering teams aim to develop enhanced modules to make the integration of its suite of current offerings as user friendly and intuitive so as to make it seamless for the sales team to cross-sell BNZI's offerings through an existing customers' organization. BNZI will introduce new offerings over time as they are acquired or developed in-house with the goal to attract new customers and expand the ways it serves existing customers. In 4Q24, the company launched Curate, an internally developed technology offering that is an AI-driven newsletter platform designed to help brands grow their audience through fully automated targeted newsletters. In 1Q25, BNZI launched CreateStudio version 4.0, which was designed to enable users to build videos easier and faster with the power of three new AI-driven video builders.

In addition to organic recurring MarTech revenue customer growth through the cross-selling opportunities, the company has an active ongoing acquisition strategy to grow its customer base and suite of marketing technology offerings.

Projections

Basis of Forecast

Our forecasts reflect the acquisitions of OpenReel and Vidello, which should enable cross-selling opportunities to the company's existing user base of its Demio webinar technology platform, as well as to the new customers already using the technology of the two acquisitions. On August 15, 2025, the company announced it had expanded its customer base to over 140,000 total customers using BNZI, OpenReel, and Vidello marketing technology platforms. We expect to see organic growth within the company's existing customer base. In May 2025, an expanded agreement was announced with RBC Capital Markets, where its Wealth Marketing Division expanded to enterprise license for usage of OpenReel, Banzai's leading digital video creation platform. We anticipate additional announcements of expanded usage within existing customer are likely to occur during our forecast period. We project recurring MarTech subscription revenue to reach in excess of \$18 million by 4Q26, up from \$12.6 million in 2Q25 and \$6.8 million at the end of 2024.

We anticipate 2025 and 2026 gross margins of 82.8% and 84.3%, respectively, up from 68.6% in 2024. The improvement should be driven by the high margin MarTech revenue from prior period acquisitions.

We are not forecasting (only recording what BNZI reports) income tax expense as the company had federal and state net operating loss carryforwards of \$51 million and \$28.2 million, respectively, at December 31, 2024.

Operations 2025

We project revenue increasing nearly three-fold to \$13.4 million (prior was \$17.3 million) from \$4.5 million in 2024 reflecting the operations of the two acquisitions made in 4Q24 and 1Q25 of OpenReel and Vidello, Ltd., respectively. The slower than anticipated revenue ramp reflects 1H25 results and the company's new sales team taking time to put in place direct cross-selling programs for its customer base of approximately 140,000.

We forecast gross profit reaching \$11.1 million, up from \$3.1 million in 2024 due primarily to revenue growth and gross margins improving to 82.8% from 68.8% last year. Gross margin improvement reflects higher margin MarTech video technology offerings acquired in 4Q24 and 1Q25.

We expect operating expenses of \$29.2 million, up from \$16.6 million in 2024 due primarily to including the operations of OpenReel for a full year and Vidello for most of the year, as well as at least \$6 million of spending related to the ongoing process conducting due diligence on and eventually acquiring MarTech assets in order to expand the company's suite of marketing technology platform offerings. We project G&A expense increasing \$28 million from \$16.5 million and D&A expense of \$1.1 million compared to \$24,000 in the year-ago period all due to the previously mentioned acquisitions.

We project the operating loss increasing to \$18.1 million from \$13.5 million due primarily to the increase in operating expenses, partly offset by revenue growth and gross margin improvement.

We anticipate non-operating expense of \$3.2 compared to an expense of \$18 million in 2024. In the current period, non-operating expense reflects a gain on extinguishment of liability of \$4.5 million, which was more than offset by losses related to certain debt items and negative changes in fair value of assets, as well as related party interest expense of \$1.6 million and estimated interest expense of \$500,000 and other expense of \$1.2 million. In the year-ago period, non-operating expense reflects related party interest expense, settlement expenses, and losses related to debt items, partly offset by gain related to positive changes in fair value of assets.

We project a net loss of \$21.1 million or (\$7.78) per share on 2.7 million average shares outstanding, which reflects the July 8, 2025 1 for 10 reverse stock split. We previously projected a net loss of \$12.2 million or (\$4.55) per share on nearly 2.7 million average shares outstanding

Finances

We forecast 2025 cash burn of \$15 million and a decrease in working capital of \$3 million resulting in cash used in operations of \$12 million. Proceeds from debt and equity issuances are likely to cover the cost to acquire Vidello, capital expenditures, and repayment of debt and outstanding liabilities. We anticipate cash increasing by \$1.7 million to \$2.8 million at December 31, 2025.

Operations – 2026

We project revenue growth of 56.7% to \$21 million (unchanged) from an estimated \$13.4 million in 2025 reflecting recurring MarTech revenues growing to approximately \$18 million by 4Q26, up from \$12.6 million entering 2H25, as well as a full year of Vidello sales and the company's MarTech platform offerings expanding within existing customers reflecting direct cross-selling of all offerings throughout its customer base of approximately 140,000.

We forecast gross profit increasing 59.6% to \$17.7 million from an estimated \$11.1 million in 2025 due primarily to revenue growth and gross margins improving to 84.3% from an estimated 82.8% in 2025. Gross margin expansion reflects the continued sale of higher margin recurring MarTech technology platform offerings.

We expect operating expenses decreasing to \$24.5 million from an estimated \$29.2 million in 2025 as the company completes the integration of prior period acquisitions and streamlines operations toward a cost structure to support growth beyond our forecast period. We project G&A expense decreasing to \$23.4 million from an estimated \$28 million in 2025 with a significant amount of non-cash expenses that should include stock-based compensation. We forecast D&A expense to be flat at \$1.1 million.

We anticipate the operating losses narrowing to \$6.8 million compared to an estimated operating loss of \$18.1 million. The improvement reflects revenue growth, gross margin expansion, and operating expense margin improving to 116.5% compared to an estimated 217.5% in 2025.

We anticipate non-operating expense of \$2.2 million (consisting of interest expense to a related party and interest expense – combined) compared to an estimated expense of \$3.2 million in 2025.

We project a net loss of \$9 million or (\$2.32) per share on nearly 3.9 million average shares outstanding. We previously projected a net loss of \$5.7 million or (\$1.81) per share on 3.1 million average shares outstanding.

Finances

We forecast 2026 cash burn of \$2.6 million and a decrease in working capital of \$1.8 million resulting in cash used in operations of \$823,000. Proceeds from the issuance of common stock is unlikely to cover cash used in operations, capital expenditures, and repayment of debt obligations. We anticipate cash decreasing by \$823,000 to \$1.9 million at December 31, 2026.

MarTech Industry Brief

Banzai International's AI-driven technology platform offerings have been designed for clients within the MarTech industry. The MarTech industry provides software and tools that marketers use to plan, execute, manage, and measure marketing efforts. The industry includes a range of technologies from basic email marketing platforms to AI-driven technology platform that are designed to enhance marketing capabilities that drive improved client results. MarTech is being recognized as the convergence of marketing and technology, enabling marketers to work as efficiently and effectively as possible.

Market research firm, Grand View Research issued a report indicating that the global MarTech industry should grow 19.9% annually to nearly \$1.4 trillion by 2030, up from \$465.2 billion in 2024. Market research firm, Dimension Market Research (DMR) issued a report indicating that the global MarTech industry is anticipated to grow 19.1% annually reaching over \$2.8 trillion by 2034, up from an estimated \$590.8 billion in 2025.

MarTech growth is being driven by increased reliance on e-commerce and digital advertising that created the need for sophisticated technologies to enable targeted marketing and real-time campaign analysis. Companies are investing in technology platforms to streamline operations, as well as improve return on investment. Industry supplier are deploying advanced technologies such as artificial intelligence (AI) and machine learning (ML) to its offerings in order to enhance the capabilities of MarTech technology platforms. AI-driven personalization enables brands to deliver tailored experiences that can improve engagement and conversion rates. Overall, the rapid digital transformation across industries is driving the increased demand for MarTech solutions as businesses seek to enhance customer engagement and optimize marketing campaigns.

2Q25 and 1H25 Financial Results

2Q25

BNZI reported total revenue increased more than three-fold to nearly \$3.3 million from nearly \$1.1 million in 2Q24. The significant increase stems from revenue generated by completed acquisitions of OpenReel and Vidello Ltd. OpenReel's technology offerings generated nearly \$1.4 million and Vidello's technology offerings contributed \$729,000 to total revenues. The company's legacy operations reported revenue increased by \$78,000 to over \$1.1 million due primarily to growth of the Reach technology offering.

Gross profit increased to \$2.7 million from \$738,000 in the year-ago period due primarily to revenue growth and gross margin expansion to 83% from 69.1% in 2Q24. Gross margin improvement reflects the inclusion of higher margin offerings from the acquisitions of OpenReel and Vidello.

Operating expenses increased 80.4% to \$7.4 million from \$4.1 million last year due primarily to the inclusion of recent 4Q24 and 1Q25 acquisitions. G&A expense increased to \$7.1 million from \$4.1 million in the year-ago

period due to inclusion of the operations of OpenReel and Vidello, Ltd. The overall increase in G&A expense reflects incremental costs related to the operations of OpenReel and Vidello, as well as higher salaries and related expenses and marketing expenses, along with costs associated with audit, technical accounting, and legal and other professional services.

Total cash and non-cash transaction related expenses amounted to \$2.9 million and \$1.9 million, respectively, in 2Q25 and 2Q24. Transaction related expenses reflects the company's due diligence in order to complete prior period acquisitions and to actively seek additional potentially new acquisition candidates to expand the client base and MarTech technology platform offerings.

Operating loss increased to \$4.7 million from a loss of \$3.6 million in 2Q24 due primarily to higher operating expenses, partly offset by revenue growth and gross margin expansion.

Non-operating expense was \$3.3 million compared to an expense of \$576,000 in the year-ago period. The increase reflects losses related to certain debt items of approximately \$1.2 million and negative changes in fair value of assets of \$224,000, as well as related party interest expense of \$537,000 and other loss of \$1.3 million. The overall loss in the year-ago period reflects related party interest expense of \$781,000, other expenses of \$61,000, and prepayment premium of \$81,000, partly offset by gains related to positive changes in fair value of assets.

Net loss was \$7.8 million or (\$4.08) per share on 1.9 million average shares compared to net loss of \$4 million or (\$14.09) per share on approximately 281,000 average shares in 2Q24. Both periods reflect a 1 for 10 reverse split effective July 8, 2025 and the prior years' period reflects a 1 for 50 reverse stock split effective on September 19, 2024. We estimated revenue of \$4 million and a net loss of \$4.2 million or (\$1.69) per share on approximately 2.5 million average shares.

1H25

BNZI reported total revenue increased more than three-fold to nearly \$6.6 million from \$2.1 million in 1H24. The significant increase stems from revenue generated by completed acquisitions of OpenReel on December 19, 2024, and Vidello Ltd., on January 31, 2025.

Gross profit increased more than three-fold to nearly \$5.5 million from \$1.4 million in the year-ago period due primarily to revenue growth and gross margin expansion to 82.5% from 66.9% in 1H24.

Operating expenses increased 83.8% to nearly \$15.1 million from \$8.2 million last year due primarily to the inclusion of the operations of OpenReel and Vidello, Ltd. The overall increase in reflects incremental costs of \$1.3 million and \$592,000, respectively, related to the operations of OpenReel and Vidello, as well as higher salaries and related expenses and marketing cost, along with costs associated with audit, technical accounting, and legal and other professional services.

	in \$ thousands		
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Total Revenue	\$ 6,641	\$ 2,148	209.2%
Total Cost of Sales	1,161	711	63.1%
Gross Profit	\$ 5,481	\$ 1,436	281.6%
Total Operating Expenses	15,093	8,211	83.8%
Operating Income (loss)	(9,612)	(6,775)	41.9%
Total Other Income (Expense)	(1,982)	(1,465)	35.3%
Pre-Tax Income	(11,595)	(8,240)	40.7%
Income tax expense (benefit)	(157.4)	6	
Net Income (loss)	<u>\$ (11,437)</u>	<u>\$ (8,245)</u>	39.9%
Earnings (loss) per share	(\$7.24)	(\$30.43)	
Avg Shares Outstanding	1,579	271	
Margins			
Gross margin	82.5%	66.9%	
Source: company reports			

Total cash and non-cash transaction related expenses amounted to \$5.3 million and \$3.2 million, respectively, in 1H25 and 1H24. Transaction related expenses reflects the company's due diligence in order to complete prior period acquisitions and to actively seek additional potentially new acquisition candidates to expand the client base and MarTech technology platform offerings.

Operating loss increased to \$9.6 million from a loss of \$6.8 million in the year-ago period due primarily to higher operating expenses, partly offset by revenue growth and gross margin expansion.

Non-operating expense was \$2 million compared to an expense of \$1.5 million last year.

Net loss was \$11.4 million or (\$7.24) per share on nearly 1.6 million average shares compared to net loss of \$8.2 million or (\$30.43) per share on approximately 271,000 average shares in 1H24. Both periods reflect a 1 for 10 reverse split effective July 8, 2025 and the prior years' period reflects a 1 for 50 reverse stock split effective on September 19, 2024.

Finances

In 1H25, cash burn of \$8.7 million and an increase in working capital of \$283,000 resulted in cash used in operations of \$9 million. Proceeds from the issuance of debt and common stock under the company's SEPA agreement with Yorkville did cover cash used to acquire Vidello and repayment of obligations. Cash increased by nearly \$1.2 million to nearly \$2.3 million at June 30, 2025.

Capital Structure

At June 30, 2025, BNZI had total debt on its balance sheet of \$15.8 million, all of which was short-term. In 1H25, the company was able to complete the repayment of \$20.3 million of outstanding liabilities, pursuant to a \$24.8 million debt payoff and restructuring agreements announced on September 24, 2024.

The company had \$8.4 million of 15.4% convertible notes outstanding related party convertible notes at the end of 2Q25. Also, the company had nearly \$4.7 million of high interest rate notes payable, carried at fair value that matures on November 12, 2025. In 2Q25, BNZI issued nearly \$2.7 million of 10% convertible notes, carried at fair value that matures on June 30, 2025.

During the period between July 1, 2025 and August 7, 2025, BNZI settled advance notices received subsequent to June 30, 2025, by selling Class A common stock to Yorkville for a total purchase price of \$3.1 million.

On July 1, 2025, the company announced the completion of an \$11 million dollar debt facility with an institutional investor. The initial tranche of \$2.2 million matures on June 30, 2026 and bears annual interest at 10% per with the facility secured by BNZI's assets. The principal amount of the note is payable in cash or convertible in whole or in part into common shares at the holder's discretion at 115% of the price of the common stock immediately preceding the closing date. The company has the right to draw subsequent tranches, provided that certain conditions are met or waived. Banzai International intends to use the net proceeds from the facility for working capital, acquisitions, and general corporate purposes to support the company's future growth.

Competitive MarTech Landscape

Banzai International's recurring revenue AI-driven marketing technology (MarTech) solutions are evolving within a highly fragmented competitive environment. The MarTech sector has over 14,000 vendors offering solutions across a broad spectrum of needs. This fragmented sector presents the company with a significant opportunity for acquisitions and platform expansion but also requires BNZI to differentiate itself through continually upgrading its AI-driven technology offerings, as well as maintaining quality customer service to retain and expand within its existing customer base.

The company competes within the business-to-business MarTech value chain, which encompasses functions including creating and distributing content, acquiring and nurturing leads, executing and optimizing campaigns, and managing and measuring performance. BNZI's strength is the growing brand awareness of its technology platforms to new and within existing customers, as well differentiate itself through data analysis, integration between existing and newly developed products all of which have aspects of artificial intelligence or machine learning.

Current and potential competitors within the same categories BNZI serves may have significantly more financial, technical, marketing, and other resources and be able to devote greater resources to the development, promotion, sale, and support of their products and services, as well as have a more extensive customer base and broader customer relationships. In a few cases, these vendors may also be able to offer additional software at little or no additional cost by bundling it with their existing suite of applications.

Competition includes companies such as Adobe, Vimeo, Zoom, and GoToWebinar within video platform category, with competition coming from Mailchimp and Constant Contact in email marketing area, and within marketing automation technology platforms completion comes from Marketo, Hubspot, and Braze.

Risks

In our view, these are the principal risks underlying the stock.

Going Concern - Operating Losses

At June 30, 2025, the company's accumulated deficit was \$89.7 million, up from \$78.3 million at December 31, 2024. Since inception, BNZI has incurred significant operating losses which includes losses of \$13.5 million in 2024, up from \$9.8 million in 2023. While we forecast operating losses narrowing through our forecast period the company could invest additional funds towards growing its customer base and revenue generating capabilities as it operating as a public company. If our operating loss expectations are not achieved and the company is unable to raise sufficient capital to fund operations and/or execute acquisitions to grow its technology and customer base, it could result in its inability to continue as a going concern or diminish current operations significantly.

Dilution

At June 30, 2025, BNZI had over 845,000 Class A common stock, public, placement agent and GEM warrants, as well as restricted stock units and stock option outstanding (reflects the 1 for 10 July 8, 2025 reverse stock split). Outstanding shares could increase if warrants are exercised. If they are exercised for cash the company's balance sheet would be strengthened as cash balances could increase, however, cashless exercise would cause existing shareholders equity interest to be diluted.

The company has a Standby Equity Purchase Agreement (SEPA) in place with an entity managed by Yorkville to provide liquidity in order to grow operations. However, as the SEPA is utilized it will dilute exiting shareholders equity interest in the company as it will increase the Class A common shares outstanding over time.

Subsequent to June 30, 2025 and ending on August 7, 2025, the company settled advance notices received from Yorkville by selling over 880,000 shares of Class A common stock to Yorkville.

As of August 12, 2025, total class A and B shares increased to nearly 3.5 million, up from nearly 820,000 at December 31, 2024.

Government Regulation

BNZI is subject to federal, state, and foreign legal requirements on matters customary to the software-as-a-service (SaaS) and MarTech industries such as data privacy and protections. The privacy and communications regulations subject the company to many regulatory standards and laws. Violations of one or more of those legal requirements in the conduct of business could result in significant fines and other damages, criminal sanctions, and prohibitions on doing business, any of which could cause the company's operations to be harmed and slow future growth potential.

Competition

The company's competitors are likely to have long standing customer relationships for their own MarTech technology platform offerings. If BNZI is unable to compete with its larger competitors the demand for its MarTech technology platform offerings could diminish.

Acquisition Risks

The company utilizes acquisitions as part of its growth strategy. Since the company's inception it has acquired multiple business assets. Future acquisitions could involve substantial investment of funds or financings, as well as resulting in related expenses and also the potential to either dilute the interests of existing shareholders or make significant earn-out payments. Future acquisitions may require management's time and effort to generate revenues and operating profits that could take away from existing operations.

Intellectual Property

Banzai relies on a combination of trademarks and trade secrets to establish and protect its proprietary rights. As of December 31, 2024, the company held three registered US trademarks, Banzai, Demio, and OpenReel, all of which is protected by licensing agreements, confidentiality procedures, and non-disclosure agreements with third parties, as well as employee disclosure and invention assignment agreements, and other contractual rights. If intellectual property rights are not adequately protected, BNZI's brands and reputation could be harmed and competitors may be able to use its technologies and erode or negate any competitive advantage. A failure to protect intellectual property in a cost-effective and meaningful manner could have a material adverse effect on the company's ability to compete in the MarTech industry.

Third-party data centers and telecommunications solutions

The company relies on internet infrastructure, bandwidth providers, data center providers, other third parties, and its own systems for providing solutions to customers, and any failure or interruption in the services provided by these third parties or its own systems could lead to litigation and negatively impact customer relationships, adversely impact the business and potentially diminish operations and the company's financial condition.

Internal Controls

At June 30, 2025, BNZI's disclosure controls and procedures were not effective. The material weaknesses relates to a lack of internal control over information technology, adherence to the COSO integrated framework for internal controls, and period end financial close and reporting processes. The company is working to remediate the material weaknesses, as well as continue to finds way to improve over internal controls and financial reporting.

Shareholder Control

The company has two classes of common stock with class B shares having 10 votes per share, while class A shares have one vote per share. The company's CEO and co-founder owns (directly) or has controlling interest (indirectly) through his affiliates and permitted transferees approximately 65.1% of the company's outstanding voting power as of April 10, 2025 (according to the 2024 10K filing). His ownership interest and voting power is likely to greatly influence the outcome of matters requiring stockholder approval. These decisions may or may not be in the best interests of the other shareholders.

Other Risk Factors

Investors should be aware of additional risk factors that should be considered. **Delisting risk** could occur if the company's share price and or its shareholders' equity do not maintain minimums required by NASDAQ. **Balance Sheet** still needs additional cleanup regarding outstanding liabilities even after the repayment of \$20.3 million of outstanding liabilities through agreements and restructuring in 1Q25. **Covenant restriction** on existing or future debt instruments could hamper operational growth initiatives. **Cyber security and/or data breaches, as well as potential litigation** could distract management and slow growth initiatives. **Being a controlled company** and having two classes of common stock could restrain retail and institutional investors from investing in the company's common stock. **Lack of new AI-driven MarTech product offerings** or added features in order to expand within existing customers. All these other factors could negatively impact the company's operations that could diminish growth initiatives, financial results, and share price.

Miscellaneous Risk

The company's financial results and equity values are subject to other risks and uncertainties, including competition, operations, financial markets, regulatory risk, and/or other events. These risks may cause actual results to differ from expected results.

Trading Volume

Over the past three month (ending August 29, 2025), average daily volume was over 352,000. We estimate that BNZI's float is approximately 3 million shares on its class A shares of common stock with total class A and B common shares outstanding (combined) of approximately 3.5 million.

Banzai International, Inc.
Consolidated Balance Sheets
FY2023 – FY2026E
(in thousands)

	FY23A	FY24A	2Q25A	FY25E	FY26E
ASSETS					
Current assets:					
Cash	\$ 2,094	\$ 1,087	\$ 2,254	\$ 2,766	\$ 1,943
Accounts receivable, net	105	936	809	932	1,110
Prepaid expenses and other current assets	741	644	758	700	600
Total current assets	2,940	2,667	3,821	4,397	3,653
Property and equipment, net	5	4	11	10	10
Intangible assets, net	-	3,884	8,636	7,637	6,400
Goodwill	2,172	18,972	21,992	21,992	21,992
Operating lease right-of-use assets	134	73	61	61	61
Bifurcated embedded derivative asset - related party	-	63	1	1	1
Deferred tax asset	-	-	141	141	141
Other assets	38	11	14	14	14
Total assets	\$ 5,288	\$ 25,674	\$ 34,676	\$ 34,253	\$ 32,272
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:					
Accounts payable	6,440	7,783	3,095	4,011	4,125
Accrued expenses and other current liabilities	5,194	3,891	4,406	5,098	4,206
Convertible notes (Yorkville)	1,766	-	-	-	-
Convertible notes - related party	5,234	8,640	8,426	7,605	7,305
Convertible notes, carried at fair value	-	-	2,676	2,676	2,676
Notes payable - related party, net	9,165	215	-	-	-
Notes payable, carried at fair value	-	3,575	4,661	4,750	2,430
Deferred underwriting fees	4,000	-	-	-	-
Deferred fee	500	-	-	-	-
Warrant liability and private placement liability	641	15	364	11	11
Warrant liability - related party	575	2	5	5	5
Earnout liability	59	15	2,324	2,046	2,046
Due to related party	67	167	167	167	167
GEM commitment fee	2,000	-	-	-	-
Deferred revenue	1,214	3,935	4,096	6,700	8,400
Operating lease liabilities	234	23	24	23	23
Total current liabilities	37,090	28,260	30,244	33,092	31,394
Deferred revenue	-	118	116	1,000	2,000
Deferred tax liabilities	-	10	1,120	1,120	589
Operating lease liability	-	50	37	37	37
Other	75	-	-	-	-
Stockholders' equity:					
Common stock,\$.0001 par value; authorized 275,000,000 shares (250,000,000 Class A and 25,000,000 Class B)	0	1	0	0	0
Preferred stock \$0.000 par value 75,000,000 authorized	-	-	-	-	-
Additional paid-in capital	14,890	75,515	92,875	98,397	106,641
Retained earnings (accumulated deficit)	(46,766)	(78,280)	(89,717)	(99,394)	(108,389)
Total stockholders' equity	(31,876)	(2,764)	3,158	(996)	(1,747)
Total liabilities and stockholders' equity	\$ 5,288	\$ 25,674	\$ 34,676	\$ 34,253	\$ 32,272
SHARES OUT in millions	259	820	2,479	3,600	4,600
Preferred stock outstanding exact amount NOT in millions	-	1	1	1	1

Source: Company reports and Taglich Brothers estimates

Banzai International, Inc.
Annual Income Statement
FY2023 – FY2026E
(in thousands)

	FY23 A	FY24 A	FY25 E	FY26E
Revenue	\$ 4,561	\$ 4,528	\$ 13,416	\$ 21,030
Cost of revenue	<u>1,445</u>	<u>1,423</u>	<u>2,311</u>	<u>3,300</u>
Gross Profit	<u>3,117</u>	<u>3,105</u>	<u>11,106</u>	<u>17,730</u>
Operating Expenses:				
General and administrative	12,905	16,549	28,046	23,400
Depreciation and amortization	7	24	1,132	1,110
Total Operating Expenses	<u>12,912</u>	<u>16,573</u>	<u>29,178</u>	<u>24,510</u>
Operating Income (loss)	(9,796)	(13,468)	(18,072)	(6,780)
Other (income) expense				
GEM settlement fee	-	200	-	-
Other expense (income), net	(63)	88	1,211	-
Interest income	(1)	(0)	(0)	-
Interest expense	1,068	-	500	910
Interest expense - related party	4,486	3,047	1,612	1,305
(Gain) on extinguishment of liabilities	-	(681)	(4,489)	-
Loss on debt issuance	-	653	443	-
Loss on extinguishment of term notes	-	1,072	2,607	-
Loss on conversion and settlement of Alco promissory notes - related party	-	4,809	-	-
Loss on conversion and settlement of CP BF notes - related party	-	6,529	-	-
Change in fair value of warrant liability	(1,807)	(626)	(12)	-
Change in fair value of warrant liability - related party	115	(573)	2	-
Change in fair value of bifurcated embedded derivative liabilities - related party	(3,063)	(51)	62	-
Change in fair value of convertible notes	(34)	693	238	-
Change in fair value of term notes	-	89	316	-
Change in fair value of convertible bridge notes	-	(10)	(38)	-
Yorkville prepayment premium	-	81	747	-
Goodwill impairment	-	2,725	-	-
Total other (income) expense	<u>4,611</u>	<u>18,046</u>	<u>3,199</u>	<u>2,215</u>
Pre-Tax Income (loss)	(14,407)	(31,513)	(21,271)	(8,995)
Income Tax Expense (Benefit)	<u>-</u>	<u>-</u>	<u>(157)</u>	<u>-</u>
Net income (loss)	<u>(14,407)</u>	<u>(31,513)</u>	<u>(21,114)</u>	<u>(8,995)</u>
Deemed dividend - Series A and Series B warrant modification, net of tax	-	(418)	-	-
Net income (loss) attributable to common shareholders	<u>(14,407)</u>	<u>(31,095)</u>	<u>(21,114)</u>	<u>(8,995)</u>
Earning (loss) per share attributable to common shareholders	<u>\$ (59.98)</u>	<u>\$ (69.75)</u>	<u>\$ (7.78)</u>	<u>\$ (2.32)</u>
Avg Shares Outstanding	240	446	2,714	3,881
Adjusted EBITDA	\$ (11,944)	\$ (6,506)	\$ (5,898)	\$ (1,520)
Margin Analysis				
Gross margin	68.3%	68.6%	82.8%	84.3%
General and administrative	282.9%	365.5%	209.0%	111.3%
Depreciation and amortization	0.2%	0.5%	8.4%	5.3%
Operating margin	(214.8%)	(297.4%)	(134.7%)	(32.2%)
Pre-tax margin	(315.8%)	(696.0%)	(158.5%)	(42.8%)
Tax rate	0.0%	0.0%	0.7%	0.0%
YEAR / YEAR GROWTH				
Total Revenues	(14.5%)	(0.7%)	196.3%	56.7%

All per share figures reflect the 1 for 10 and 1 for 10 reverse stock splits effective in July 2025 and September 2024, respectively

Source: Company reports and Taglich Brothers estimates

Banzai International, Inc.
Income Statement Model
Quarters FY2024A – 2026E
(in thousands)

	Q1 24 A	Q2 24 A	Q3 24 A	Q4 24 A	FY24 A	Q1 25 A	Q2 25 A	Q3 25 E	Q4 25 E	FY25 E	Q1 26 E	Q2 26 E	Q3 26 E	Q4 26 E	FY26E
Revenue	\$ 1,079	\$ 1,068	\$ 1,081	\$ 1,300	\$ 4,528	\$ 3,379	\$ 3,262	\$ 3,275	\$ 3,500	\$ 13,416	\$ 4,725	\$ 5,015	\$ 5,715	\$ 5,575	\$ 21,030
Cost of revenue	381	330	338	373	1,423	606	555	560	590	2,311	735	790	900	875	3,300
Gross Profit	698	738	743	926	3,105	2,773	2,708	2,715	2,910	11,106	3,990	4,225	4,815	4,700	17,730
Operating Expenses:															
General and administrative	4,099	4,109	3,513	4,827	16,549	7,433	7,113	7,000	6,500	28,046	5,500	5,700	6,200	6,000	23,400
Depreciation and amortization	2	1	1	20	24	247	301	295	290	1,132	285	280	275	270	1,110
Total Operating Expenses	4,100	4,110	3,514	4,848	16,573	7,680	7,413	7,295	6,790	29,178	5,785	5,980	6,475	6,270	24,510
Operating Income (loss)	(3,402)	(3,372)	(2,772)	(3,921)	(13,468)	(4,907)	(4,706)	(4,580)	(3,880)	(18,072)	(1,795)	(1,755)	(1,660)	(1,570)	(6,780)
Other (income) expense															
GEM settlement fee	200	-	60	(60)	200	-	-	-	-	-	-	-	-	-	-
Other expense (income), net	(4)	64	(63)	91	88	(125)	1,335	-	-	1,211	-	-	-	-	-
Interest income	(0)	-	-	-	(0)	(0)	-	-	-	(0)	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	250	250	500	250	235	225	200	910
Interest expense - related party	1,029	781	1,050	186	3,047	358	537	358	358	1,612	350	335	320	300	1,305
(Gain) on extinguishment of liabilities	(528)	-	(153)	-	(681)	(4,343)	(145)	-	-	(4,489)	-	-	-	-	-
Loss on debt issuance	171	-	390	92	653	274	169	-	-	443	-	-	-	-	-
Loss on extinguishment of term notes	-	-	63	1,008	1,072	1,770	837	-	-	2,607	-	-	-	-	-
Loss on conversion and settlement of Alco promissory notes - related party	-	-	4,809	-	4,809	-	-	-	-	-	-	-	-	-	-
Loss on conversion and settlement of CP BF notes - related party	-	-	6,529	-	6,529	-	-	-	-	-	-	-	-	-	-
Change in fair value of warrant liability	(408)	(154)	(32)	(32)	(626)	(4)	(8)	-	-	(12)	-	-	-	-	-
Change in fair value of warrant liability - related party	(115)	(230)	(115)	(113)	(573)	2	-	-	-	2	-	-	-	-	-
Change in fair value of bifurcated embedded derivative liabilities - related party	-	-	(32)	(19)	(51)	43	19	-	-	62	-	-	-	-	-
Change in fair value of convertible notes	544	34	101	14	693	159	79	-	-	238	-	-	-	-	-
Change in fair value of term notes	-	-	37	52	89	166	150	-	-	316	-	-	-	-	-
Change in fair value of convertible bridge notes	-	-	(18)	8	(10)	(22)	(16)	-	-	(38)	-	-	-	-	-
Yorkville prepayment premium	-	81	14	(14)	81	385	363	-	-	747	-	-	-	-	-
Goodwill impairment	-	-	-	-	2,725	-	-	-	-	-	-	-	-	-	-
Total other (income) expense	889	576	12,641	1,214	18,046	(1,337)	3,319	608	608	3,199	600	570	545	500	2,215
Pre-Tax Income (loss)	(4,291)	(3,949)	(15,413)	(5,135)	(31,513)	(3,570)	(8,025)	(5,188)	(4,488)	(21,271)	(2,395)	(2,325)	(2,205)	(2,070)	(8,995)
Income Tax Expense (Benefit)	(1)	7	1	(2)	-	74	(231)	-	-	(157)	-	-	-	-	-
Net income (loss)	(4,290)	(3,955)	(15,414)	(5,129)	(31,513)	(3,643)	(7,794)	(5,188)	(4,488)	(21,114)	(2,395)	(2,325)	(2,205)	(2,070)	(8,995)
Deemded dividend - Series A and Series B warrant modification, net of tax	-	-	-	(418)	(418)	-	-	-	-	-	-	-	-	-	-
Net income (loss) attributable to common shareholders	(4,290)	(3,955)	(15,414)	(5,547)	(31,095)	(3,643)	(7,794)	(5,188)	(4,488)	(21,114)	(2,395)	(2,325)	(2,205)	(2,070)	(8,995)
Earning (loss) per share attributable to common shareholders	\$ (16.42)	\$ (14.09)	\$ (48.73)	\$ (12.44)	\$ (69.75)	\$ (1.52)	\$ (4.08)	\$ (1.73)	\$ (1.26)	\$ (7.78)	\$ (0.67)	\$ (0.64)	\$ (0.60)	\$ (0.45)	\$ (2.32)
Avg Shares Outstanding	261	281	316	446	446	2,396	1,911	3,000	3,550	2,714	3,600	3,625	3,650	4,650	3,881
Adjusted EBITDA	\$ (2,010)	\$ (1,482)	\$ (1,500)	\$ (1,514)	\$ (6,506)	\$ (2,229)	\$ (1,494)	\$ (1,135)	\$ (1,040)	\$ (5,898)	\$ (435)	\$ (450)	\$ (410)	\$ (225)	\$ (1,520)
Margin Analysis															
Gross margin	64.7%	69.1%	68.7%	71.3%	68.6%	82.1%	83.0%	82.9%	83.1%	82.8%	84.4%	84.2%	84.3%	84.3%	84.3%
General and administrative	379.7%	384.7%	325.1%	371.4%	365.5%	220.0%	218.0%	213.7%	185.7%	209.0%	116.4%	113.7%	108.5%	107.6%	111.3%
Depreciation and amortization	0.1%	0.1%	0.1%	1.6%	0.5%	7.3%	9.2%	9.0%	8.3%	8.4%	6.0%	5.6%	4.8%	4.8%	5.3%
Operating margin	(315.2%)	(315.7%)	(256.5%)	(301.7%)	(297.4%)	(145.2%)	(144.2%)	(139.8%)	(110.9%)	(134.7%)	(38.0%)	(35.0%)	(29.0%)	(28.2%)	(32.2%)
Pre-tax margin	(397.5%)	(369.7%)	(1426.3%)	(395.1%)	(696.0%)	(105.6%)	(246.0%)	(158.4%)	(128.2%)	(158.5%)	(50.7%)	(46.4%)	(38.6%)	(37.1%)	(42.8%)
Tax rate	0.0%	(0.2%)	(0.0%)	0.1%	0.0%	(2.1%)	2.9%	0.0%	0.0%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
YEAR / YEAR GROWTH															
Total Revenues					(0.7%)	213.0%	205.4%	203.1%	169.3%	196.3%	39.8%	53.7%	74.5%	59.3%	56.7%

All per share figures reflect the 1 for 10 and 1 for 10 reverse stock splits effective in July 2025 and September 2024, respectively

Source: Company reports and Taglich Brothers estimates

Banzai International, Inc.
Cash Flow Statement
FY2023 – FY2026E
(in thousands)

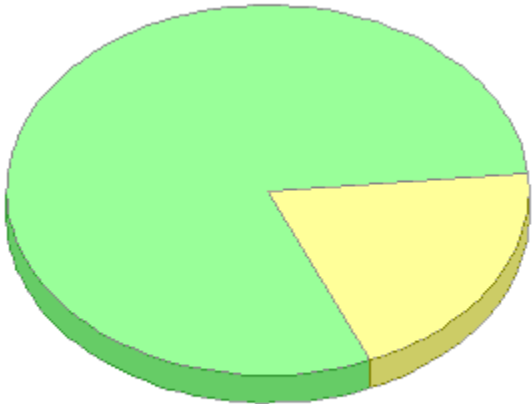
	<u>FY2023A</u>	<u>FY2024A</u>	<u>6Mos_25A</u>	<u>FY2025E</u>	<u>FY2026E</u>
<i>Cash Flows from Operating Activities</i>					
Net Income (loss)	\$ (14,406)	\$ (31,513)	\$ (11,437)	\$ (21,114)	\$ (8,995)
Depreciation and amortization	7	24	547	1,132	1,110
Provision for credit losses on accounts receivable	(102)	18	50	50	-
Non-cash shares issued to Yorkville for aggregate commitment fee	3,288	-	-	-	-
Non-cash issuance of warrants accounted for as liabilities	2,448	-	-	-	-
Non-cash share issuance for marketing and consulting expenses	-	245	633	1,266	1,300
Non-cash settlement of GEM commitment fee	2,000	200	-	-	-
Non-cash share issuance for Yorkville redemption premium	-	81	-	-	-
Discount at issuance on notes carried at fair value	686	748	578	578	-
Non-cash interest expense - related party	514	1,532	658	1,316	1,344
Amortization of debt discount and issuance costs	959	-	-	-	-
Amortization of debt discount and issuance costs - related party	2,411	1,394	(2)	(2)	-
Amortization of operating lease right-of-use assets	173	138	11	11	-
Stock based compensation expense	1,246	1,166	1,093	2,605	2,600
Gain on extinguishment of liability	-	(681)	(4,489)	(4,489)	-
Loss on conversion and settlement of Alco promissory notes - related party	-	4,809	-	-	-
Loss on conversion and settlement of CP BF notes - related party	-	6,529	-	-	-
Loss on debt issuance	-	653	443	443	-
Loss on extinguishment of term notes	-	1,072	1,770	1,770	-
Loss on SEPA private placement issuance	-	-	837	837	-
Impairment loss	-	2,725	-	-	-
Excise tax	306	-	-	-	-
Change in fair value of warrant liability	(1,807)	(626)	(12)	(12)	-
Change in fair value of warrant liability - related party	115	(573)	2	2	-
Change in fair value of simple agreement for future equity	(208)	-	-	-	-
Change in fair value of simple agreement for future equity - related party	(2,752)	-	-	-	-
Change in fair value of bifurcated embedded derivative liabilities	(1,405)	-	-	-	-
Change in fair value of bifurcated embedded derivative liabilities - related party	(3,063)	(51)	62	62	-
Change in fair value of convertible promissory notes	(34)	693	238	238	-
Change in fair value of term notes	-	89	316	316	-
Change in fair value of convertible bridge notes	-	(10)	(38)	(38)	-
Cash earnings (burn)	(9,625)	(11,338)	(8,740)	(15,029)	(2,641)
<i>Changes In:</i>					
Accounts receivable	65	16	77	5	(178)
Prepaid expenses and other current assets	(408)	552	(114)	(56)	100
Other assets	-	27	(3)	(3)	-
Deferred offering costs	(1,708)	-	-	-	-
Accounts payable	5,340	1,012	(199)	(3,771)	114
Due to related party	67	-	-	-	-
Deferred revenue	284	(6)	(287)	2,765	1,700
Accrued expenses	4,449	498	162	1,207	(892)
Operating lease liabilities	(285)	(238)	(11)	0	-
Earnout liability	(230)	(45)	448	2,031	-
Deferred fees	500	-	-	-	-
Deferred revenue - long-term	-	11	(2)	882	1,000
Deferred tax liability	-	10	(355)	(25)	(25)
Other long-term liabilities	-	(75)	-	-	-
(Increase)/decrease in Working Capital	8,074	1,762	(283)	3,035	1,818
Net cash from (used) from operating activities	(1,551)	(9,575)	(9,023)	(11,994)	(823)
<i>Cash Flows from Investing Activities</i>					
Cash paid in acquisition of Vidello, net of cash acquired	-	-	(2,677)	(2,677)	-
Cash acquired in acquisition of OpenReel	-	82	-	-	-
Capital expenditures	-	-	-	-	-
Cash flow provided (used in) Investing Activities	-	82	(2,677)	(2,677)	-
<i>Cash Flows from Financing Activities</i>					
Effect of Merger, net of transaction costs (Note 4)	(7,615)	-	-	-	-
Payment of GEM commitment fee	-	(1,200)	(215)	(215)	-
Repayment of convertible notes (Yorkville)	-	(750)	(3,640)	(3,640)	-
Proceeds from term notes, net of issuance costs	-	2,782	4,250	4,250	-
Convertible notes - Institutional investor	-	-	-	-	-
Repayment of term notes	-	(1,940)	(5,933)	(5,933)	(2,320)
Partial repayment of convertible notes - related party	-	(283)	(870)	(870)	(300)
Proceeds from Yorkville redemption premium	-	35	-	-	-
Proceeds from advance from related party	-	100	-	-	-
Proceeds from issuance of GEM promissory note	-	-	-	-	-
Proceeds (repayment) from issuance of convertible notes to 1800 Diagonal, net	-	-	-	380	(380)
Proceeds from issuance of notes payable, net of issuance costs - related party	4,388	-	-	-	-
Proceeds from issuance of convertible notes, net of issuance costs	3,235	2,602	5,302	5,302	-
Proceeds from issuance of convertible notes, net of issuance costs - related party	2,583	-	-	-	-
Proceeds received for exercise of Pre-Funded warrants	-	2	-	-	-
Proceeds from issuance of shares to Yorkville under the SEPA agreement	-	881	13,593	16,695	3,000
Proceeds from shares issued to Verista	-	-	50	50	-
Proceeds from issuance of common stock - pre-funded warrants private placement	31	6,257	330	330	-
Net cash provided (used) by Financing	2,621	8,487	12,867	16,349	0
Net change in Cash and restricted cash	1,070	(1,006)	1,166	1,678	(823)
Cash and restricted cash Beginning of Period	1,023	2,094	1,087	1,087	2,766
Cash (and restricted) End of Period	\$ 2,094	\$ 1,087	\$ 2,254	\$ 2,766	\$ 1,943

Source: Company reports and Taglich Brothers estimates

Price Chart



Taglich Brothers Current Ratings Distribution



80 % Buy 20 % Hold

Investment Banking Services for Companies Covered in the Past 12 Months

Rating	#	%
Buy	3	30
Hold		
Sell		
Not Rated		

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I, Howard Halpern, the research analyst of this report, hereby certify that the views expressed in this report accurately reflect my personal views about the subject securities and issuers; and that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report.

Public Companies mentioned in this report:

Adobe Inc.	(NASDAQ: ADBE)
Braze, Inc.	(NASDAQ: BRZE)
HubSpot, Inc.	(NASDAQ: HUBS)
Vimeo, Inc.	(NASDAQ: VMEO)
Zoom Communications Inc.	(NASDAQ: ZM)

Meaning of Ratings

Buy – The growth prospects, degree of investment risk, and valuation make the stock attractive relative to the general market or comparable stocks.

Speculative Buy – Long-term prospects of the company are promising but investment risk is significantly higher than it is in our BUY-rated stocks. Risk-reward considerations justify purchase mainly by high risk-tolerant accounts. In the short run, the stock may be subject to high volatility and could continue to trade at a discount to its market.

Neutral – Based on our outlook the stock is adequately valued. If investment risks are within acceptable parameters, this equity could remain a holding if already owned.

Sell – Based on our outlook the stock is significantly overvalued. A weak company or sector outlook and a high degree of investment risk make it likely that the stock will underperform relative to the general market.

Discontinued – Research coverage discontinued due to the acquisition of the company, termination of research services (includes non-payment for such services), diminished investor interest, or departure of the analyst.

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Stocks in the Microcap segment of the market have many risks that are not as prevalent in Large-cap, Blue Chips or even Small-cap stocks. Often it is these risks that cause Microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume which can lead to large spreads and high volatility in stock price. In addition, Microcaps tend to have significant company-specific risks that contribute to lower valuations. Investors need to be aware of the higher probability of financial default and higher degree of financial distress inherent in the microcap segment of the market.

From time to time our analysts may choose to withhold or suspend a rating on a company. We continue to publish informational reports on such companies; however, they have no ratings or price targets. In general, we will not rate any company that has too much business or financial uncertainty for our analysts to form an investment conclusion, or that is currently in the process of being acquired.