

IZEA Worldwide, Inc.  
Consolidated Balance Sheets

	December 31, 2018	December 31, 2017
<b>Assets</b>		
Current:		
Cash and cash equivalents	\$ 1,968,403	\$ 3,906,797
Accounts receivable, net	7,071,815	3,647,025
Prepaid expenses	527,968	389,104
Other current assets	39,203	9,140
<b>Total current assets</b>	<b>9,607,389</b>	<b>7,952,066</b>
Property and equipment, net	272,239	286,043
Goodwill	8,316,722	3,604,720
Intangible assets, net	3,149,949	667,909
Software development costs, net	1,428,604	967,927
Security deposits	143,174	148,638
<b>Total assets</b>	<b>\$ 22,918,077</b>	<b>\$ 13,627,303</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 2,618,103	\$ 1,756,841
Accrued expenses	1,968,589	1,592,356
Contract liabilities	4,957,869	—
Unearned revenue	—	3,070,502
Line of credit	1,526,288	500,550
Current portion of deferred rent	17,420	45,127
Current portion of acquisition costs payable	4,611,493	741,155
<b>Total current liabilities</b>	<b>15,699,762</b>	<b>7,706,531</b>
Deferred rent, less current portion	—	17,419
Acquisition costs payable, less current portion	—	609,768
<b>Total liabilities</b>	<b>15,699,762</b>	<b>8,333,718</b>
Commitments and Contingencies (Note 6)	—	—
Stockholders' equity:		
Preferred stock; \$.0001 par value; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$.0001 par value; 200,000,000 shares authorized; 12,075,708 and 5,733,981, respectively, issued and outstanding	1,208	573
Additional paid-in capital	60,311,756	52,570,432
Accumulated deficit	(53,094,649)	(47,277,420)
<b>Total stockholders' equity</b>	<b>7,218,315</b>	<b>5,293,585</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 22,918,077</b>	<b>\$ 13,627,303</b>

IZEA, Inc.  
Consolidated Statements of Operations

	(Unaudited)			
	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	2017	2018	2017
Revenue	\$ 6,301,353	\$ 6,800,385	\$ 20,099,695	\$ 24,437,649
Costs and expenses:				
Cost of revenue (exclusive of amortization)	2,551,249	3,230,931	9,042,155	11,585,316
Sales and marketing	1,418,863	1,584,671	6,484,320	7,593,197
General and administrative	2,398,101	2,292,976	8,683,911	9,218,565
Depreciation and amortization	451,539	420,976	1,298,359	1,516,807
Total costs and expenses	6,819,752	7,529,554	25,508,745	29,913,885
Loss from operations	(518,399)	(729,169)	(5,409,050)	(5,476,236)
Other income (expense):				
Interest expense	(122,307)	(19,544)	(269,473)	(64,950)
Loss on exchange of warrants			—	—
Change in fair value of derivatives, net	—	3,147	(11,794)	39,269
Other income (expense), net	(51,997)	2,490	(28,090)	34,218
Total other income (expense), net	(174,304)	(13,907)	(309,357)	8,537
Net loss	\$ (692,703)	\$ (743,076)	\$ (5,718,407)	\$ (5,467,699)
Weighted average common shares outstanding – basic and diluted				
	12,070,585	5,720,824	8,541,725	5,674,901
Basic and diluted loss per common share	\$ (0.06)	\$ (0.13)	\$ (0.67)	\$ (0.96)

**IZEA, Inc.**  
**Non-GAAP Reconciliations**  
**(Unaudited)**

**Sources of Total Revenue:**

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	2017	2018	2017
Managed Services Revenue	\$ 4,933,175	\$ 6,561,922	\$ 17,594,124	\$ 23,836,236
Legacy Workflow Fees	51,179	77,499	216,173	350,648
Marketplace Spend Fees	692,117	—	1,080,609	—
License Fees	612,980	2,853	1,151,242	67,344
Other Revenue	11,902	158,111	57,547	183,421
<b>Total Revenue</b>	<b>\$ 6,301,353</b>	<b>\$ 6,800,385</b>	<b>\$ 20,099,695</b>	<b>\$ 24,437,649</b>

**Reconciliation of GAAP Revenue to Non-GAAP Gross Billings:**

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	2017	2018	2017
Revenue	\$ 6,301,353	\$ 6,800,385	\$ 20,099,695	\$ 24,437,649
Plus payments made to third-party creators <sup>(1)</sup>	4,847,620	1,044,188	9,879,495	4,744,325
<b>Gross billings</b>	<b>\$ 11,148,973</b>	<b>\$ 7,844,573</b>	<b>\$ 29,979,190</b>	<b>\$ 29,181,974</b>

(1) Payments made to third-party creators for the Legacy Workflow and Marketplace Spend components of our revenue reported on a net basis for GAAP.

**Gross billings by revenue stream and the percentage of total gross billings by stream:**

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2018		2017		2018		2017	
Managed Services Revenue	\$ 4,933,175	44%	\$ 6,561,922	84%	\$ 17,594,124	59%	\$ 23,836,236	82%
Legacy Workflow	712,669	6%	1,121,687	14%	3,048,503	10%	5,094,973	17%
Marketplace Spend	4,878,247	44%	—	—%	8,127,774	27%	—	—%
License Fees	612,980	5%	2,853	—%	1,151,242	4%	67,344	—%
Other Revenue	11,902	—%	158,111	2%	57,547	—%	183,421	1%
<b>Total Gross Billings</b>	<b>\$ 11,148,973</b>	<b>100%</b>	<b>\$ 7,844,573</b>	<b>100%</b>	<b>\$ 29,979,190</b>	<b>100%</b>	<b>\$ 29,181,974</b>	<b>100%</b>

### Reconciliation of GAAP Net Loss to Non-GAAP Adjusted EBITDA:

	Three Months Ended		Twelve Months Ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Net loss	\$ (692,703)	\$ (743,076)	\$ (5,718,407)	\$ (5,467,699)
Non-cash stock-based compensation	112,651	125,785	580,693	635,427
Non-cash stock issued for payment of services	31,266	38,459	125,000	181,995
(Gain) loss on disposal of equipment	(5,086)	(3,295)	156	(8,757)
(Gain) loss on settlement of acquisition costs payable	—	—	(84,938)	(10,491)
Increase (decrease) in value of acquisition costs payable	2,667	247,524	(615,845)	583,010
Depreciation and amortization	451,539	420,976	1,298,359	1,516,807
Legal expense accrual	—	—	500,000	—
Interest expense	122,307	19,544	269,473	64,950
Change in fair value of derivatives	—	(3,147)	11,794	(39,269)
<b>Adjusted EBITDA</b>	<b>\$ 22,641</b>	<b>\$ 102,770</b>	<b>\$ (3,633,715)</b>	<b>\$ (2,544,027)</b>
<b>Revenue</b>	<b>6,301,353</b>	<b>6,800,385</b>	<b>20,099,695</b>	<b>24,437,649</b>
<b>EBITDA as a % of Revenue</b>	<b>—%</b>	<b>2%</b>	<b>(18)%</b>	<b>(10)%</b>