

IZEA Worldwide, Inc.
Consolidated Statements of Operations
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Revenue	\$ 3,923,864	\$ 4,120,960	\$ 8,717,620	\$ 8,017,401
Costs and expenses:				
Cost of revenue (exclusive of amortization)	1,817,659	1,930,298	3,916,950	4,093,440
Sales and marketing	1,362,242	1,735,596	2,719,909	3,491,122
General and administrative	2,232,305	1,970,610	4,844,359	3,585,832
Depreciation and amortization	448,105	210,691	884,329	476,146
Total costs and expenses	<u>5,860,311</u>	<u>5,847,195</u>	<u>12,365,547</u>	<u>11,646,540</u>
Loss from operations	(1,936,447)	(1,726,235)	(3,647,927)	(3,629,139)
Other (expense) income:				
Interest expense, net	(86,737)	(35,403)	(215,201)	(56,714)
Change in fair value of derivatives, net	—	113,801	—	(11,794)
Other income, net	30,798	82	40,162	4,772
Total other (expense) income, net	<u>(55,939)</u>	<u>78,480</u>	<u>(175,039)</u>	<u>(63,736)</u>
Net loss	<u>\$ (1,992,386)</u>	<u>\$ (1,647,755)</u>	<u>\$ (3,822,966)</u>	<u>\$ (3,692,875)</u>
Weighted average common shares outstanding – basic and diluted	22,277,677	5,837,476	17,466,784	5,819,883
Basic and diluted loss per common share	\$ (0.09)	\$ (0.28)	\$ (0.22)	\$ (0.63)

IZEA Worldwide, Inc.
Total Revenue
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Managed Services Revenue	\$ 2,991,571	\$ 4,004,850	\$ 6,858,803	\$ 7,801,515
Legacy Workflow Fees	44,291	55,880	91,621	116,585
Marketplace Spend Fees	314,638	6,881	689,291	9,724
License Fees	548,494	39,347	1,039,588	52,611
Other Revenue	24,870	14,002	38,317	36,966
Total Revenue	\$ 3,923,864	\$ 4,120,960	\$ 8,717,620	\$ 8,017,401

IZEA Worldwide, Inc.
Consolidated Balance Sheets
(Unaudited)

	June 30, 2019	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 9,325,192	\$ 1,968,403
Accounts receivable, net	4,185,416	7,071,815
Prepaid expenses	593,778	527,968
Other current assets	130,614	39,203
Total current assets	<u>14,235,000</u>	<u>9,607,389</u>
Property and equipment, net	176,468	272,239
Right-of-use asset	272,153	—
Goodwill	8,316,722	8,316,722
Intangible assets, net	2,504,135	3,149,949
Software development costs, net	1,716,130	1,428,604
Security deposits	140,281	143,174
Total assets	<u>\$ 27,360,889</u>	<u>\$ 22,918,077</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 1,738,596	\$ 2,618,103
Accrued expenses	1,470,364	1,968,589
Contract liabilities	5,834,277	4,957,869
Line of credit	279,945	1,526,288
Right-of-use liability	246,725	—
Deferred rent	—	17,420
Acquisition costs payable	3,857,402	4,611,493
Total current liabilities	<u>13,427,309</u>	<u>15,699,762</u>
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; 27,088,213 and 12,075,708, respectively, issued and outstanding	2,709	1,208
Additional paid-in capital	70,848,486	60,311,756
Accumulated deficit	(56,917,615)	(53,094,649)
Total stockholders' equity	<u>13,933,580</u>	<u>7,218,315</u>
Total liabilities and stockholders' equity	<u>\$ 27,360,889</u>	<u>\$ 22,918,077</u>

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

Reconciliation of GAAP revenue to Non-GAAP gross billings:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Revenue	\$ 3,923,864	\$ 4,120,960	\$ 8,717,620	\$ 8,017,401
Plus payments made to third-party creators ⁽¹⁾	2,701,452	780,584	5,736,915	1,594,503
Gross billings	\$ 6,625,316	\$ 4,901,544	\$ 14,454,535	\$ 9,611,904

⁽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 June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Managed Services Revenue	\$ 2,991,571	\$ 4,004,850	\$ 6,858,803	\$ 7,801,515
Legacy Workflow Fees	606,756	790,957	1,261,681	1,662,769
Marketplace Spend Fees	2,453,625	52,388	5,256,146	58,043
License Fees	548,494	39,347	1,039,588	52,611
Other Revenue	24,870	14,002	38,317	36,966
Total gross billings	\$ 6,625,316	\$ 4,901,544	\$ 14,454,535	\$ 9,611,904

Reconciliation of GAAP Net loss to Non-GAAP Adjusted EBITDA:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net loss	\$ (1,992,386)	\$ (1,647,755)	\$ (3,822,966)	\$ (3,692,875)
Non-cash stock-based compensation	157,328	203,351	318,205	349,632
Non-cash stock issued for payment of services	37,497	33,819	74,995	62,490
Change in fair value of derivatives	—	(113,801)	—	11,794
Other non-cash items	(7,580)	(2,253)	(8,095)	(1,400)
Loss on settlement of acquisition costs payable	—	—	191,439	—
Increase (decrease) in value of acquisition costs payable	2,669	(231,502)	5,333	(624,596)
Interest expense	86,737	35,403	215,201	56,714
Depreciation and amortization	448,105	210,691	884,329	476,146
Adjusted EBITDA	\$ (1,267,630)	\$ (1,512,047)	\$ (2,141,559)	\$ (3,362,095)
Revenue	\$ 3,923,864	\$ 4,120,960	\$ 8,717,620	\$ 8,017,401
EBITDA as a % of Revenue	(32)%	(37)%	(25)%	(42)%