

# Ideal Power Reports Second Quarter 2019 Financial Results

#### Management to Host Conference Call Today at 4:30 p.m. ET

AUSTIN, Texas, Aug. 14, 2019 (GLOBE NEWSWIRE) -- <u>Ideal Power Inc</u>. (NASDAQ: IPWR), a semiconductor and power conversion technology company, reported results for its second quarter ended June 30, 2019.

#### Key Second Quarter 2019 and Subsequent B-TRAN™ Division Highlights

- Completed successful testing of double-sided B-TRAN<sup>™</sup> wafers, confirming the following testing results:
  - Successful bi-directional operation with symmetrical performance in both directions;
  - Forward voltage drop for our B-TRAN<sup>™</sup> dies was measured at 0.2 0.3V, consistent with our simulations. This value is substantially lower than the corresponding junction voltage drop of approximately 0.9V for an IGBT die; and
  - Measured breakdown voltages were up to 1200V, a characteristic required for commercial, industrial and military applications such as electric vehicles, battery storage, renewable energy and traction drives.
- B-TRAN<sup>™</sup> dies from these wafers are being packaged for use with a bi-directional driver to characterize switching performance.
- Design basis and test results of initial B-TRAN<sup>™</sup> devices meet the criteria for Ideal Power's engineering prototype sampling program, with initial samples expected to be delivered to potential partners in the fourth quarter of 2019.
- Confirmed manufacturability of new double-sided B-TRAN<sup>™</sup> wafer die design with conventional silicon processing equipment. The results of this testing are being incorporated into the design of next generation dies with our semiconductor fabrication partners.
- B-TRAN<sup>™</sup> Patent Estate: Currently have 46 issued B-TRAN<sup>™</sup> patents with 13 of those patents issued outside the United States. Significantly, our geographic coverage now includes China, Japan and Europe. Our B-TRAN<sup>™</sup> patent portfolio of approximately 35 patent filings includes pending applications that will enhance our coverage in the US, China, Japan and Europe and potentially expand our coverage to include Korea and India.

#### Management Commentary

"The second quarter of 2019 was a continuation of our new strategic focus on our proprietary B-TRAN<sup>™</sup> power switch technology," said Dr. Lon Bell, Chief Executive Officer of Ideal Power. "During the quarter we fabricated and subsequently tested double-sided B-TRAN<sup>™</sup> wafers that validated the three critical performance metrics of symmetric bi-directionality, low conduction losses and necessary breakdown voltage required for use in a broad range of commercial and military applications. We confirmed our B-TRAN<sup>™</sup> design is able to be manufactured with conventional silicon processing equipment.

"Given the progress with our B-TRAN<sup>™</sup> technology, management and the board of directors unanimously decided to effect a reverse stock split in order to maintain our Nasdaq listing. We strongly believe maintaining this listing status will enable the company to engage strategic partners and investors from a position of strength," concluded Bell.

#### Second Quarter 2019 Financial Results

- The company had no revenues from continuing operations in the second quarter of 2019.
- Q2 2019 operating expenses were \$0.9 million compared to \$1.1 million in Q2 2018. The decrease in operating expense was due to a decrease in our general and administrative expenses impacted by our cost

reduction plan, inclusive of reduced headcount, an absence of grants in recent years to tenured executives and lower employee bonus expense partly offset by higher legal fees as Q2 2018 included the recovery of \$0.2 million in legal expenses related to the resolution of legal proceedings in the company's favor.

- Q2 2019 net loss was \$1.3 million, compared to \$1.7 million in Q2 2018.
- Cash used in operating activities for continuing operations was \$1.3 million for the six months ended June 30, 2019 compared to \$1.9 million in the six months ended June 30, 2018.
- Cash and cash equivalents totaled \$1.4 million as of June 30, 2019, with no long-term debt outstanding.

"We now report our power conversion systems division as a discontinued operation and thus had no revenue from continuing operations in the second quarter of 2019," said Tim Burns, Chief Financial Officer. "On the cash management side, we maintained our targeted cash burn rate, utilizing \$0.7 million of cash from continuing operations in the second quarter of 2019," concluded Burns.

#### **Conference Call Details**

Ideal Power Chairman, CEO and President Dr. Lon Bell, CFO Tim Burns and B-TRAN<sup>™</sup> Chief Commercial Officer Dan Brdar will host the conference call, followed by a question and answer period.

To access the call, please use the following information:

Date: Time: Toll-free dial-in number: International dial-in number:	Wednesday, August 14, 2019 4:30 p.m. EST, 1:30 p.m. PS 1-800-458-4121					
	1-323-794-2093					
Conference ID:	1930397					

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact MZ Group at 1-949-491-8235.

The conference call will be broadcast live and available for replay at<u>http://public.viavid.com/index.php?id=135537</u> and via the investor relations section of the Company's website at <u>www.ldealPower.com</u>.

A replay of the conference call will be available after 7:30 p.m. Eastern time through September 14, 2019.

Toll Free Replay Number:	1-844-512-2921
International Replay Number:	1-412-317-6671
Replay ID:	1930397

#### About Ideal Power Inc.

Ideal Power (NASDAQ: IPWR) is a semiconductor and power conversion technology company focused on its patented Bi-directional, Bi-polar Junction Transistor (B-TRAN<sup>™</sup>) semiconductor technology. B-TRAN<sup>™</sup> is a unique double-sided bi-directional AC switch able to deliver substantial performance improvements over today's conventional power semiconductors. We believe B-TRAN modules will improve the efficiency and system economics of a wide variety of power converter applications including electrified vehicle traction drives, energy storage applications, photovoltaic (PV) inverters and wind converters, variable frequency (VFD) motor drives, and AC and DC power control applications. For more information, visit <u>www.ldealPower.com</u>.

#### Safe Harbor Statement

All statements in this release that are not based on historical fact are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. While management has based any forward-looking statements included in this release on its current expectations, the information on which such expectations were based may change. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of risks, uncertainties and other factors, many of which are outside of our control that could cause actual results to materially differ from such statements. Such risks, uncertainties, and other factors include, but are not limited to, the success of a potential sale of our Power Conversion Systems division and PPSA<sup>™</sup> technology, the success of our B-TRAN<sup>™</sup> technology, the success of our technology provide

adequate protection and whether we can be successful in maintaining, enforcing and defending our patents, our inability to predict with precision or certainty the pace of development and commercialization of our B-TRAN<sup>™</sup> technology, whether we can continue as a going concern and uncertainties set forth in our quarterly and annual reports filed with the Securities and Exchange Commission. Furthermore, we operate in a highly competitive and rapidly changing environment where new and unanticipated risks may arise. Accordingly, investors should not place any reliance on forward-looking statements as a prediction of actual results. We disclaim any intention to, and undertake no obligation to, update or revise forward-looking statements.

#### Ideal Power Investor Relations Contact:

MZ North America Chris Tyson 949-491-8235 IPWR@mzgroup.us www.mzgroup.us

#### IDEAL POWER INC. Balance Sheets

ASSETS     (unaudited)       Current assets:     \$ 1,437,797     \$ 3,258,077       Cash and cash equivalents     \$ 1,437,797     \$ 3,258,077       Prepayments and other current assets     221,530     333,877       Current assets of discontinued operations held for sale     393,408     1,096,323       Total current assets     2,052,735     4,688,277       Property and equipment, net     1,647,477     1,396,409       Intangible assets, net     1,647,477     1,396,409       Right of use asset     345,344     -       Other assets     17,920     17,920       Total assets     \$ 6,165,820     164,755       Current liabilities:     \$ 6,165,820     167,755       Current liabilities of discontinued operations held for sale     172,327     -       Accounds payable     \$ 97,039     \$ 94,203       Accounds payable     \$ 97,039     \$ 94,203       Accounds payable     \$ 97,755     1761,297       Current liabilities of discontinued operations held for sale     172,327     -       Other long-term liabilities     116,67,876     1,139,713 <tr< th=""><th></th><th>Ju</th><th>ine 30, 2019</th><th colspan="3">December 31, 2018</th></tr<>		Ju	ine 30, 2019	December 31, 2018		
Current assets:     \$ 1,437,797     \$ 3,258,077       Cash and cash equivalents     \$ 1,437,797     \$ 3,258,077       Properyments and other current assets     221,530     333,877       Current assets of discontinued operations held for sale     393,408     1,096,323       Total current assets     2,052,735     4,688,277       Property and equipment, net     54,682     63,214       Intangible assets, net     1,647,477     1,396,409       Right of use asset     345,344     -       Other assets     \$ 4,118,159     \$ 6,165,820       Current liabilities:     \$ 4,118,159     \$ 6,165,820       Current liabilities of discontinued operations held for sale     169,561     167,755       Current liabilities of discontinued operations held for sale     473,686     877,755       Total assets     912,613     1,139,713       Long-term liabilities     176,209     -       Other long-term liabilities     176,369     -       Total current liabilities     167,755     1,39,713       Long-term liabilities     172,827     -       Total current liabilities     1,736		(	unaudited)			
Cash and cash equivalents     \$     1,437,797     \$     3,258,077       Prepayments and other current assets     221,530     333,877     221,530     333,877       Corrent assets of discontinued operations held for sale     239,408     1,096,623     4,688,277       Property and equipment, net     54,682     63,214     1,647,477     1,396,409       Night of use asset     345,344     -     -     -       Other assets     \$     97,039     \$     94,203       Accounts payable     \$     97,039     \$     94,203       Accounts payable     \$     97,039     \$     94,203       Accounts payable     \$     97,237     -     -       Current liabilities of discontinued operations held for sale     172,327     -     -       Current liabilities of discontinued operations held for sale     912,613     1,139,713     -       Long-term liabilities     912,613     1,139,713     -     -       Long-term liabilities     -     -     -     -       Other liabilities     0.010 par value; 10,000,000 sh	ASSETS					
Prepayments and other current assets     221,530     333,877       Current assets of discontinued operations held for sale     393,408     1,096,323       Total current assets     2,052,735     4,688,277       Property and equipment, net     1,647,477     1,396,409       Right of use assets, net     345,344     -       Other assets     345,344     -       Other assets     34,118,158     \$ 6,165,820       Current liabilities:     Accounts payable     \$ 4,118,158     \$ 6,165,820       Accounts payable     \$ 97,039     \$ 94,203     167,755       Current liabilities:     Accounts payable     \$ 97,037     \$ 94,203       Accounts payable     \$ 97,039     \$ 94,2	Current assets:					
Current assets of discontinued operations held for sale     393,408     1,096,323       Total current assets     2,052,735     4,688,277       Property and equipment, net     54,682     63,214       Intangible assets, net     1,647,477     1,396,409       Right of use asset     345,334     -       Other assets     17,920     17,920       Total assets     \$ 6,165,820       LIABILITIES AND STOCKHOLDERS' EQUITY     \$ 6,165,820       Current liabilities :     4,237       Accounts payable     \$ 97,039     \$ 94,203       Accounts payable     \$ 97,039     \$ 94,203       Accounts payable     \$ 97,039     \$ 94,203       Account spayable     \$ 97,039     \$ 94,203       Accounts payable     \$ 97,039     \$ 94,203       Account spayable     \$ 97,039     \$ 94,203       Accounts payable     \$ 97,039     \$ 94,203       Accounts payable     \$ 97,755     -       Total current liabilities of discontinued operations held for sale     172,327     -       Total current liabilities of discontinued operations held for sale     1,736,766	Cash and cash equivalents	\$		\$		
Total current assets     2,052,735     4,688,277       Property and equipment, net Intangible assets, net     54,682     63,214       Intangible assets, net     1,647,477     1,396,409       Right of use asset     345,5344     -       Other assets     17,920     17,920       Total assets     \$ 4,118,158     \$ 6,165,820       LIABILITIES AND STOCKHOLDERS' EQUITY     S     169,561       Current liabilities:     6,165,820     169,561       Accrued expenses     169,561     167,755       Current liabilities     912,613     1,139,713       Long-term lease liability     172,327     -       Current liabilities     912,613     1,139,713       Long-term lease liability     176,989     -       Other long-term liabilities     647,164     428,163       Total liabilities     1,736,766     1,567,876       Commitments and contingencies     810     1,518       Stockholders' equity:     Prefered stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and outstanding at Jue 30, 2019 and 14,027,590 shares issued and 14,722,400 shares outstanding at Jue and 1,518,400 shares issued and 14,714,41	Prepayments and other current assets		221,530		,	
Property and equipment, net Intangible assets, net Right of use asset54,682 1,647,477 1,396,409 345,344 1Right of use asset1,647,477 	Current assets of discontinued operations held for sale				1,096,323	
Intangible assets, net1,647,4771,396,409Right of use asset $345,344$ -Other assets $17,920$ $17,920$ Total assets $$$4,118,158$$ $$$6,165,820$ LIABILITIES AND STOCKHOLDERS' EQUITYCurrent liabilities:Accounts payable\$97,039\$94,203Accounts payable\$97,039\$94,203Accounts payable\$97,039\$94,203Accounts payable\$97,039\$94,203Accounts payable\$97,039\$94,203Accounts payable\$97,039\$94,203Accounts payable\$97,036\$94,203Accounts payable\$97,036\$94,203Accounts payable\$97,036\$94,203Accounts payable\$97,036\$94,203Accounts payable\$97,036\$94,203Accounts payable\$97,036\$94,203Accounts payable\$97,036\$94,203Accounts payable\$912,61311,73,7676Total current liabilities\$912,613\$912,6131,139,713Long-term lease liabilityCommitments and contingencie	Total current assets		2,052,735		4,688,277	
Right of use asset $345,344$ $-$ Other assets $17,920$ $17,920$ Total assets $$4,118,158$ $$6,165,820$ LIABILITIES AND STOCKHOLDERS' EQUITYCurrent liabilities: Accound expenses $$97,039$ $$94,203$ Accured expenses $169,561$ $167,755$ Current liabilities $172,327$ $-$ Current liabilities $912,613$ $1,139,713$ Long-term lease liability $912,613$ $1,139,713$ Long-term lease liability $176,989$ $-$ Other long-term liabilities $647,164$ $4228,163$ Total liabilities $1,736,766$ $1,567,876$ Commitments and contingencies $14,027,590$ shares issued and outstanding at June 30, 2019 and $1,518,430$ shares issued at December 31, 2018, respectively $810$ $1,518$ Common stock, \$0.001 par value; 50,000,000 shares authorized; 810,000 shares issued and outstanding at December 31, 2018, respectively $810$ $1,518$ Common stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively $810$ $1,518$ Childinal paid-in capital $68,085,889$ $66,009,860$ $68,009,860$ Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively $(13,210)$ $(13,210)$ Accurrent field $(2,381,332)$ $(2,381,322)$ $(4,597,944)$ Total stockholders' equity $2,331,332$ $(4,597,944)$	Property and equipment, net		54,682		63,214	
Other assets17,92017,920Total assets17,92017,920Solution of tessetsSolution of tessetSolution of tessetAccrued expenses169,561167,755Current liabilities97,039\$ 97,039\$ 94,203Accrued expenses169,561167,755Current portion of tesse liability17,920\$Current portion of tesse liability17,920Current liabilities of discontinued operations held for sale473,686877,755Total current liabilities912,6131,139,713Long-term lease liability176,989-Other long-term liabilities176,989-Commitments and contingenciesStockholders' equity:Preferred stock, \$0.01 par value; 10,000,000 shares authorized; 810,000 shares issued and 14,014,41044,736,661,518Common stock, \$0.01 par value; 50,000,000 shares authorized; 810,000 shares issued and 14,014,410Additional paid-in capital14,728,600Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,014,410Additional paid-in capital <th< td=""><td>Intangible assets, net</td><td></td><td>1,647,477</td><td></td><td>1,396,409</td></th<>	Intangible assets, net		1,647,477		1,396,409	
Total assets\$4,118,158\$6,165,820LIABILITIES AND STOCKHOLDERS' EQUITYCurrent liabilities: Accounts payable Accrued expenses\$97,039\$94,203Accrued expenses169,561167,755Current portion of lease liability172,327-Current liabilities of discontinued operations held for sale473,686877,755Total current liabilities912,6131,139,713Long-term lease liability176,989-Other long-term liabilities647,164428,163Total liabilities1,736,7661,567,876Commitments and contingencies5110Stockholders' equity:Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410Additional paid-in capital0,0219 and 14,027,590 shares issued and 14,014,410Additional paid-in capital68,085,88968,009,860Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively68,085,88968,009,860Accumulated deficit(65,706,833)(63,414,252)(13,210)(13,210)Total stockholders' equity2,381,3924,597,9444,597,944	Right of use asset		345,344		-	
LIABILITIES AND STOCKHOLDERS' EQUITY     Current liabilities:   Accounts payable   \$ 97,039   \$ 94,203     Accounts payable   \$ 97,039   \$ 94,203     Accrued expenses   169,561   167,755     Current liabilities of discontinued operations held for sale   172,327   -     Current liabilities   912,613   1,139,713     Long-term lease liability   176,989   -     Other long-term liabilities   647,164   428,163     Total liabilities   1,736,766   1,567,876     Commitments and contingencies   1,736,766   1,567,876     Stockholders' equity:   Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410   14,723,686   810   1,518     Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,014,410   14,726   14,028     Additional paid-in capital   68,085,889   68,009,860   68,085,889   68,009,860     Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively   (13,210)   (13,210)   (13,210)   (13,210)   (13,210)   (13,210)   (13,210)   (13,210)	Other assets		17,920		17,920	
Current liabilities:Accounts payable\$ 97,039\$ 94,203Accounds payable\$ 97,039\$ 94,203Accounds payable169,561167,755Current portion of lease liability172,327-Current liabilities of discontinued operations held for sale473,686877,755Total current liabilities912,6131,139,713Long-term lease liability176,989-Other long-term liabilities647,164428,163Total liabilities1,736,7661,567,876Commitments and contingencies1,736,7661,567,876Stockholders' equity:Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively8101,518Additional paid-in capital14,736, 020 shares issued and 14,014,41014,73614,028Additional paid-in capital68,085,88968,009,860(13,210)(13,210)Accumulated deficit(65,706,833)(63,414,252)2,381,3924,597,944Total stockholders' equity2,381,3924,597,94414,597,944	Total assets	\$	4,118,158	\$	6,165,820	
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Total current liabilities912,6131,139,713Long-term lease liability176,989-Other long-term liabilities647,164428,163Total liabilities1,736,7661,567,876Commitments and contingencies1,736,7661,567,876Stockholders' equity:Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively8101,518Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,722,840 shares outstanding at December 31, 2019 shares issued and 14,014,41014,73614,028Additional paid-in capital68,085,88968,009,860(13,210)(13,210)Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively(65,706,833)(63,414,252)Total stockholders' equity2,381,3924,597,944	Current portion of lease liability		172,327		_	
Long-term lease liability $176,989$ $-$ Other long-term liabilities $647,164$ $428,163$ Total liabilities $1,736,766$ $1,567,876$ Commitments and contingencies $1,736,766$ $1,567,876$ Stockholders' equity:Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively $810$ $1,518$ Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,027,590 shares issued and 14,027,590 shares issued and 14,014,410 shares outstanding at December 31, 2018, respectively $810$ $14,736$ $14,028$ Additional paid-in capital $68,085,889$ $68,009,860$ $14,2210$ $(13,210)$ $(13,210)$ $(13,210)$ Total stockholders' equity $2,381,392$ $4,597,944$ $4,597,944$	Current liabilities of discontinued operations held for sale		473,686		877,755	
Other long-term liabilities647,164428,163Total liabilities1,736,7661,567,876Commitments and contingenciesStockholders' equity:Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively810Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,722,840 shares outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410 shares outstanding at December 31, 2018, respectively8101,518Additional paid-in capital68,085,88968,009,86014,028Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively(13,210)(13,210)Accumulated deficit(65,706,833)(63,414,252)Total stockholders' equity2,381,3924,597,944	Total current liabilities		912,613		1,139,713	
Total liabilities1,736,7661,567,876Commitments and contingenciesStockholders' equity: Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,722,840 shares outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410 shares outstanding at December 31, 2018, respectively8101,518Additional paid-in capital Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively Accumulated deficit Total stockholders' equity14,73614,028Total stockholders' equity(63,414,252) 2,381,392(63,414,252) 4,597,944	Long-term lease liability		176,989		_	
Commitments and contingenciesStockholders' equity: Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively8101,518Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,722,840 shares outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410 shares outstanding at December 31, 2018, respectively8101,518Additional paid-in capital68,085,88968,009,860Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively(13,210)(13,210)Accumulated deficit(65,706,833)(63,414,252)Total stockholders' equity2,381,3924,597,944	Other long-term liabilities		647,164		428,163	
Stockholders' equity: Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively8101,518Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,722,840 shares outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410 shares outstanding at December 31, 2018, respectively8101,518Additional paid-in capital68,085,88968,009,860Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively(13,210)(13,210)Accumulated deficit(65,706,833)(63,414,252)Total stockholders' equity2,381,3924,597,944	Total liabilities		1,736,766		1,567,876	
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and outstanding at June 30, 2019 and 1,518,430 shares issued at December 31, 2018, respectively8101,518Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,722,840 shares outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410 shares outstanding at December 31, 2018, respectively8101,518Additional paid-in capital14,73614,028Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively68,085,88968,009,860Accumulated deficit(13,210)(13,210)Total stockholders' equity2,381,3924,597,944	Commitments and contingencies					
Common stock, \$0.001 par value; 50,000,000 shares authorized; 14,736,020 shares issued and 14,722,840 shares outstanding at June 30, 2019 and 14,027,590 shares issued and 14,014,410     14,736     14,028       Additional paid-in capital     68,085,889     68,009,860       Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively     (13,210)     (13,210)       Accumulated deficit     (65,706,833)     (63,414,252)       Total stockholders' equity     2,381,392     4,597,944	Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 810,000 shares issued and		810		1 518	
shares outstanding at December 31, 2018, respectively   14,736   14,028     Additional paid-in capital   68,085,889   68,009,860     Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively   (13,210)   (13,210)     Accumulated deficit   (65,706,833)   (63,414,252)     Total stockholders' equity   2,381,392   4,597,944			010		1,510	
Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively     (13,210)     (13,210)       Accumulated deficit     (65,706,833)     (63,414,252)       Total stockholders' equity     2,381,392     4,597,944			14,736		14,028	
Accumulated deficit     (65,706,833)     (63,414,252)       Total stockholders' equity     2,381,392     4,597,944	Additional paid-in capital		68,085,889		68,009,860	
Total stockholders' equity     2,381,392     4,597,944	Treasury stock, at cost, 13,180 shares at June 30, 2019 and December 31, 2018, respectively		(13,210)		(13,210)	
	Accumulated deficit		(65,706,833)		(63,414,252)	
Total liabilities and stockholders' equity\$ 4,118,158\$ 6,165,820	Total stockholders' equity		2,381,392		4,597,944	
	Total liabilities and stockholders' equity	\$	4,118,158	\$	6,165,820	

#### IDEAL POWER INC.

## Statements of Operations (unaudited)

		Three Months Ended June 30,		Six Months June				
		2019		2018 2019		2019	2018	
Product revenue	\$	_	-	\$ -	\$	_	\$	_
Cost of product revenue			_			_		_
Gross profit			_					
Operating expenses:								
Research and development		335,752		322,218		553,968		416,762
General and administrative		580,663	_	803,312		1,049,053		1,685,411
Total operating expenses		916,415	-	1,125,530		1,603,021		2,102,173
Loss from continuing operations before interest		(916,415)		(1,125,530)		(1,603,021)		(2,102,173)
Interest (income) expense, net		(6,809)		(35,614)		309		(36,929)
Loss from continuing operations		(909,606)		(1,089,916)		(1,603,330)		(2,065,244)
Loss from discontinued operations		(342,076)	_	(632,530)		(689,251)		(1,713,364)
Net loss	\$	(1,251,682)	=	\$ (1,722,446)	\$	(2,292,581)	\$	(3,778,608)
Loss from continuing operations per share – basic and fully diluted	\$	(0.06)		\$ (0.08)	\$	(0.11)	\$	(0.15)
Loss from discontinued operations per share – basic and fully	•	(0.06)		\$ (0.06)	φ	(0.11)	φ	(0.15)
diluted		(0.03)	_	(0.04)		(0.05)		(0.12)
Net loss per share – basic and fully diluted	\$	(0.09)	=	\$ (0.12)	\$	(0.16)	\$	(0.27)
Weighted average number of shares outstanding – basic and fully diluted		14,722,840	=	13,992,791		14,519,313		13,991,961

#### IDEAL POWER INC. Statements of Cash Flows (unaudited)

	Six Months Ended June 30,				
		2019	2018		
Cash flows from operating activities:					
Loss from continuing operations	\$	(1,603,330)	\$	(2,065,244)	
Adjustments to reconcile net loss to net cash used in operating activities:					
Depreciation and amortization		56,497		82,091	
Write-off of capitalized patents		-		10,873	
Stock-based compensation		140,190		510,160	
Decrease in operating assets:					
Prepayments and other current assets		112,347		(243,632)	
Increase (decrease) in operating liabilities:					
Accounts payable		2,836		(158,215)	
Accrued expenses		(7,588)		(5,980)	
Net cash used in operating activities		(1,299,048)		(1,869,947)	
Net cash used in operating activities – discontinued operations		(465,328)		(1,072,185)	
Cash flows from investing activities:					
Purchase of property and equipment		(1,194)		_	
Acquisition of intangible assets		(54,710)		(63,584)	
Net cash used in investing activities		(55,904)		(63,584)	
Net cash used in investing activities – discontinued operations				(34,130)	
Cash flows from financing activities:					
Payment of taxes related to restricted stock vesting	. <u> </u>			(2,188)	

Net cash used in financing activities		·	(2,188)
Net decrease in cash and cash equivalents – continuing operations	(1,354,952	)	(1,935,719)
Net decrease in cash and cash equivalents – discontinued operations	(465,328	)	(1,106,315)
Cash and cash equivalents at beginning of period	3,258,077		10,022,247
Cash and cash equivalents at end of period	\$ 1,437,797	\$	6,980,213

### IDEAL OPOWER

Source: Ideal Power Inc.