

Micro-Cap IPO Monthly

September 2022

EXCHANGE
LISTING

exchangelistingllc.com

About

Exchange Listing provides comprehensive micro-cap IPO resources for global growth companies.

We enable emerging growth companies to list on a senior stock exchange, including NASDAQ, NYSE, NEO and other internationally recognized exchanges. We partner with our clients in a cost effective manner in the planning, managing and implementation of their capital markets and exchange listing objectives. Whether through initial public offering, SPAC, reverse merger or listing from another marketplace, we guide you through all aspects of company structuring and execution to meet your listing and funding requirements.

Your success is our success!



Our Capabilities

We guide your company through every step of the listing process and beyond.

Up-listing / Cross-listing

- ✓ OTC > Senior Exchange
- ✓ Foreign > Senior Exchange
- ✓ Foreign > ADR (Senior Exchange)

Financing

- ✓ Pre-IPO bridge financing
- ✓ Underwritten firm commitment
- ✓ Strategic financing Secondary offering

Exchange Listing Types

- ✓ IPO
- ✓ SPAC
- ✓ Reverse merger
- ✓ Direct listing

Internationally recognized exchanges



Scope of Services

Turnkey listing and capital raise services. We quarterback every aspect of the IPO and capital raising process. We don't just work for you, we work with you. Every day. Every step of the way.

Preparation

- ✓ Assess exchange listing readiness
- ✓ Review business plan
- ✓ Analyze listing requirements
- ✓ Develop capital markets roadmap
- ✓ Introduce underwriters
- ✓ Develop marketing materials

Listings

- ✓ Stock exchange analysis and metrics
- ✓ Professional team selection
- ✓ Implement corporate governance and board of directors
- ✓ Exchange listing application and filing
- ✓ Establish point-of-contact with the exchange

Preparation

- ✓ Equity research enlistment
- ✓ Communication and awareness, investor relations evaluation, planning, campaign management, conferences, and roadshow selection
- ✓ Mergers and acquisitions strategy and execution

Congratulations

To the 5 micro-cap issuers who successfully completed their IPOs and listed on the Nasdaq during September.



Micro-Cap IPO Summary

The micro-cap IPO market had a strong start to September before it was completely halted by the temporary pause on all micro-cap IPOs imposed by Nasdaq on September 20.

Due to the temporary pause, only five issuers listed their shares on the Nasdaq in September, raising a combined \$60 million, the least in a single month in 2022 in terms of dollars raised and the number of deals.

Issuers operating in three different sectors completed their IPOs in September, including the consumer, healthcare and technology sectors.

One micro-cap foreign private issuer (FPI) from Israel completed its IPO in the U.S.

Offerings ranging from \$7,862,338 to \$15,937,500 were completed with the help of investment banking partners, including Aegis Capital, EF Hutton, Maxim, Joseph Gunnar, WallachBeth Capital and Viewtrade Securities.

Overall, the micro-cap IPO market showed strong numbers in the first half of September until the pause was announced.



Market Updates

Nasdaq Imposes a Temporary Pause on All Micro-Cap IPOs:
On September 20, 2022, a temporary pause was imposed by Nasdaq on all Micro-Cap IPOs.

The pause appeared to be tied to the recent trading of certain IPOs with extreme high and low post-listing trading swings. Nasdaq was reviewing certain deals in the interest of "market integrity" and will be implementing new rules related to vetting the actual offerings and its participants. Like many of you, we have recently seen an uptick in comments from Nasdaq during the listing process related to road show meetings, syndicate members and shareholder lists etc.

The definition of Micro-Cap was also unclear in this regard. It appeared that the larger the amount of capital raised by an issuer, the more amenable Nasdaq was to approving the deal on a case by case basis.

This temporary pause on microcap IPOs should not affect issuers looking to Uplist from the OTC or cross-list from a foreign exchange so long as the issuer is trading with "reasonable volume".



\$60 Mil

Raised in total

\$10.7 Mil

Median offering size

5

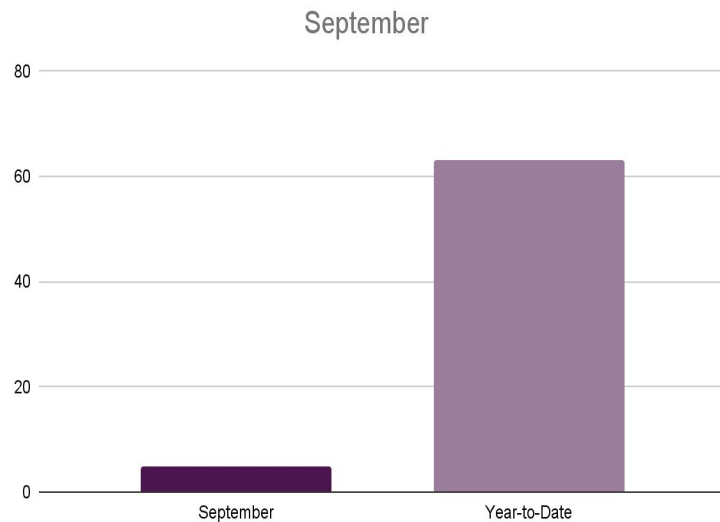
Micro-Cap IPOs in
September 2022

1

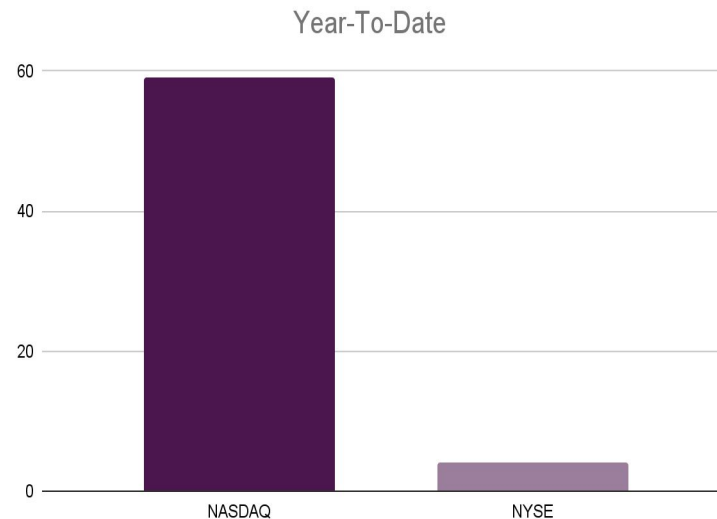
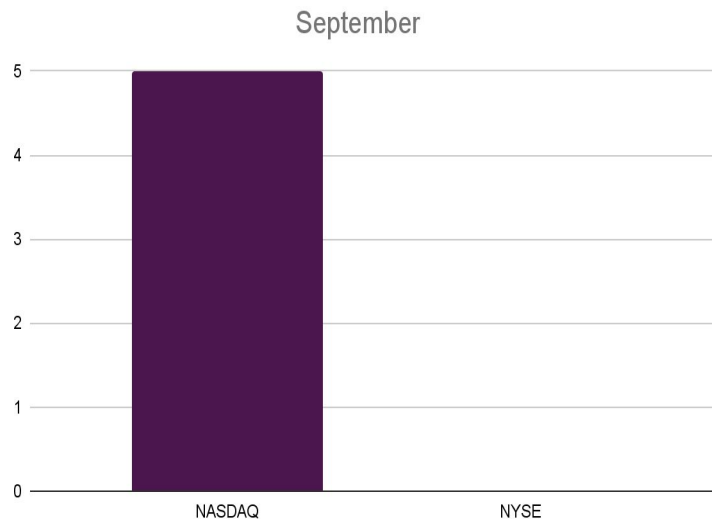
IPOs completed by foreign
private issuers



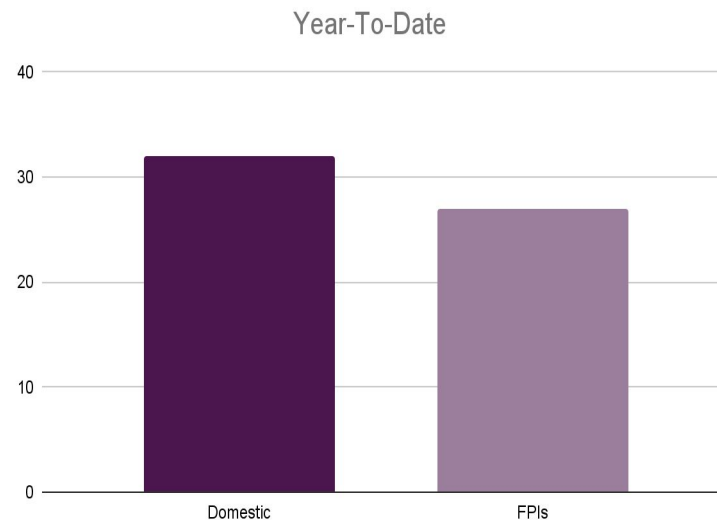
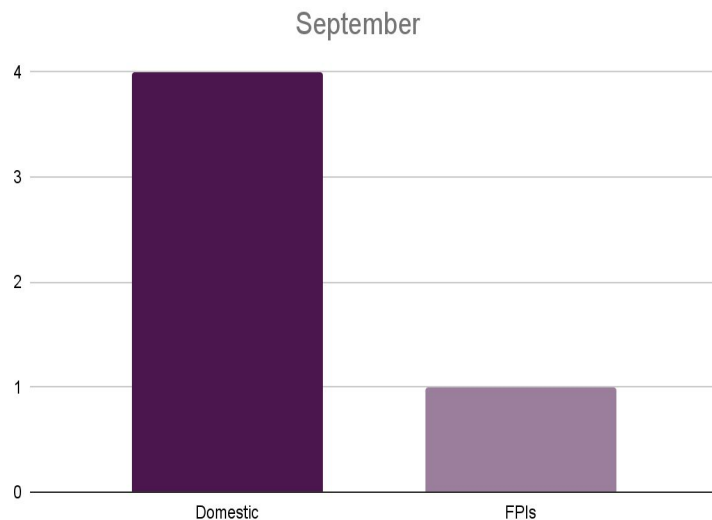
Micro-Cap IPOs



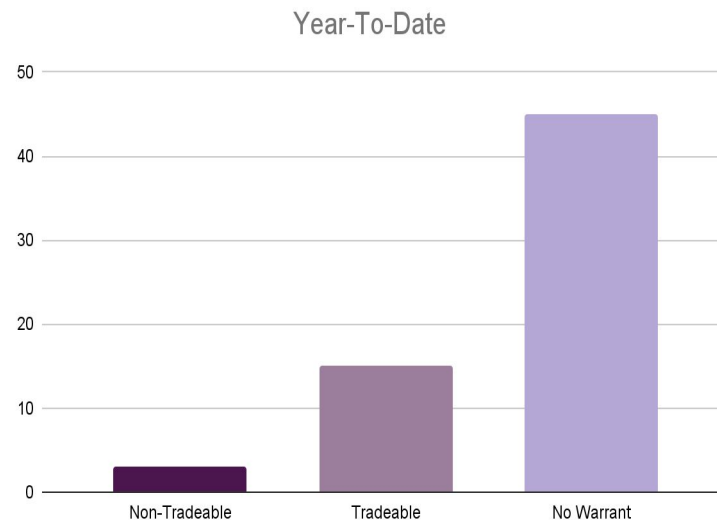
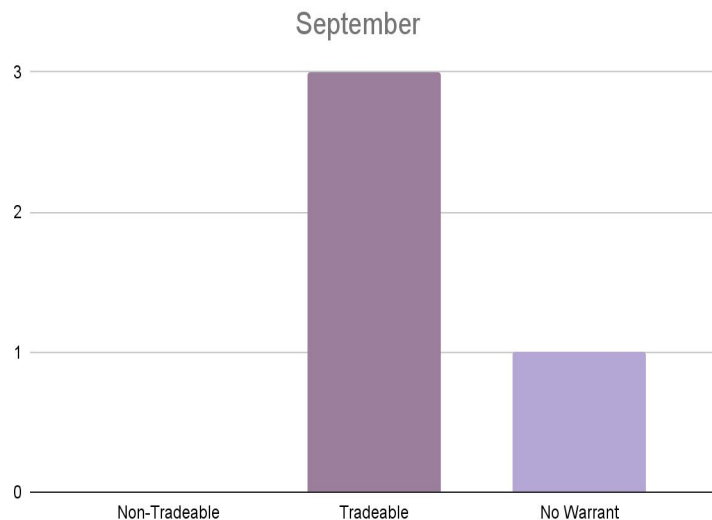
Senior U.S Exchange



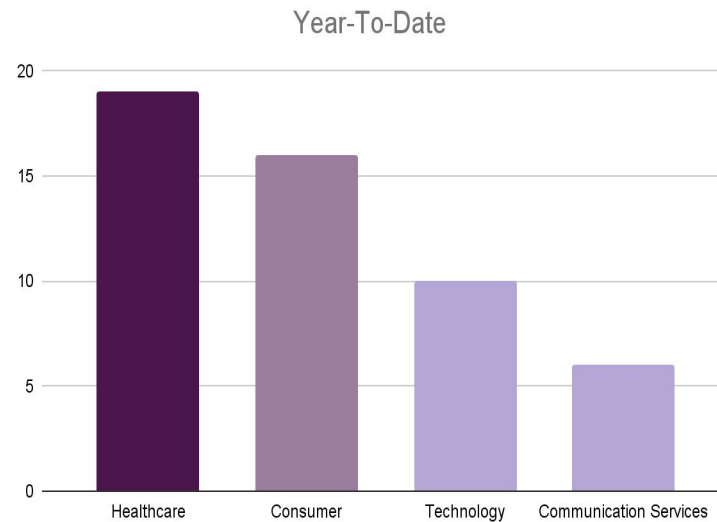
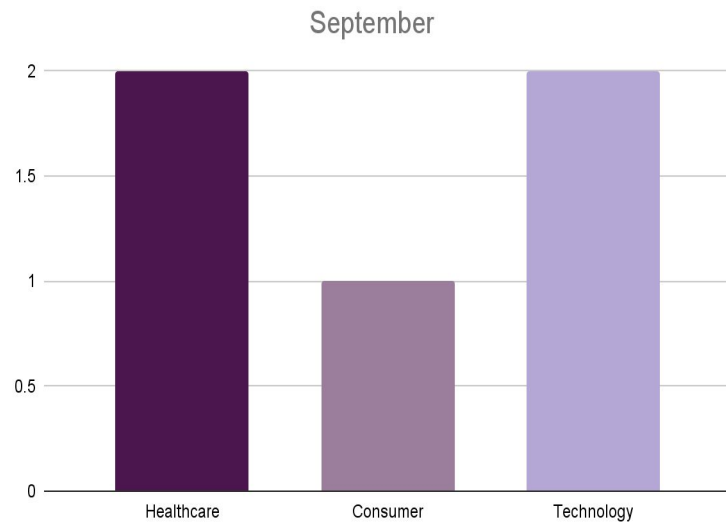
Domestic Issuers / FPIs



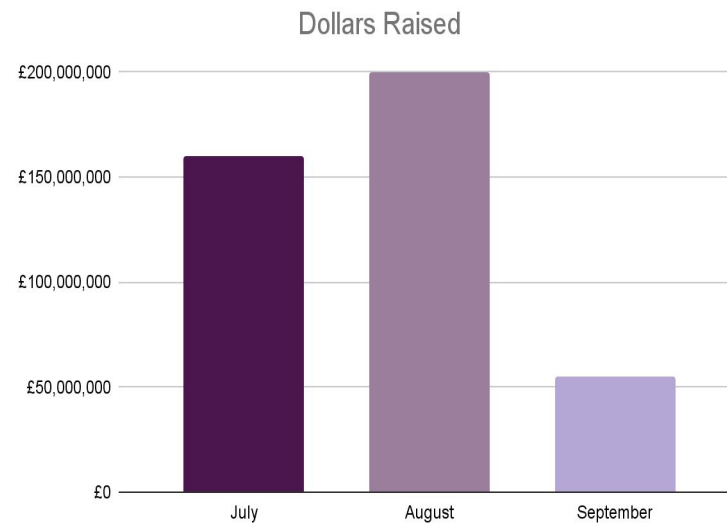
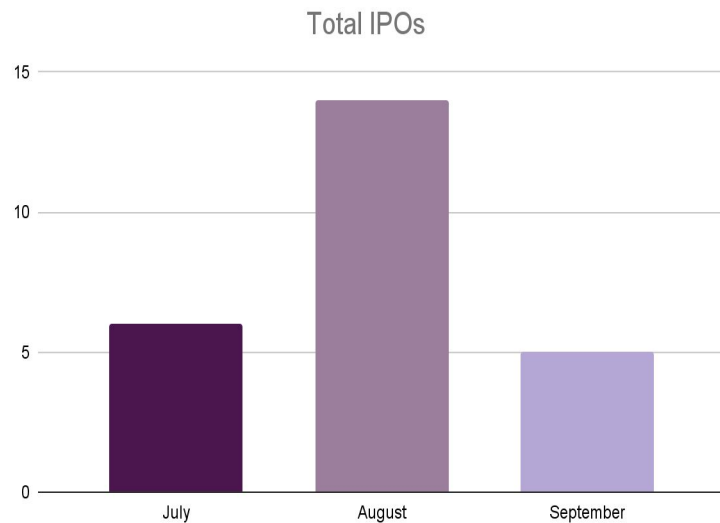
Warrant Coverage



Top Performing Sectors



Month-Over-Month



Monthly Highlights



IPOs

Likely due to Nasdaq's case by case pause, only 5 micro-cap IPOs were completed in September, the least in a single month in 2022



Foreign Private Issuer

Wearable Devices Ltd. (Israel) is the only micro-cap foreign private issuer to complete an IPO in the U.S. during September



Healthcare

Two micro-cap issuers who completed their IPOs in September operate in the Healthcare sector, with a total of 19 IPOs year-to-date



27 Weeks

The average timeframe for micro-cap issuers, from the confidential filing of the Form DRS to effectiveness of the registration statement and pricing on exchanges

Underwriter League Tables

Micro-cap Offerings	September	Year-To-Date
Boustead Securities 		8
		6
	1	6
 AEGIS CAPITAL CORP.	1	7
 NETWORK 1 FINANCIAL SECURITIES, INC.	2	4
 MAXIM GROUP	1	6
ALEXANDER CAPITAL  L.P.	1	5

Micro-cap Dollars Raised	September	Year-To-Date
		\$75M
Boustead Securities 		\$105.4M
 AEGIS CAPITAL CORP.	\$15.9	\$129.9M
	\$11.7M	\$64M
 NETWORK 1 FINANCIAL SECURITIES, INC.	\$35M	\$69.8M
 MAXIM GROUP	\$9.6M	\$51.6M
ALEXANDER CAPITAL  L.P.	\$15M	\$30.5M



Our Clients

Exchange Listing has been incredibly fortunate to partner with some amazing companies doing great things in their various sectors this year.



About Micro to Small Cap IPOs

Exchange Listing LLC specializes in micro to small cap businesses, helping them to access growth capital and list on a senior exchange.

A micro-cap is a publicly-traded company in the U.S. that has a market capitalization between approximately \$50 million and \$300 million. Micro-cap companies have greater market capitalization than nano caps, and less than small-, mid-, large- and mega-cap corporations.

Small-cap companies have a market value between \$300 million to \$2 billion. As the name implies, a mid-cap company falls in the middle between large-cap (or big-cap) and small-cap companies.

Although small company IPOs aren't always making the headlines, there has been a robust micro-cap IPO market since 2019. We have also seen an increase in (SPAC) deals and while they're not as appealing to some when they first come to market, SPACs increase the supply of smaller public companies.

Here's how we know the micro-cap market is still on the rise

- Micro-cap IPOs have generated strong short-term returns. There is a robust number of IPOs and potential return opportunities found in the \$250-\$1,000MM range (the heart of the micro-cap space).
- Micro-cap IPOs have generated strong long-term returns. Focusing on the micro-cap opportunity set: \$250-\$1,000MM, not only are there a significant number of IPO opportunities, the historical returns on the broad opportunity set are appealing.
- Many of the recent leading IPOs started small. You may notice that many of the best performing IPOs have not been the largest. The top ten IPO performers (as measured by total return since offer price) have an average market cap at the time of their IPO of \$1.57 billion. Six out of the top ten are micro-cap, since they are under \$1 billion in market cap. These companies may not have made the fanfare headlines, but investors seeking positive returns should be looking towards smaller IPOs.



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