



LUCOSKY  
BROOKMAN

# MICRO-CAP IPO MONTHLY

SEPTEMBER  
2022



# Congratulations

To the 5 micro-cap issuers who successfully completed their IPOs and listed on the Nasdaq this month

Wearable Devices Ltd.  
(Nasdaq: WLDS, WLDSW)



\$15,937,500  
Aegis Capital Corp.



Laser Photonics Corporation.  
(Nasdaq: LASE)



\$15,000,000  
Alexander Capital, LP

Yoshiharu Global Co.  
(Nasdaq: YOSH)



\$11,760,000  
EF Hutton;  
Joseph Gunnar

Nexalin Technology, Inc.  
(Nasdaq: NXL, NXLIW)



\$9,607,250  
Maxim Group LLC

bioAffinity Technologies, Inc.  
(Nasdaq: BIAF, BIAFW)



\$7,862,338  
WallachBeth Capital; Viewtrade



## MICRO-CAP IPO SUMMARY

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The micro-cap IPO market had a strong start to September, before it was brought to a complete halt by the temporary pause on all Micro-Cap IPOs imposed by Nasdaq on September 20.

Due to the temporary pause only 5 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 number of deals.

Issuers who operate in 3 different sectors completed their IPOs in September, including from 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 by 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

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### **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”.

### **Lucosky Brookman Prices First Fully Syndicated and Widely Distributed Micro-Cap IPO Since the Pause:**

On September 30, 2022, our client, Laser Photonics Corporation, (Nasdaq: LASE) received approval from Nasdaq and priced its IPO on the Exchange in what was the first widely syndicated micro-cap IPO to gain approval from the Exchange following the adoption of the new rules.

For a more in-depth discussion and analysis on this topic, please feel free to reach out to Lucosky Brookman at [info@lucbro.com](mailto:info@lucbro.com).



5

MICRO-CAP IPOs IN  
SEPTEMBER 2022

1

IPOs COMPLETED BY  
FOREIGN PRIVATE  
ISSUERS

\$60M

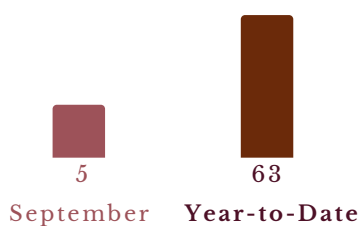
RAISED

\$10.7M

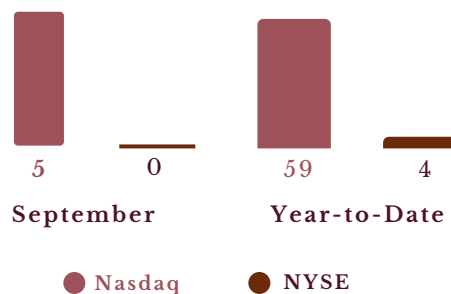
MEDIAN OFFERING  
SIZE



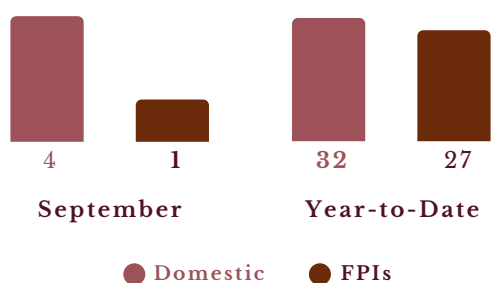
### MICRO-CAP IPOs



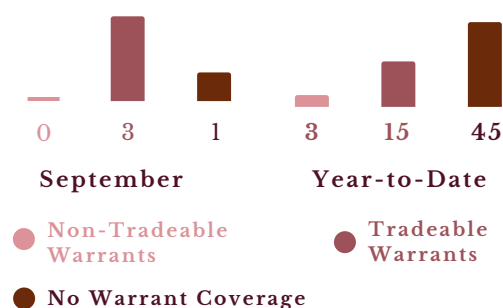
### SENIOR U.S. EXCHANGE



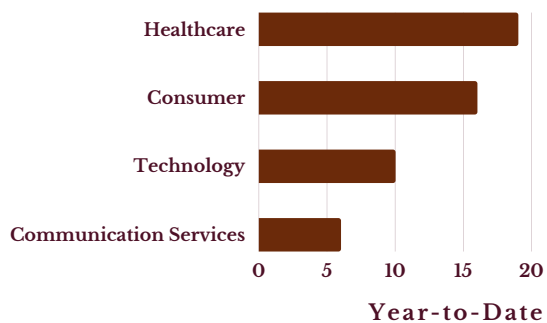
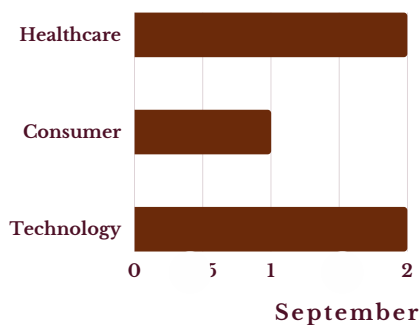
### DOMESTIC ISSUERS / FPIs



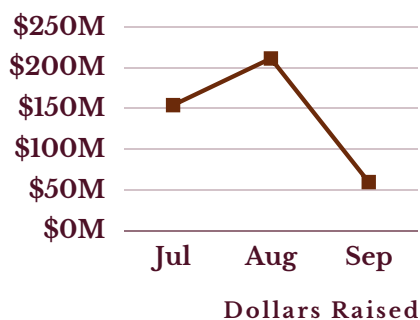
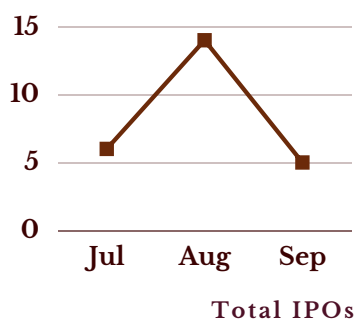
### WARRANT COVERAGE



### TOP PERFORMING SECTORS



### MONTH-OVER-MONTH







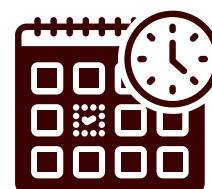
Likely due to Nasdaq's case by case pause, only 5 micro-cap IPOs were completed in September, the least in a single month in 2022



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









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



Offerings	September	Year-to-Date
 AEGIS CAPITAL CORP.	1	7
		6
Boustead Securities 		6
	1	6
	1	6
ALEXANDER CAPITAL  L.P.	1	5

Dollars Raised	September	Year-to-Date
 AEGIS CAPITAL CORP.	\$15.9M	\$129.9M
		\$75M
Boustead Securities 		\$74.3M
	\$11.7M	\$64M
	\$9.6M	\$51.6M
ALEXANDER CAPITAL  L.P.	\$15M	\$30.5M





## Additional Information

Lucosky Brookman's data analytics team tracks micro-cap IPO transactional data throughout the industry, including, but not limited to, the following data points:

### Transaction-specific data

- Capital raise amount
- Listing price
- Underwriter(s)
- Execution time
- Initial trading data
- Warrant availability
- Tradeable warrant availability
- Company professional information
- Underwriter professional information
- Company auditor
- Other various data points

### Industry-specific data

- Market trends
- Year-to-date underwriter aggregate capital raise amounts
- Year-to-date underwriter aggregate number of transactions
- Year-to-date sector information
- Average listing prices versus current market prices (including highs and lows)

If you wish to receive additional information relating to the micro-cap IPO market or any specific company, please contact [ipo@lucbro.com](mailto:ipo@lucbro.com).



# Lucosky Brookman LLP

Lucosky Brookman is a leading corporate law firm directly serving the micro-cap and small-cap markets with offices in New York, New Jersey, and Philadelphia. Whether our clients engage in an uplist, cross-list, direct list, SPAC, merger, or IPO through a private placement, firm commitment underwriting, Reg A, or otherwise, Lucosky Brookman is at the forefront of sophisticated OTC and senior domestic and foreign exchange listing transactions.

Lucosky Brookman is the industry leader in domestic or foreign IPO to the Nasdaq or NYSE. For micro-cap or small-cap companies to succeed in the IPO process, they need to have more than just an attorney, they need an advocate, a leader, a quarterback to proactively usher the company through the process and across the finish line. For 11 years, the attorneys at Lucosky Brookman have successfully assisted numerous companies achieve their goals by completing successful listing transactions on the Nasdaq or NYSE – many times in connection with a simultaneous financing transaction and/or a restructuring.

The Micro-Cap IPO Monthly report is the most comprehensive resource dedicated to the micro-cap marketplace. It brings powerful and in-depth market data and analytics to help issuers, management teams, boards of directors, consultants, and others involved in the IPO process make better decisions.

Please contact us at [ipo@lucbro.com](mailto:ipo@lucbro.com) if you would like to discuss your company's IPO prospects, if you would like to better understand the IPO marketplace, or if you would like to receive a comprehensive 7-8 page IPO Analysis of your company.

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