LUCOSKY BROOKMAN

Q2 2026

MICROCAP BRIEF

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Congratulations

To the 7 microcap issuers who successfully completed their IPOs and listed on Nasdaq and NYSE this quarter.

Eloxx Pharmaceuticals	Eloxx Pharamaceuticals, Inc. Nasdaq: ELOX	**$32.72 MILLION**	Guggenheim Securities, LLC Leerink Partners, LLC LifeSci Capital, LLC
micware	Micware Co., Ltd. Nasdaq: MWC	**$22.80 MILLION**	A.G.P./Alliance Global Partners
exyn technologies	Exyn Technologies, Inc. Nasdaq: EXYN	**$19.37 MILLION**	Lucid Capital Markets, LLC
LD Liberty Defense	Liberty Defense Holdings, Ltd Nasdaq: DETX	**$16.53 MILLION**	The Benchmark Company
optimi	Optimi Health Corp. Nasdaq: OPTH	**$15 MILLION**	Joseph Gunnar and Co., L.L.C
VIDA	Vida Global Inc. NYSE: VIDA	**$15 MILLION**	The Benchmark Company
DUKE ROBOTICS	Duke Robotics Corp. Nasdaq: DUKR	**$9.22 MILLION**	Maxim Group, LLC.

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Microcap IPO Summary

The microcap IPO market remained disciplined in Q2, with seven issuers completing IPOs across Nasdaq and NYSE, raising a combined $130.6 million. While the broader market has yet to regain sustained momentum, Nasdaq accounted for six of the seven offerings, up from three in Q1, while foreign private issuers represented a larger share of completed IPOs during the quarter, increasing from one transaction to three. Activity increased from the first quarter as issuers continued to adapt to evolving listing standards and a more disciplined capital raising environment.

Despite Nasdaq's improvement, IPO activity remained well below the same period last year, as the number of completed IPOs fell 79.4% year over year, from 34 offerings in Q2 2025 to just seven in Q2 2026.

Issuer composition also continued to evolve. Four domestic companies and three foreign private issuers completed IPOs during the quarter, representing a more balanced mix than Q2 2025, when foreign private issuers accounted for 28 of the 34 completed offerings.

Offerings ranged from approximately $10 million to $32.7 million, with a median offering size of $16.5 million, more than double the $8 million median offering size recorded during the same period last year.

Six of the seven IPOs (approximately 86%) listed on Nasdaq, while one listed on the NYSE. Lucosky Brookman LLP served as special Nasdaq counsel on one of the quarter's offerings: Optimi Health Corp. (Nasdaq: OPTM), highlighting the firm's expertise and leadership in exchange listing strategy and execution.

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01 Q2 2026 IPO Market Overview

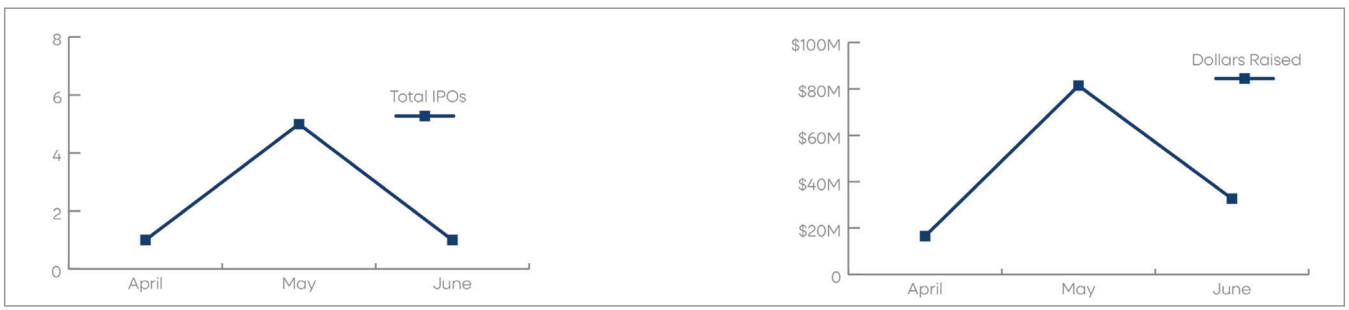
7
MICROCAP IPOs
6 Nasdaq
1 NYSE

4 **DOMESTIC IPOs**
3 **FOREIGN IPOs**

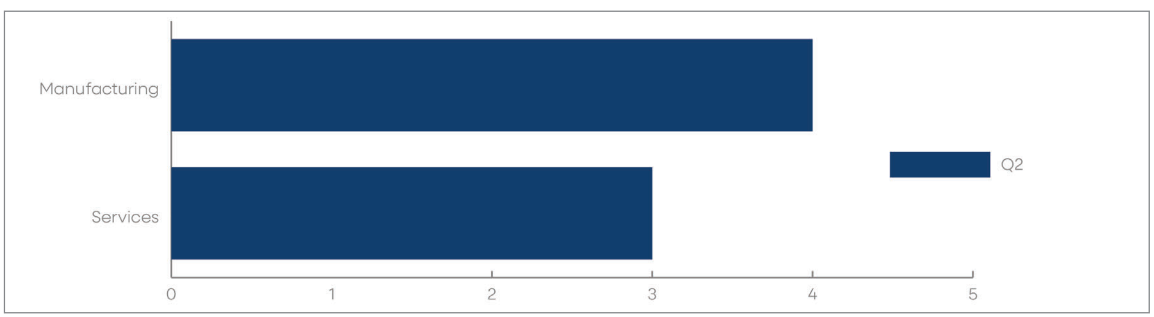
$16.5M
MEDIAN OFFERING SIZE

$130.6M
RAISED
$115.6M Nasdaq
$15M NYSE

MONTH-OVER-MONTH



TOP PERFORMING SECTORS



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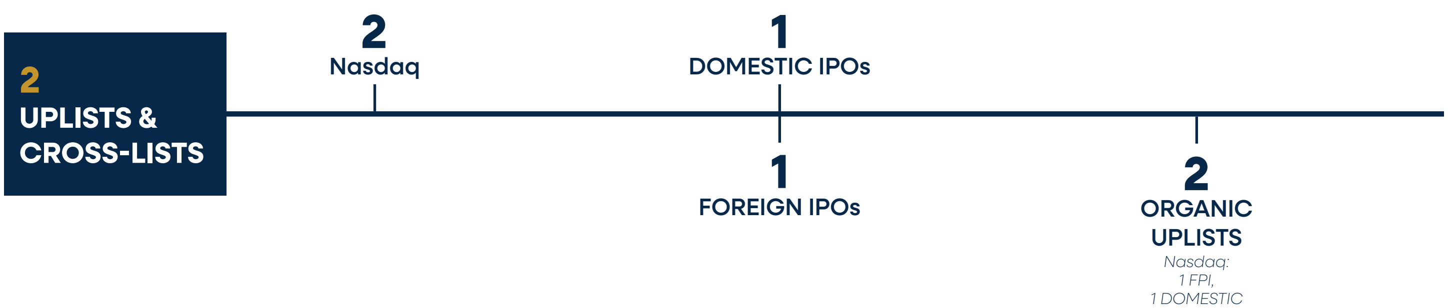
02 Uplists & Cross-Lists

While the microcap IPO market remained selective in Q2, the uplists and cross-listing activity also moderated. Only two microcap issuers completed uplists during Q2 2026, both listing on Nasdaq. This marks a decline from Q2 2025, when five uplists were completed across Nasdaq and the NYSE.

Unlike the prior year, which included four Nasdaq uplists and one NYSE uplist, both Q2 2026 transactions listed on Nasdaq. Issuer composition also became slightly more diverse, with one domestic company and one Canadian issuer completing organic uplists, compared to an exclusively domestic issuer base during the same period in 2025.

Notably, neither Q2 2026 transaction included a concurrent capital raise. By comparison, two of the five uplists completed in Q2 2025 raised a combined $11.5 million, while the remaining three were organic uplists. As a result, capital raising activity within the uplisting market paused during the quarter, with activity consisting entirely of companies transitioning to a national exchange without accompanying financing.

While overall transaction volume declined from the prior year, the continued presence of organic uplists reflects that companies remain willing to pursue exchange listings independent of capital raising opportunities.



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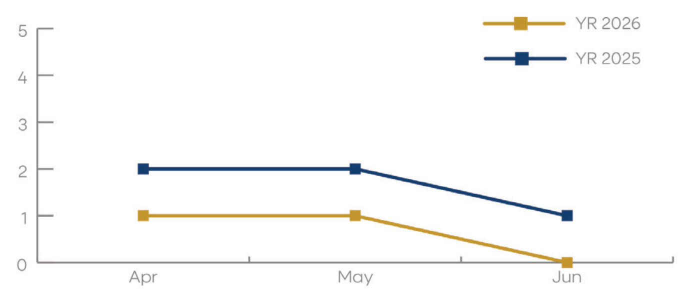
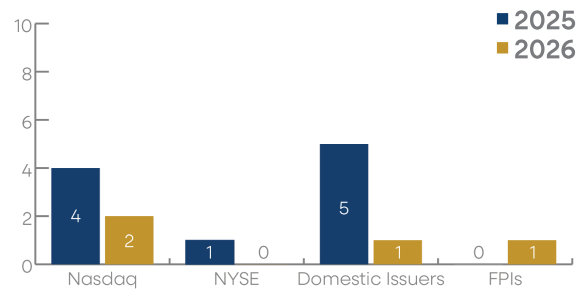
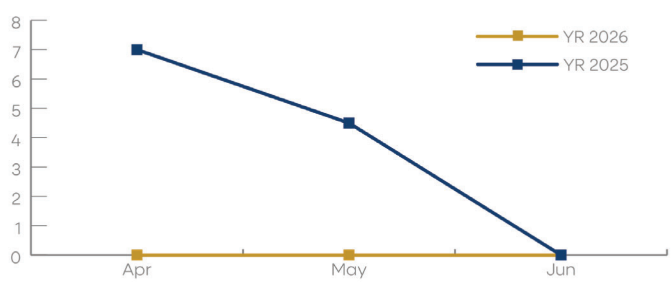
Uplists & Cross-Lists

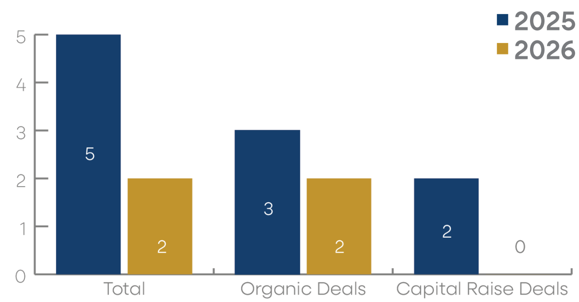
UPLISTS & CROSS-LISTS





TOTAL CAPITAL RAISED ($M)





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03 Direct Listings

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Direct listing continued to be a popular pathway to the public markets in Q2 2026, with five listings completed, compared to two during the same period in 2025. While traditional IPO activity continued to recover gradually, direct listings remained an active alternative for companies seeking access to the public markets without conducting a traditional underwritten offering.

Issuers registered an average of approximately 30.6 million shares during the quarter, nearly double the 15.3 million share average recorded in Q2 2025. The average opening bid price increased to approximately $13 per share, compared to $10 during the prior year period.

The continued increase in both transaction volume and registered share counts suggests that issuers remain focused on establishing liquidity at the time of listing while utilizing direct listings as a complementary route to the public markets.

Direct listings remained an important component of the microcap market in Q2, accounting for five of the quarter's 14 listing transactions. While that was down from seven direct listings in Q1 2026, they represented a substantially larger share of overall market activity than in Q2 2025, when IPOs overwhelmingly dominated new listings.

DIRECT LISTINGS				
Q2 2026	5	$13 AVERAGE OPEN PRICE	4 DOMESTIC 1 FPI	30.6M SHARES REGISTERED ON AVERAGE
Q2 2025	2	$10 OPEN PRICE	1 DOMESTIC	15.3M SHARES WERE REGISTERED

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Regulatory Developments

The second quarter marked a continued evolution in U.S. exchange listing standards. While Nasdaq's discretionary listing framework under Rule IM-5101-3 continued to influence the market for new listings, both Nasdaq and the New York Stock Exchange also advanced proposed continued listing standards that, if approved, would further reshape the regulatory landscape for existing public companies
.

Nasdaq's expanded discretionary authority under Rule IM-5101-3 continued to influence the emerging growth IPO market throughout the quarter. The rule permits Nasdaq to deny an initial listing even where an issuer satisfies the traditional quantitative listing standards, allowing the exchange to evaluate broader qualitative factors such as governance, shareholder composition, transaction structure, jurisdictional considerations, advisor track record, and a security's potential susceptibility to market manipulation. As reflected throughout this report, the rule continues to influence both the pace and composition of the microcap IPO market, while contributing to the growing use of alternative listing pathways such as direct listings.

The focus on higher listing standards also extended to proposed continued listing requirements. During the quarter, Nasdaq continued to promote its proposed rule that would require listed companies to maintain a minimum Market Value of Listed Securities (MVLS) of $5 million or face accelerated suspension and delisting. Nasdaq subsequently filed Amendment No. 1 to the proposal, which established a process allowing companies to reapply for listing after delisting by satisfying the initial listing standards. Importantly, however, the amendment did not modify the proposal's automatic suspension or automatic delisting provisions, nor did it introduce a cure period or independent hearing before delisting. Based on current market data, approximately 722 Nasdaq-listed companies with market capitalizations below $50 million could be affected by the proposal if approved, including approximately 165 companies already below the proposed $5 million threshold.

Similarly, the NYSE American continued to promote its proposed revisions to its continued listing standards that would establish a $5 million global market capitalization requirement together with a minimum $0.25 share price threshold. Based on current market data, approximately 105 NYSE American-listed companies have market capitalizations below $50 million, including 14 companies currently below the proposed $5 million threshold.
If approved, these proposals would affect a meaningful segment of the Exchange's emerging growth and microcap issuer base.

Collectively, these proposed rule changes demonstrate that the exchanges continue to evaluate more stringent continued listing standards for smaller public companies. If adopted, they would extend the heightened focus on market quality beyond the initial listing process and into the ongoing public company lifecycle. For emerging growth and microcap issuers, these proposals have the potential to influence financing strategies, investor sentiment, and long-term access to the public markets well before a company ever approaches a listing deficiency.

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05 Q2 2026 Underwriter League Tables

Q2 OFFERINGS		Q2 DOLLARS RAISED	
BENCHMARK a StoneX company — OFFERINGS • 2	AllianceGlobalPartners — OFFERINGS • 1	BENCHMARK a StoneX company — DOLLARS RAISED • $31.53M	AllianceGlobalPartners — DOLLARS RAISED • $22.8M
LUCID CAPITAL MARKETS — OFFERINGS • 1	MAXIM GROUP — OFFERINGS • 1	LUCID CAPITAL MARKETS — DOLLARS RAISED • $19.38M	LEERINK PARTNERS — DOLLARS RAISED • $16.77M
JOSEPH GUNNAR & CO., LLC — OFFERINGS • 1	GUGGENHEIM — OFFERINGS • 1	JOSEPH GUNNAR & CO., LLC — DOLLARS RAISED • $15M	GUGGENHEIM — DOLLARS RAISED • $11M
LEERINK PARTNERS — OFFERINGS • 1	LifeSci PARTNERS — OFFERINGS • 1	MAXIM GROUP — DOLLARS RAISED • $9.23M	LifeSci PARTNERS — DOLLARS RAISED • $4.9M

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06 Q2 2026 Market Outlook

The second quarter reinforced that the microcap public markets continue to evolve rather than simply recover. While overall transaction activity improved from the first quarter, the composition of the activity changed meaningfully. Traditional IPOs remained below historical levels, direct listings continued to be a popular pathway to the public markets, and organic uplists remained active despite the absence of concurrent capital raises. Together, these trends suggest that companies are increasingly adapting their go-public strategies to today's more selective listing environment.

While IPO activity improved from the first quarter, overall issuance remained well below 2025 levels. At the same time, median offering sizes continued to exceed those seen in 2025, suggesting that investors remain willing to support companies that present a compelling story, experienced management team, and well-structured transaction. Capital has not disappeared. It has become significantly more selective.

Alternative pathways to the public markets continued to gain traction during the quarter. Direct listings remained an active component of the market, reflecting continued issuer demand for listing alternatives as the traditional IPO process becomes increasingly selective. These trends suggest that issuers are increasingly utilizing a broader range of pathways to access the public markets as the traditional IPO process becomes more restrictive and execution under discretionary listing standards grows more demanding.

The regulatory environment remains the defining factor. Exchange discretion continues to influence transaction outcomes well beyond the quantitative listing standards, placing greater emphasis on governance, shareholder composition, valuation support, financing structure, and the overall quality of the issuer. As a result, successful transactions are increasingly determined long before the initial listing application is submitted.

Looking ahead, we expect market activity to continue improving at a measured pace rather than through a broad reopening of the IPO window. Companies that begin planning earlier, assemble experienced advisors, and approach the listing process with institutional-quality preparation will remain best positioned to access the public markets. The current environment continues to favor quality over quantity, and execution remains the defining factor separating successful transactions from those that fail to reach the finish line.

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When the market changes, the headlines don't always tell the whole story. The data often does.

DataDesk

The Lucosky Brookman DataDesk, established in 2020, is a pioneering initiative that transformed the microcap and emerging growth marketplace through comprehensive data analytics. Recognizing the absence of readily available market intelligence for transactions under $50 million, the DataDesk systematically tracks, analyzes, and curates detailed information across three critical areas: microcap IPOs, domestic uplistings, foreign cross-listings, and direct listings.

Each month, our dedicated team meticulously compiles data on deal structures, offering sizes, investment banking relationships, and emerging market trends. This proprietary intelligence not only enhances our internal decision-making but is also shared freely with the broader financial community. By making this valuable market data accessible to all participants in the ecosystem, the LB DataDesk helps elevate the quality of transaction planning and execution across the emerging growth marketplace.

Please contact us at ahazan@lucbro.com if you would like to discuss your company's IPO, uplisting or crosslisting prospects, if you would like to better understand the IPO, uplisting and cross-listing marketplace, or if you would like to receive a comprehensive 7-8 page Listing Analysis of your company.

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LUCOSKY BROOKMAN LLP

Lucosky Brookman LLP has pioneered a hands-on, end-to-end approach to guiding entrepreneurial, emerging growth, and public companies through complex legal and business challenges. The firm leads strategy, coordinates stakeholders, and executes across the full corporate lifecycle, serving as the central point of command for transactions, litigation, and regulatory matters. Headquartered in the New York metropolitan area with attorneys across the country, Lucosky Brookman represents domestic and international clients in capital markets transactions, mergers and acquisitions, financing matters, complex commercial and securities litigation, white collar and regulatory matters, and insurance coverage and defense.

Relationships are at the heart of everything we do. We prioritize understanding each client's unique needs and goals, fostering long-term strategic partnerships that transcend typical attorney-client dynamics. Our commitment ensures we are not just legal advisors, but strategic partners investing in our clients' success. We leverage our extensive network to facilitate strategic introductions that build our clients' businesses, strengthening the broader industry.

We win when our clients win. We relentlessly pursue the best outcomes in every case and transaction, adapting our strategy to overcome any obstacles in our path. By leveraging our expertise, experience, and most-importantly, passion, we consistently exceed expectations. Our commitment to results extends beyond our clients, ensuring we make a positive impact on the broader business community and industry.

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RESULTS **DRIVEN.**®

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