

Nasdaq Capital Market				Texas Stock Exchange (TXSE) ¹	
	<u>Equity Standard</u>	<u>Market Value of Listed Securities Standard</u>	<u>Net Income Standard</u>	<u>Earnings Test</u>	<u>Global Market Capitalization Test</u>
Net Income From Continuing Operations (in the latest fiscal year or in two of the last three fiscal years)	–	–	\$750,000	(x) At least \$10 million adjusted EBITDA (as defined) ⁽²⁾ in the aggregate for the last three fiscal years together with a minimum of \$2 million in each of the two most recent fiscal years, and positive amounts in all three years or (y) at least \$12 million in the aggregate for the last three fiscal years together with a minimum of \$5 million in the most recent fiscal year and \$2 million in the next most recent fiscal year. ³	–
Market Capitalization	–	\$50 million	–	–	\$200 million
Stockholders' Equity	\$5 million	\$4 million	\$4 million	–	–
Bid Price	\$4	\$4	\$4	\$4	\$4
Unrestricted Round Lot Shareholders ⁴	300	300	300	400	400
Unrestricted Publicly Held Shares	1 million	1 million	1 million	1.1 million	1.1 million
Market Value of Unrestricted Publicly Held Shares or Market Value of Unrestricted Publicly Held Shares and Stockholders' Equity ⁵	\$15 million	\$15 million	\$5 million	\$40 million	\$40 million
Market Makers	3	3	3	4	4
Operating History	2 years	–	–	–	–

¹ Aside from the minimum numerical standards listed above, other factors are taken into consideration. The company must be a going concern or be the successor to a going concern. Although the amount of assets and earnings and the aggregate market value are considerations, greater emphasis is placed on such questions as the degree of national interest in the company, the character of the market for its products, its relative stability and position in its industry, and whether or not it is engaged in an expanding industry with prospects for maintaining its position.

² Pre-tax earnings from continuing operations and after minority interest, amortization and equity in the earnings or losses of investees, adjusted for items such as debt payoff in connection with acquisitions, acquisition expenses, severance costs, accounting adjustments such as impairment charges and Article S-X 11 adjustments and other customary adjustments.

³ A company that (i) qualifies as an "emerging growth company" as defined in Section 2(a)(19) of the Securities Act and Section 3(a)(80) of the Exchange Act and (ii) avails itself of the provisions of the Securities Act and the Exchange Act permitting emerging growth companies to report only two years of audited financial statements, can qualify under this earnings test by meeting the following requirements: Pre-tax earnings from continuing operations and after minority interest, amortization and equity in the earnings or losses of investees, adjusted for certain items must total at least \$10 million in the aggregate for the last two fiscal years together with a minimum of \$2 million in both years.

⁴ For purposes of the Nasdaq Capital Market, securities subject to resale restrictions for any reason are excluded from the calculation of publicly held shares, market value of publicly held shares and round lot shareholders. In addition, except for SPACs listing under Nasdaq Listing Rule 5101-2, at least half of the minimum required number of round lot holders must each hold unrestricted securities with a minimum value of \$2,500.

⁵ Effective April 11, 2025, companies listing on the Nasdaq Capital Market in conjunction with an initial public offering must meet this requirement solely with the offering proceeds.

Nasdaq Global Market					Texas Stock Exchange (TXSE) ⁶	
	<u>Income Standard</u>	<u>Equity Standard</u>	<u>Market Value Standard</u>	<u>Total Assets/Total Revenue Standard</u>	<u>Earnings Test</u>	<u>Global Market Capitalization Test</u>
Income From Continuing Operations Before Income Taxes (in the latest fiscal year or in two of the last three fiscal years)	\$1 million	–	–	–	(x) At least \$10 million adjusted EBITDA (as defined) ⁽⁷⁾ in the aggregate for the last three fiscal years together with a minimum of \$2 million in each of the two most recent fiscal years, and positive amounts in all three years or (y) at least \$12 million in the aggregate for the last three fiscal years together with a minimum of \$5 million in the most recent fiscal year and \$2 million in the next most recent fiscal year. ⁷	–
Market Capitalization	–	–	\$75 million	–	–	\$200 million
Total Assets	–	–	–	\$75 million and \$75 million in total revenue	–	–
Stockholders' Equity	\$15 million	\$30 million	–	–	–	–
Bid Price	\$4	\$4	\$4	\$4	\$4	\$4
Unrestricted Round Lot Shareholders** or Total Shareholders or Total Shareholders and Average Monthly Trading Volume Over Past 12 Months	400	400	400	400	400	400
Unrestricted Publicly Held Shares	1.1 million	1.1 million	1.1 million	1.1 million	1.1 million	1.1 million
Market Value of Unrestricted Publicly Held Shares or Market Value of Unrestricted Publicly Held Shares and Stockholders' Equity	\$8 million	\$18 million	\$20 million	\$20 million	\$40 million	\$40 million
Market Makers	3	3	4	4	4	4
Operating History	–	2 years	–	–	–	–

⁶Aside from the minimum numerical standards listed above, other factors are taken into consideration. The company must be a going concern or be the successor to a going concern. Although the amount of assets and earnings and the aggregate market value are considerations, greater emphasis is placed on such questions as the degree of national interest in the company, the character of the market for its products, its relative stability and position in its industry, and whether or not it is engaged in an expanding industry with prospects for maintaining its position.

⁷A company that (i) qualifies as an "emerging growth company" as defined in Section 2(a)(19) of the Securities Act and Section 3(a)(80) of the Exchange Act and (ii) avails itself of the provisions of the Securities Act and the Exchange Act permitting emerging growth companies to report only two years of audited financial statements, can qualify under this earnings test by meeting the following requirements: Pre-tax earnings from continuing operations and after minority interest, amortization and equity in the earnings or losses of investees, adjusted for certain items must total at least \$10,000,000 in the aggregate for the last two fiscal years together with a minimum of \$2 million in both years for the last two fiscal years together with a minimum of \$2 million in both years.

Nasdaq Global Select Market					Texas Stock Exchange (TXSE) ⁸	
	<u>Earnings Standard</u>	<u>Capitalization With Cash Flow Standard</u>	<u>Capitalization With Revenue Standard</u>	<u>Assets With Equity Standard</u>	<u>Earnings Test</u>	<u>Global Market Capitalization Test</u>
Pre-Tax Earnings (income from continuing operations before income taxes)	Aggregate in prior three fiscal years > \$11 million and Each of the prior three fiscal years > \$0 and Each of the two most recent fiscal years > \$2.2 million	–	–	–	(x) At least \$10 million adjusted EBITDA (as defined) ⁽²⁾ in the aggregate for the last three fiscal years together with a minimum of \$2 million in each of the two most recent fiscal years, and positive amounts in all three years or (y) at least \$12 million in the aggregate for the last three fiscal years together with a minimum of \$5 million in the most recent fiscal year and \$2 million in the next most recent fiscal year. ⁹	–
Cash Flows	–	Aggregate in prior three fiscal years > \$27.5 million and Each of the prior three fiscal years	–	–	–	\$200 million
Market Capitalization	–	Average > \$550 million over prior 12 months	Average > \$850 million over prior 12 months	\$160 million	–	\$200 million
Revenue	–	Previous fiscal year > \$110 million	Previous fiscal year > \$90 million	–	–	–
Total Assets	–	–	–	\$80 million	–	–
Stockholders' Equity	–	–	–	\$55 million	–	–
Bid Price	\$4	\$4	\$4	\$4	\$4	\$4
Unrestricted Round Lot Shareholders** or Total Shareholders or Total Shareholders and Average Monthly Trading Volume Over Past 12 Months	450 or 2,200	450 or 2,200 or 550 and 1.1 million	450 or 2,200 or 550 and 1.1 million	450 or 2,200 or 550 and 1.1 million	400	400
Unrestricted Publicly Held Shares	1.25 million	1.25 million	1.25 million	1.25 million	1.1 million	1.1 million
Market Value of Unrestricted Publicly Held Shares or Market Value of Unrestricted Publicly Held Shares and Stockholders' Equity	\$45 million	\$110 million or \$100 million and \$110 million	\$110 million or \$100 million and \$110 million	\$45 million	\$40 million	\$40 million
Market Makers	–	–	–	–	4	4
Valuation by an Independent Third-Party	–	–	\$250 million Market Value of Publicly Held Shares	–	–	–

⁸Aside from the minimum numerical standards listed above, other factors are taken into consideration. The company must be a going concern or be the successor to a going concern. Although the amount of assets and earnings and the aggregate market value are considerations, greater emphasis is placed on such questions as the degree of national interest in the company, the character of the market for its products, its relative stability and position in its industry, and whether or not it is engaged in an expanding industry with prospects for maintaining its position.

⁹A company that (i) qualifies as an "emerging growth company" as defined in Section 2(a)(19) of the Securities

Act and Section 3(a)(80) of the Exchange Act and (ii) avails itself of the provisions of the Securities Act and the Exchange Act permitting emerging growth companies to report only two years of audited financial statements, can qualify under this earnings test by meeting the following requirements: Pre-tax earnings from continuing operations and after minority interest, amortization and equity in the earnings or losses of investees, adjusted for certain items must total at least \$10 million in the aggregate for the last two fiscal years together with a minimum of \$2 million in both years.

New York Stock Exchange (NYSE)			Texas Stock Exchange (TXSE) ¹⁰	
	Earnings Test	Global Market Capitalization Test	Earnings Test	Global Market Capitalization Test
Pre-Tax Earnings (income from continuing operations before income taxes)	Aggregate for last three fiscal years >= \$10 million; Each of the two most recent fiscal years >=\$2 million; Each of the prior three fiscal years >\$0	–	(x) At least \$10 million adjusted EBITDA (as defined)(?) in the aggregate for the last three fiscal years together with a minimum of \$2 million in each of the two most recent fiscal years, and positive amounts in all three years or (y) at least \$12 million in the aggregate for the last three fiscal years together with a minimum of \$5 million in the most recent fiscal year and \$2 million in the next most recent fiscal year. ¹¹	–
Market Capitalization	–	\$200 million	–	\$200 million
Stockholders' Equity	–	–	–	–
Bid Price	\$4	\$4	\$4	\$4
Unrestricted Round Lot Shareholders	400	400	400	400
Unrestricted Publicly Held Shares	1.1 million	1.1 million	1.1 million	1.1 million
Market Value of Unrestricted Publicly Held Shares and Stockholders' Equity	\$40 million	\$40 million	\$40 million	\$40 million
Market Makers	–	–	4	4

¹⁰ Aside from the minimum numerical standards listed above, other factors are taken into consideration. The company must be a going concern or be the successor to a going concern. Although the amount of assets and earnings and the aggregate market value are considerations, greater emphasis is placed on such questions as the degree of national interest in the company, the character of the market for its products, its relative stability and position in its industry, and whether or not it is engaged in an expanding industry with prospects for maintaining its position.

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