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CAPSTONE THERAPEUTICS ANNOUNCES OPERATING RESULTS FOR FISCAL 2020 – INCLUDING A CHANGE IN ITS DEFERRED TAX VALUATION ALLOWANCE

Capstone Therapeutics (OTCQB: CAPS) (“the Company”) today filed its Annual Report for the year ended December 31, 2020 with the OTCQB at www.OTCIQ.com. Net income attributable to Capstone Therapeutics Corp. stockholders totaled \$8.5 million or \$107.59 per share. Net income attributable to Capstone Therapeutics Corp. stockholders included a Federal income tax benefit of \$8.7 million or \$109.48 per share related to a decrease in the valuation allowance established in prior years for the deferred tax benefit of the Company’s net operating loss carryovers. The Company generated Federal taxable losses in prior years resulting in a net operating loss carryforward at December 31, 2019 of approximately \$150 million. Generally Accepted Accounting Principles required the Company establish a valuation allowance to the extent the Company determined it was not probable that the benefit of the net operating loss carryforwards would be realized and at December 31, 2019 the Company recorded a valuation allowance for the full potential benefit of the net operating loss carryforwards. The merger, effective April 1, 2020, with Totalstone, LLC, resulted in Federal taxable income of the Company of approximately \$2.3 million in 2020. Based upon the 2020 results, the Company now believes that it is more likely than not that a portion of the net operating loss carryforwards will be realized and has reduced the valuation allowance by \$8.7 million, resulting in an equal income tax benefit. This benefit is an estimation and could be materially larger or smaller, depending on future operating results of the Company and changes in applicable Federal income tax rates.

Please see the Company’s Annual Report filed with the OTCQB Markets for further information.

About Capstone Therapeutics

Capstone Therapeutics was a biotechnology company committed to developing novel therapeutic peptides aimed at helping patients with under-served medical conditions. This Agreement results in the Company’s exit from the pharmaceutical development business. In March 2020 the Company entered into a transaction, which was effective April 1, 2020, whereby it has obtained an interest in a materials distribution company (Totalstone, LLC) that distributes masonry stone products for residential and commercial construction in the Midwest and Northeast United States, under the trade names Instone and Northeast Masonry Distributors (NMD), which going forward will be the Company’s primary business activity.

Capstone’s corporate headquarters are located in Alsip, Illinois. For more information, please visit the Company’s website: www.capstonethx.com.

Statements in this press release or otherwise attributable to Capstone regarding our business that are not historical facts are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking

statements involve risks and uncertainties that could cause actual results to differ materially from predicted results. These risks include the factors discussed in our Annual Report for the fiscal year ended December 31, 2020, and other documents we filed with the U.S. Securities and Exchange Commission or OTCQB Markets.