



5141 W 122<sup>ND</sup> STREET  
ALSIP, IL 60803  
(708)371-0660  
[www.capstonethx.com](http://www.capstonethx.com)  
OTCQB: CAPS

FOR FURTHER INFORMATION:  
Investor Relations  
(708)371-0660  
[investorinquiries@capstonethx.com](mailto:investorinquiries@capstonethx.com)

## CAPSTONE HOLDING CORP. REINSTATES TAX BENEFIT PLAN

**Alsip, IL – May 3, 2024 – Capstone Holding Corp. (OTCQB: CAPS) (“the Company”)**

On May 1, 2024, the Board of Directors (the “Board”) of Capstone Holding Corp. (the “Company”) authorized and declared a dividend distribution of one right (a “Right”) for each outstanding share of common stock, par value \$0.0005 per share, of the Company to shareholders of record as of the close of business on May 1, 2024. Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series A Preferred Stock, par value \$0.0005 per share, of the Company at an exercise price of \$5.00 per one one-hundredth of a Preferred Share, subject to adjustment. The terms of the Rights are set forth in a Tax Benefit Preservation Plan (the “Benefit Plan”), dated as of May 1, 2024, between the Company and Computershare Inc., as rights agent.

By adopting the Benefit Plan, the Board is seeking to protect the Company’s ability to use its net operating losses and other tax attributes (collectively, “Tax Benefits”). The Company views its Tax Benefits as highly valuable assets of the Company that are likely to inure to the benefit of the Company and its shareholders. The Board believes that it is in the best interests of the Company and its shareholders that the Company provide for the protection of these assets. The final expiration date of the Benefit Plan is April 1, 2027.

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

### **About Capstone Holding Corp.**

Capstone Therapeutics was a biotechnology company committed to developing novel therapeutic peptides aimed at helping patients with under-served medical conditions. The drug development business has been discontinued and the Company’s name changed to Capstone Holding Corp. The Company’s primary business activities presently include the operations of TotalStone, LLC, a construction materials company.

Capstone’s corporate headquarters is located in Alsip, Illinois. For more information, please visit the Company's website: [www.capstonethx.com](http://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, 2023, and other documents we filed with the U.S. Securities and Exchange Commission or OTCQB Markets.*