



Capstone Sees Minimal Effect from China Tariffs, Decrease in Container Prices Offsets Tariffs

Topic: Company Update

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ALSIP, IL / ACCESS Newswire / March 20, 2025 / Capstone Holding Corp (NASDAQ: CAPS), a building products holding company growing organically and by acquisition, has seen tariffs on its products imported from China increase in line with presidential orders. However, since the beginning of the year **prices of containers from China to the USA have declined between 15% to 25%.**

As Kevin Grotke, CEO of the Instone operating business explained, “There is a fair amount of freight in our products and only the product cost is subject to tariff. So a 10% tariff typically will create a price increase to the customer of 3%-4%. With a 15% to 25% decline in container pricing, the **tariffs as currently constructed are offset by decreased shipping costs.**”

Matt Lipman CEO of Capstone Holding added “Kevin and his team have continued to demonstrate that the company has a nimble supply chain that was battle tested through Covid and the first Trump Administration’s tariff regime. Despite the recent economic rhetoric, as **interest rates decline**, the housing shortage remedied and remodeling expenditures continue, **we expect 2025 to be a solid year.**”
ear Brick.

About Capstone Holding Corp.

Capstone Holding Corp. is a building products distribution company that has successfully grown its business organically and through well-timed acquisitions. We intend to use the distribution backbone of our operating subsidiary, Instone, which currently services 31 US states, to provide a value-added platform to make acquisitions. A key differentiator of the Company's strategy is that it maintains over half of its revenue from brands it owns or controls. Current products include stone veneers, landscape stone, and modular masonry fireplaces.

Capstone's corporate headquarters is located in Alsip, Illinois.

Forward-Looking Statements

Statements in this press release which are forward-looking and provide other than historical information, including but not limited to expected trading of our Common Stock on the Nasdaq Capital Market and the expected closing of the Offering, are based on current conditions and information available as of the date hereof. Although its management believes that the expectations reflected in those forward-looking statements are reasonable, management can give no assurance that those expectations will prove to be correct. Those forward-looking statements are made based on various underlying assumptions and are subject to numerous uncertainties and risks, including, without limitation, such factors described under the captions "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" included in Capstone's filings with the Securities and Exchange Commission (the "SEC") (www.sec.gov). Capstone undertakes no obligation to update the information contained herein to reflect subsequently occurring events or circumstances, except as required by applicable securities laws and regulations.

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