



## Capstone Expands Commercial Market Reach with KLAD Integration, Unlocking High-Margin, Asset-Light Revenue Growth

*The integration of KLAD Envelope Solutions enables direct access to commercial architects and designers, driving high-margin sales mix and proprietary product pull-through; accelerates path to Q2 EBITDA profitability*

**March 30, 2026 — New York, NY** — Capstone Holding Corp. (NASDAQ: CAPS), a tech-enabled building products distribution platform, today announced that the integration of KLAD Envelope Solutions, its architectural representative business, is **expanding the Company’s commercial reach and supporting high-margin sales growth**. The integration gives Capstone **direct access to commercial customers and is expected to drive proprietary product sales into large-scale projects across multiple geographies**.

“KLAD’s relationships with architects, designers, and general contractors are proving to be a valuable asset for our business,” said Matthew Lipman, Chief Executive Officer of Capstone. **“Our expanded access to commercial and institutional markets is creating opportunities for higher-value, higher-margin project wins and will contribute to a strong sales year for Capstone.”**

“Capstone’s support for our sales agency has been invaluable,” said Robert Jahnsen, President of KLAD Envelope Solutions. **“With their resources behind us, we expect to expand across North America and engage a broader set of commercial designers and builders.”**

Metric	Detail
Project Growth	Greater participation in large-scale commercial and institutional construction and renovation projects via KLAD.
Revenue Quality	Exposure to premium materials, including architectural metals, supports higher-margin revenue.
Asset Efficiency	Large-format and specialty materials are fulfilled outside Capstone’s logistics network, allowing revenue capture without incremental fixed cost investment.
Product Penetration	Upstream influence on material selection creates opportunities to specify and sell Capstone’s proprietary products into multi-market projects.
Near-Term Profitability	Positive EBITDA run-rate targeted Q2 2026; Earnings Power Presentation to be published in coming weeks.

### Key Highlights:

- **Expanded Commercial Market Penetration:** KLAD provides direct access to architects, designers, general and sub-contractors, increasing Capstone’s participation in large-scale commercial construction and renovation projects.

- **High-Margin Sales Mix:** KLAD represents premium building envelope materials, including high-margin categories such as architectural metals, increasing Capstone’s exposure to more profitable revenue streams.
- **Asset-Light Revenue Growth:** Many KLAD-represented products bypass traditional warehousing and logistics, enabling revenue growth without incremental warehouse investment or added strain on Capstone’s core infrastructure.
- **Proprietary Product Pull-Through:** Early involvement at the specification stage enables Capstone to influence material selection and increase sales of its proprietary products.
- **Platform-Wide Sales Momentum:** Capstone recently announced new customer and project wins representing more than 300,000 square feet of annualized demand, adding project-backed, cash-generative volume to the Company’s platform.

“Sales momentum continues to build, supported by project wins, new customers, and expansion into new segments of the market. **We expect 2026 to be a strong year for both revenue growth and earnings performance,**” Lipman shared.

Capstone expects to publish an Earnings Power Presentation in the coming weeks, outlining its **organic growth momentum and management’s vision for building a technology leader** in the building products sector.

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

Capstone Holding Corp. (NASDAQ: CAPS) is a national, technology-enabled building products distribution platform optimizing supply chains across 38 U.S. states and Canada. Through its Instone operating platform and inventory portal, the Company aggregates and delivers proprietary stone veneer, hardscape materials, and modular masonry systems. Capstone’s model combines digital infrastructure, owned-inventory logistics, and disciplined acquisitions to drive scalable margin expansion and operating leverage across its growing platform.

#### **About KLAD Envelope Solutions**

KLAD Envelope Solutions is a Canadian based manufacturer’s representative agency that specializes in technical and architectural products for the building envelope. KLAD partners with industry leading manufacturers in providing technically advanced materials to ensure your projects will perform to the highest standards while being cost effective.

#### **Investor Contact**

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**Forward-Looking Statements**

This press release contains forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These statements relate to future events and performance, including guidance regarding revenue and EBITDA targets, M&A strategy, use of capital, and operating outlook. Actual results may differ materially from those projected due to a range of factors, including but not limited to acquisition timing, macroeconomic conditions, and execution risks. Please review the Company's filings with the SEC for a full discussion of risk factors. Capstone undertakes no obligation to revise forward-looking statements except as required by law.

**Source:** Capstone Holding Corp.