Capstone Holding Corp.

CAPS

Nasdaq; shops; SIC 5030, Wholesale-Lumber & Other Construction Materials; CIK 0000887151

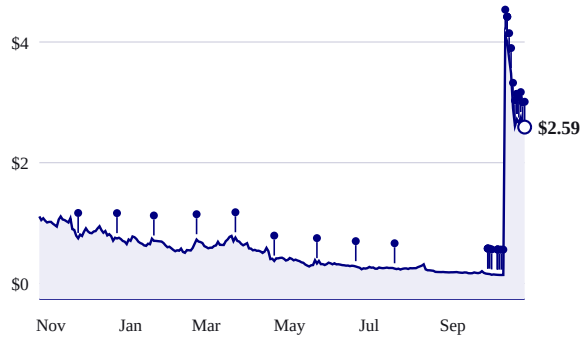
None

No letter

5 of 14 inputs computable; 7 are required, with a score in every sleeve

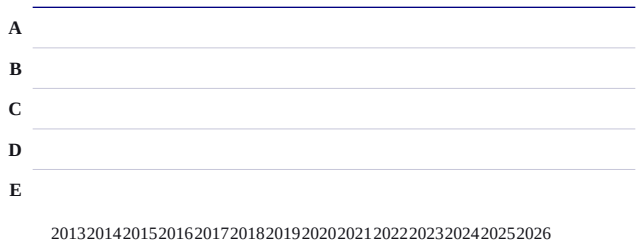
Scoreboard	
Reliability	0.83 AUC filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025
Peer failure rate	1.07% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$12.5M to $120M assets total assets $51.4M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	dilution, short runway, late filer, thin... not computable: distress
Inputs computable	5 of 14
Graded from	filings received through Apr 17, 2026 191 days before the rescan; latest periodic filing 10-Q received Aug 12, 2026
Last close	$2.65 2026-10-22; market equity $54.5M; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Apr 16, 2026

Capstone Holding Corp. ("Capstone," "we," "us," or the "Company") is a national, technology-enabled building products distribution and installation platform. Through our three operating subsidiaries - Instone (a trade name of TotalStone, LLC (dba "Instone")), Canadian Stone Industries (operated through Fraser Canyon Holdings Inc. and its subsidiaries, collectively "CSI"), and Carolina Stone (operated through Carolina Stone Holdings, LLC and its subsidiary, Carolina Stone Distributors, LLC) - we distribute and install thin veneer stone, natural stone, manufactured stone, and related masonry and hardscape products for residential and commercial construction markets across 38 U.S.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 42.2						
Gross profitability	21.0%	42.3%		79.5	240	2025-12-31
Return on invested capital	not computable	10.9%				

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pretax income must exceed the validity floor and imply a 0%-100% tax rate						
Accruals ratio	(34.1%)	(4.9%)	4.9	285	2025-12-31	
Gross margin stability, five years	not computable	1.2 pts				
five annual gross margins are required; found 2						
Solvency, sleeve percentile 83.6						
Twelve-month failure probability	not computable	0.04%				
latest liabilities, cash plus short-term investments, book equity, and shares are required						
Altman Z double-prime	(14.93)	1.93	94.2	207	2025-12-31	
Net debt to EBITDA	not computable	1.84x				
EBITDA must exceed $100,000						
Interest coverage	not computable	2.49x				
one or more required annual facts are missing						
Current ratio	1.00x	1.38x	73.0	294	2025-12-31	
Growth and financing, sleeve percentile 96.1						
Revenue growth, three-year compound	not computable	1.6%				
four annual observations are required; found 3						
Free cash flow growth, three-year compound	not computable	5.5%				
four consecutive annual FCF observations are required; found 5						
Reinvestment rate	not computable	8.4%				
pretax income must exceed the validity floor and imply a 0%-100% tax rate						
Asset growth, three years	not computable	3.4%				
four consecutive annual observations are required						
Net share issuance, one year	120.7%	(0.6%)	96.1	208	2026-04-15	

Warnings

4 of 7 checks triggered; none of them enters the letter

Check	Measured
Dilution	split-adjusted year-over-year share growth is 120.7%
Short runway	cash runway is 0.8 months
Late filer	found 4 NT 10-K/Q filings in the last eight quarters
Thin data	5 of 14 grade factors are computable; minimum is 7

What the price implies

at the 2026-10-22 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(85.9%)	0.6%	2
Distance from 52-week high	(37.1%)	(22.7%)	29
EBIT to enterprise value	(16.7%)	5.3%	14
Free cash flow yield	(8.5%)	4.1%	12
Book value to price	0.23	0.35	40
Sales to price	0.88	1.68	32
Composite equity issuance, five years	not computable	(16.8%)	
Relative strength against the sector, log excess return	(1.93)	0.03	2

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	fail
Return on assets improved	fail
Operating cash flow exceeds net income	pass

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Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	fail

Cash, filings, liquidity

Cash and equivalents	$225,000
Operating cash flow, four quarters	-$3.6M
Months of runway	0.8
Days since last periodic filing	74 (10-Q received Aug 12, 2026)
Median daily dollar volume, 63 sessions	$70,878

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$10.8M	2025-12-31	2026-04-16	10-K	26-012459
2	assets	us-gaap:Assets	$51.4M	2025-12-31	2026-04-16	10-K	26-012459
3	operating income	us-gaap:OperatingIncomeLoss	-$11.0M	2025-12-31	2026-04-16	10-K	26-012459
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$14.1M	2025-12-31	2026-04-16	10-K	26-012459
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$7.2M	2025-12-31	2026-04-16	10-K	26-012459
6	total debt	us-gaap:LongTermDebt	$13.1M	2025-12-31	2026-04-16	10-K	26-012459
7	book equity	us-gaap:StockholdersEquity	$12.5M	2025-12-31	2026-04-16	10-K	26-012459
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$727,000	2025-12-31	2026-04-16	10-K	26-012459
9	total debt	us-gaap:LongTermDebt	$8.4M	2024-12-31	2026-04-17	10-K/A	26-045248
10	book equity	us-gaap:StockholdersEquity	-$3.1M	2024-12-31	2026-04-17	10-K/A	26-045248
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$11,000	2024-12-31	2026-04-17	10-K/A	26-045248
12	net income	us-gaap:NetIncomeLoss	-$21.2M	2025-12-31	2026-04-16	10-K	26-012459
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$4.4M	2025-12-31	2026-04-16	10-K	26-012459
14	assets	us-gaap:Assets	$47.2M	2024-12-31	2026-04-17	10-K/A	26-045248
15	current assets	us-gaap:AssetsCurrent	$23.0M	2025-12-31	2026-04-16	10-K	26-012459
16	current liabilities	us-gaap:LiabilitiesCurrent	$22.9M	2025-12-31	2026-04-16	10-K	26-012459
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$218.0M	2025-12-31	2026-04-16	10-K	26-012459
18	liabilities	us-gaap:Liabilities	$38.9M	2025-12-31	2026-04-16	10-K	26-012459
19	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$391,000	2025-12-31	2026-04-16	10-K	26-012459
20	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$46.9M	2025-12-31	2026-04-16	10-K	26-012459
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$45.8M	2024-12-31	2026-04-17	10-K/A	26-045248
22	revenue	us-gaap:Revenues	-$2.0M	2018-12-31	2019-03-22	10-K	19-001915
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$122,000	2025-12-31	2026-04-16	10-K	26-012459
24	current assets	us-gaap:AssetsCurrent	$12.8M	2024-12-31	2026-04-17	10-K/A	26-045248
25	current liabilities	us-gaap:LiabilitiesCurrent	$12.6M	2024-12-31	2026-04-17	10-K/A	26-045248
26	assets	us-gaap:Assets	$1.5M	2018-12-31	2019-03-22	10-K	19-001915
27	assets	us-gaap:Assets	$1.6M	2017-12-31	2019-03-22	10-K	19-001915
28	shares outstanding	dei:EntityCommonStockSharesOutstanding	11,453,707	2026-04-15	2026-04-17	10-K/A	26-012687
29	shares outstanding	dei:EntityCommonStockSharesOutstanding	5,190,251	2025-03-31	2026-04-17	10-K/A	26-045248

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