

SUCCESSFUL ACQUISITION FOR NCA ENTREPRENEUR DAVID MILLER

Baar, 18 May 2023 – Novastone Capital Advisors (NCA) is proud to announce the first Canadian acquisitions in our Entrepreneurship Through Acquisition (ETA) program by entrepreneur and partner David Miller.

A REWARDING CHALLENGE

David Miller joined NCA from Montreal, Quebec, with a proven 20-year history of driving full-cycle mergers and acquisitions, and had already successfully acquired, managed, and sold three core businesses during his career. This month, after one year in the NCA program, David's NCA search fund successfully acquired Chapter One Sportswear Inc., a contemporary women's fashion company, and Morsam Fashions Inc, which specializes in women's loungewear and sleepwear. The double deal is significant, as the addition of Morsam Fashions makes Chapter One Sportswear a significant player in the garment industry with sales over \$100M.

"With any deal negotiation there are a lot of ups and downs, even up until the last-minute right before closing," explained David, "so closing any deal is incredibly exciting. I'm working closely with the Founder of Chapter One, Mitchell Goldstein, who has stayed on as a significant shareholder and I could not have asked for a better partner. Closing both deals at the same time was challenging, but also very rewarding, and I could not be more excited to get started in this new venture."

David credited NCA's added support in raising equity, financial modeling and analysis, and investor presentations as a contributing factor to the relatively smooth acquisition process. "David came into our program with impressive experience," said NCA Co-Founder Elena Trukhina. "We knew he had the know-how and local market expertise to make these acquisitions successful. We are proud of all he has achieved and to have supported him in his search and acquisitions, our first in the Canadian market. We look forward to continuing to work with David as he steps into this next phase of his career with these great companies."

ALIGNED INTERESTS

NCA is deeply committed to the success of every one of our entrepreneurs and their companies, and we would like to congratulate David on behalf of all investors within this transaction and thank our lenders who believe in this transaction. We would also like to express our deepest thanks to NCA's internal M&A team, and to our financial and legal advisors, KPMG and DLA Piper, for all of their hard work and crucial support.

"We believe ETA offers a unique solution for addressing succession challenges facing SMEs, who are the backbone of our economy", said Christian Malek, NCA's Co-founder. "NCA's Entrepreneurship Through Acquisition program ensures business legacy and continuity for

SMEs in Europe and North America, as all stakeholders share aligned interests and a commitment to long-term success. We look forward to supporting David in his new role at these companies as they continue to grow under his leadership.”

For more information about David, please visit: <https://www.linkedin.com/in/davidmillermontreal/>

For more information about Chapter One Sportswear Inc, please visit: <https://www.chapter-1.net/>

For more information about NCA, please visit: <https://novastone-ca.com/index.php>