

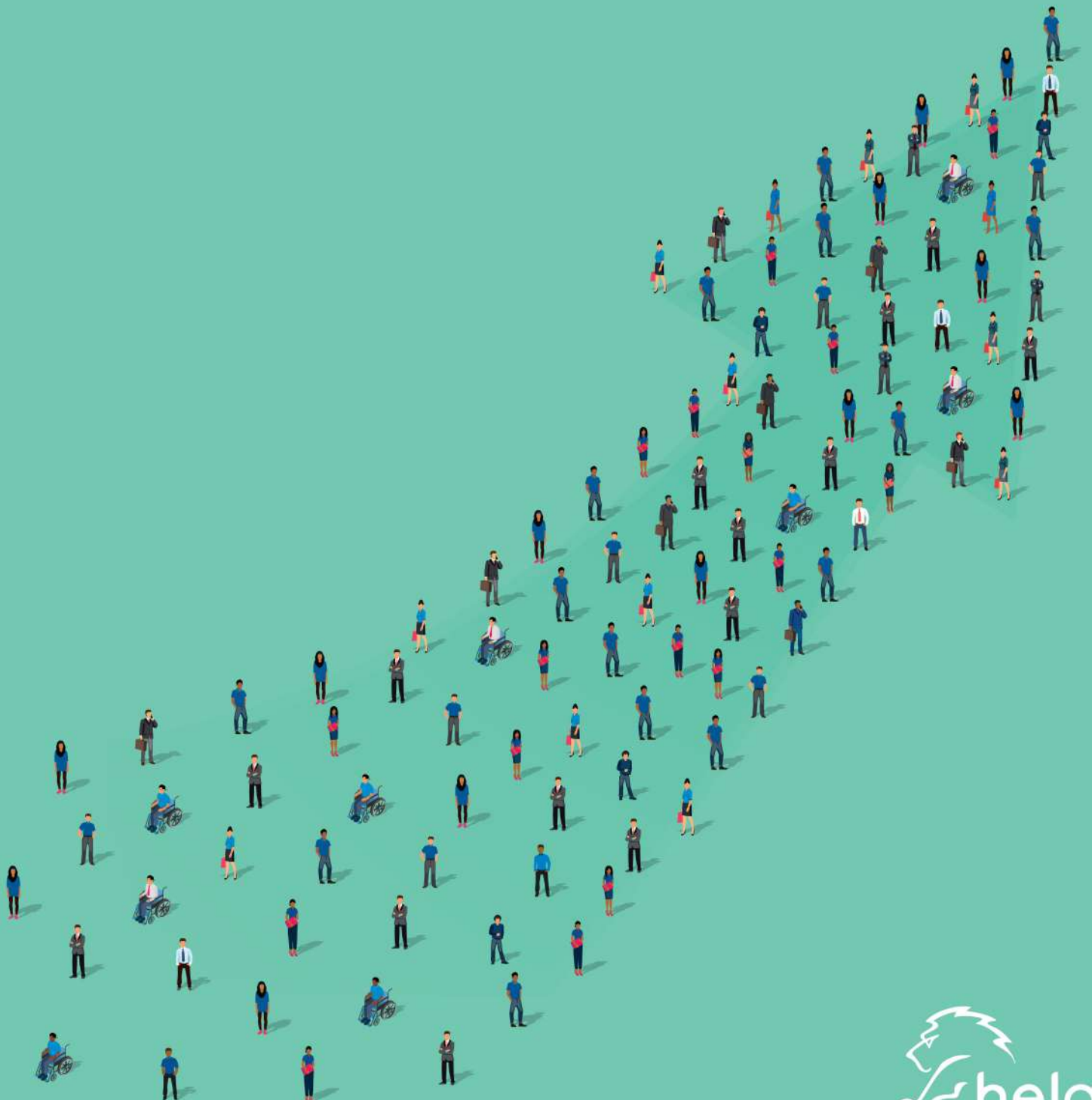
HELA APPAREL HOLDINGS PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2024

# pioneering

PARTNERSHIPS



# GROUP CEO'S REVIEW

The Hela Apparel Holdings Group closed FY 2023/24 on an optimistic note, with a positive top and bottom-line performance that reflected the Company's strategic repositioning following the acquisition of Focus Brands Limited in January 2024.

Group revenue increased by 4.8% in the fourth quarter compared to the same period of the previous year. This is the first year-on-year increase in four quarters and was despite the 12.5% appreciation of the Sri Lankan Rupee against the US Dollar during this period. On a quarter-on-quarter basis, revenue rose for the first time in six quarters, posting an increase of 52.0%. The Group recorded a quarterly Profit-After-Tax of LKR 4.5 Bn, marking a significant improvement from the preceding year.

The Group's balance sheet also strengthened during the fourth quarter. In particular, the Net-Debt-to-Equity ratio declined to 2.7 during the fourth quarter and the Group closed the financial year with a considerably increased cash balance of LKR 8.2 Bn.

The most important driver of the results was the consolidation of Focus Brands into the Group accounts following the completion of the acquisition early in the fourth quarter. Along with a positive contribution to revenue, a one-off valuation gain on the acquisition was recorded under other income. What's more, the addition of Focus Brands as the foundation of the new Brand Licensing Division has augmented the Group's cost base with

material increases in distribution and administrative costs as a result. It is also notable that administrative expenses for the quarter include one-off transaction and restructuring costs related to the acquisition of LKR 590 Mn.

Setting aside the impact of the acquisition, the performance of the existing business (which is now referred to as the Private Label Manufacturing Division) showed continued signs of stabilisation. Revenue for this division increased materially on a quarter-on-quarter basis for the first time since Q2 of FY 2022/23 in the fourth quarter. That said, the appreciation of the rupee and disruption to maritime freight in the Red Sea were notable headwinds to profit margins during the quarter.

Looking ahead to FY 2024/25, Focus Brands will continue to be an important driver of the Group's financial results. While it is expected to contribute positively to both revenue and profits for the year as a whole, this impact is likely to be distributed unevenly between quarters as a result of the seasonal nature of the existing business which is skewed towards sportswear.

The stabilisation in the Private Label Manufacturing Division's revenue is expected to continue and there are increasing signs of a sustained recovery in demand on the horizon as market conditions improve. Even so, the extended disruption to shipping via the Red Sea will continue to challenge improvements in

margins and the recovery in the division's bottom line is expected to proceed gradually as a result. Further measures to ensure the cost base is well positioned to absorb these challenges are under consideration.

In this context, the management remains confident of delivering improved shareholder value during FY 2024/25. The repositioning of the company as a global fashion conglomerate offering truly comprehensive solutions for the apparel sector encompassing design, manufacturing, marketing and distribution ensures a more resilient business model amidst the uncertain global environment. The synergies between the Private Label Manufacturing and Brand Licensing divisions also offer new value creation opportunities. Indeed, the recent announcement of a strategic partnership with Tesco to sell two brands acquired as part of the purchase of Focus Brands across its network of stores in the UK demonstrates this potential. The key focus for the Group during the coming year will be on maximising such synergies, while continue to ensure both divisions deliver profitable growth.



**Dilanka Jinadasa**  
Group CEO

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**Note:** We advise readers of the interim condensed financial statements to take note of the forward looking statements disclosure on the final page.

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Profit or Loss

(All amounts are in Sri Lankan Rupees Thousands)

	Group		Company	
	Quarter ended 31 March		Quarter ended 31 March	
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023 (Audited)
Revenue from contracts with customers	<b>21,722,634</b>	20,735,264	-	-
Cost of sales	<b>(20,170,940)</b>	(20,507,812)	-	-
<b>Gross profit</b>	<b>1,551,694</b>	227,452	-	-
Distribution costs	<b>(736,795)</b>	(188,207)	-	-
Administrative costs	<b>(4,248,565)</b>	(2,740,343)	<b>(12,701)</b>	(4,093)
Other income	<b>8,565,998</b>	(9,926)	-	-
Other gains / (losses) - net	<b>(648,472)</b>	1,295,684	<b>(982)</b>	(266)
<b>Operating profit / (loss)</b>	<b>4,483,860</b>	(1,415,340)	<b>(13,683)</b>	(4,359)
Finance income	<b>78,313</b>	986	<b>35</b>	24
Finance costs	<b>(1,128,361)</b>	(1,525,663)	<b>(24)</b>	-
Finance (costs) / income - net	<b>(1,050,048)</b>	(1,524,677)	<b>11</b>	24
Share of loss of equity accounted investee, net of tax	<b>(21,706)</b>	(5,997)	-	-
<b>Profit / (loss) before income tax</b>	<b>3,412,106</b>	(2,946,014)	<b>(13,672)</b>	(4,335)
Income tax (expense) / reversal	<b>1,137,300</b>	346,425	<b>52</b>	(113)
<b>Profit / (loss) for the period</b>	<b>4,549,406</b>	(2,599,589)	<b>(13,620)</b>	(4,448)
Profit / (loss) attributable to:				
Owners of the Company	<b>4,631,505</b>	(2,659,313)	<b>(13,620)</b>	(4,448)
Non-controlling interests	<b>(82,099)</b>	59,724	-	-
<b>Profit / (loss) for the period</b>	<b>4,549,406</b>	(2,599,589)	<b>(13,620)</b>	(4,448)
<b>Earnings / (loss) per share for profit / (loss) attributable to the equity holders of the Company</b>	<b>LKR</b>	<b>LKR</b>	<b>LKR</b>	<b>LKR</b>
Basic / diluted earnings / (loss) per share	<b>3.52</b>	(2.03)	<b>(0.01)</b>	(0.00)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Comprehensive Income

(All amounts are in Sri Lankan Rupees Thousands)

	Group		Company	
	Quarter ended 31 March		Quarter ended 31 March	
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023 (Audited)
<b>Profit / (loss) for the period</b>	<b>4,549,406</b>	(2,599,589)	<b>(13,620)</b>	(4,448)
<b>Other comprehensive income:</b>				
Items that will be reclassified to profit or loss				
Currency translation differences	<b>(915,586)</b>	(1,242,335)	<b>(473,611)</b>	(747,278)
Gain on revaluation of land and buildings	-	982,498	-	-
Deferred income tax impact relating to revaluation	-	(339,753)	-	-
Remeasurements of post-employment benefit obligations	<b>(143,500)</b>	(49,970)	-	-
Deferred income tax impact relating to re-measurements of post employment benefit obligation	<b>43,050</b>	27,544	-	-
<b>Other comprehensive income for the period, net of tax</b>	<b>(1,016,036)</b>	(622,016)	<b>(473,611)</b>	(747,278)
<b>Total comprehensive income / (loss) for the period</b>	<b>3,533,370</b>	(3,221,605)	<b>(487,231)</b>	(751,726)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Profit or Loss

(All amounts are in Sri Lankan Rupees Thousands)

	Group		Company	
	Year ended 31 March		Year ended 31 March	
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023 (Audited)
Revenue from contracts with customers	70,292,181	95,302,705	-	-
Cost of sales	(65,096,959)	(83,559,197)	-	-
<b>Gross profit</b>	<b>5,195,222</b>	11,743,508	-	-
Distribution costs	(2,290,817)	(3,960,834)	-	-
Administrative costs	(11,211,025)	(9,025,516)	(17,716)	(12,130)
Other income	8,849,427	390,516	-	22
Other gains / (losses) - net	(307,000)	1,445,074	(966)	(802,689)
<b>Operating profit / (loss)</b>	<b>235,807</b>	592,748	<b>(18,682)</b>	(814,797)
Finance income	112,076	31,608	83	2,940
Finance costs	(4,095,234)	(3,988,577)	(24)	(64)
Finance (costs) / income - net	(3,983,158)	(3,956,969)	59	2,876
	(75,994)	(69,315)	-	-
Share of loss of equity accounted investee, net of tax				
<b>Loss before income tax</b>	<b>(3,823,345)</b>	(3,433,536)	<b>(18,623)</b>	(811,921)
Income tax (expense) / reversal	2,034,013	101,088	53	(800)
<b>Loss for the period</b>	<b>(1,789,332)</b>	(3,332,448)	<b>(18,570)</b>	(812,721)
Profit / (loss) attributable to:				
Owners of the Company	(1,800,193)	(3,498,317)	(18,570)	(812,721)
Non-controlling interests	10,861	165,869	-	-
<b>Loss for the period</b>	<b>(1,789,332)</b>	(3,332,448)	<b>(18,570)</b>	(812,721)
<b>Earnings / (loss) per share for profit / (loss) attributable to the equity holders of the Company</b>	<b>LKR</b>	<b>LKR</b>	<b>LKR</b>	<b>LKR</b>
Basic / diluted earnings / (loss) per share	(1.37)	(2.67)	(0.01)	(0.62)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Comprehensive Income

(All amounts are in Sri Lankan Rupees Thousands)

	Group		Company	
	Year ended 31 March		Year ended 31 March	
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023 (Audited)
<b>Loss for the period</b>	<b>(1,789,332)</b>	(3,332,448)	<b>(18,570)</b>	(812,721)
<b>Other comprehensive income:</b>				
Items that will be reclassified to profit or loss				
Currency translation differences	<b>(1,121,931)</b>	1,376,346	<b>(543,801)</b>	714,461
Items that will not be reclassified to profit or loss				
Gain on revaluation of land and buildings	-	962,572	-	-
Deferred income tax impact relating to revaluation	-	(332,863)	-	-
Re-measurements of post-employment benefit obligations	<b>(144,696)</b>	(48,956)	-	-
Deferred income tax impact relating to re-measurements of post employment benefit obligation	<b>43,409</b>	16,930	-	-
<b>Other comprehensive income for the period, net of tax</b>	<b>(1,223,218)</b>	1,974,029	<b>(543,801)</b>	714,461
<b>Total comprehensive loss for the period</b>	<b>(3,012,550)</b>	(1,358,419)	<b>(562,371)</b>	(98,260)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Financial Position

(All amounts are in Sri Lankan Rupees Thousands)

	Group		Company	
	31.03.2024 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Unaudited)	31.03.2023 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	6,852,285	9,001,940	-	-
Investment property	1,256,500	559,700	-	-
Right-of-use assets	3,776,407	2,742,171	-	-
Intangible assets	12,323,824	11,957,563	26,354	-
Investment in subsidiaries	-	-	6,341,683	6,853,540
Investments accounted for using the equity method	195,628	288,325	-	-
Deferred tax assets	2,962,075	1,128,036	-	-
Other financial assets at amortized cost	602,548	196	-	-
<b>Total non-current assets</b>	<b>27,969,267</b>	<b>25,677,931</b>	<b>6,368,037</b>	<b>6,853,540</b>
<b>Current assets</b>				
Inventories	8,017,345	11,761,008	-	-
Trade and other receivables	11,855,917	9,844,991	22,073	14,701
Other assets	2,880,157	3,708,927	2,834	-
Income tax receivables	71,016	49,378	73	-
Derivative financial instruments	-	439,129	-	-
Other financial assets at amortized cost	1,010,516	310,550	-	-
Cash and cash equivalents	8,155,515	3,906,000	5,059	8,804
<b>Total current assets</b>	<b>31,990,466</b>	<b>30,019,983</b>	<b>30,039</b>	<b>23,505</b>
<b>Total assets</b>	<b>59,959,733</b>	<b>55,697,914</b>	<b>6,398,076</b>	<b>6,877,045</b>
<b>EQUITY</b>				
Stated capital	5,780,679	5,754,575	5,780,679	5,754,575
Retained earnings / (accumulated losses)	(3,115,300)	(1,534,488)	(2,319,409)	(2,300,839)
Other reserves	746,569	801,331	93,840	115,012
Exchange equalization reserve	4,998,660	6,120,591	2,715,970	3,259,771
<b>Capital and reserves attributable to owners of the Company</b>	<b>8,410,608</b>	<b>11,142,009</b>	<b>6,271,080</b>	<b>6,828,519</b>
Non-controlling interests	515,422	316,391	-	-
<b>Total equity</b>	<b>8,926,030</b>	<b>11,458,400</b>	<b>6,271,080</b>	<b>6,828,519</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	4,966,617	1,804,131	-	-
Deferred tax liabilities	1,417,846	1,613,979	-	-
Lease liabilities	1,069,369	2,134,142	-	-
Employee benefit obligations	735,924	536,101	-	-
<b>Total non-current liabilities</b>	<b>8,189,756</b>	<b>6,088,353</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	14,238,566	12,106,756	120,428	47,935
Lease liabilities	928,240	648,353	-	-
Income tax liabilities	-	24,231	-	590
Borrowings	27,677,141	25,371,821	6,568	1
Total current liabilities	42,843,947	38,151,161	126,996	48,526
<b>Total liabilities</b>	<b>51,033,703</b>	<b>44,239,514</b>	<b>126,996</b>	<b>48,526</b>
<b>Total equity and liabilities</b>	<b>59,959,733</b>	<b>55,697,914</b>	<b>6,398,076</b>	<b>6,877,045</b>
	<b>LKR</b>	<b>LKR</b>	<b>LKR</b>	<b>LKR</b>
Net assets per share	6.38	8.51	4.76	5.21

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007.

Sgd.

Group Chief Financial Officer

Date: 29th May 2024

The Board of Directors is responsible for the preparation and presentation of these financial statements. Approved and signed for and on behalf of the Board of Directors.

Sgd.

Director

Date: 29th May 2024

Sgd.

Director

Date: 29th May 2024

**HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES**

**Condensed Statement of Cash Flows**

(All amounts are in Sri Lankan Rupees Thousands)

	<b>Group</b>		<b>Company</b>	
	<b>Year ended 31 March</b>		<b>Year ended 31 March</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Loss before income tax from continuing operations	<b>(3,823,345)</b>	(3,433,536)	<b>(18,623)</b>	(811,921)
<b>Adjustments for:</b>				
Depreciation and amortization	<b>2,149,423</b>	1,948,148	<b>3,998</b>	-
Net interest expenses	<b>3,983,158</b>	3,986,048	<b>(83)</b>	(2,903)
Retirement benefits obligations provision	<b>359,342</b>	135,027	-	-
Loss on sale of property, plant and equipment	-	(444)	-	-
Gain on bargain purchase	<b>(8,299,191)</b>	-	-	-
Fair value adjustment to investment property	<b>(35,277)</b>	(110,025)	-	-
Fair value gain on derivatives	-	(439,129)	-	-
Provision for impairment of debtors	<b>135,814</b>	189,622	-	-
Provision for slow moving inventory	-	1,365,165	-	-
Share based payment expenses	-	24,103	-	-
Share of loss from joint Ventures	<b>75,993</b>	69,315	-	-
Realized exchange gain on last year income tax payment	-	-	-	(5,501)
<b>Changes in working capital</b>				
- (Increase) / decrease in inventories	<b>7,938,896</b>	876,070	-	-
- (Increase) / decrease in trade and other receivables	<b>(562,939)</b>	4,250,915	<b>(7,372)</b>	3,366,944
- Increase / (decrease) in trade and other payables	<b>(3,197,924)</b>	491,186	<b>78,470</b>	11,866
<b>Cash (used in) / generated from operations</b>	<b>(1,276,050)</b>	9,352,465	<b>56,390</b>	2,558,485
Retirement benefits obligations paid	<b>(101,766)</b>	(73,272)	-	-
Income tax paid	<b>(10,134)</b>	(39,941)	-	(7,965)
Interest paid	<b>(3,389,382)</b>	(4,013,955)	-	(59)
<b>Net cash (outflow) / inflow from operating activities</b>	<b>(4,777,332)</b>	5,225,297	<b>56,390</b>	2,550,461
<b>Cash flows from investing activities</b>				
Net movement of property, plant and equipment and intangible assets	<b>(1,853,504)</b>	(2,068,545)	<b>30,352</b>	-
Interest received	<b>112,076</b>	27,908	<b>83</b>	2,962
Investments in fixed deposits	-	(94,277)	-	-
Investments made in subsidiaries	<b>4,148,582</b>	-	<b>(31,948)</b>	(3,891,709)
<b>Net cash (outflow) / inflow from investing activities</b>	<b>2,407,154</b>	(2,134,914)	<b>(1,513)</b>	(3,888,747)
<b>Cash flows from financing activities</b>				
Proceeds from share issue	-	23,635	-	-
Principal elements of lease payments	<b>(894,026)</b>	(982,373)	-	-
Net borrowings	<b>8,107,230</b>	(3,821,845)	-	23,635
<b>Net cash inflow / (outflow) from financing activities</b>	<b>7,213,204</b>	(4,780,583)	-	<b>23,635</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>4,843,026</b>	(1,690,200)	<b>54,877</b>	(1,314,651)
Cash and cash equivalents at beginning of the period	<b>3,906,000</b>	5,023,132	<b>8,804</b>	1,115,479
Currency translation differences	<b>(593,511)</b>	573,068	<b>(58,622)</b>	207,975
<b>Cash and cash equivalents at end of the Period</b>	<b>8,155,515</b>	3,906,000	<b>5,059</b>	8,803



## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Changes in Equity

(All amounts are in Sri Lankan Rupees Thousands)

#### Group

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Stated capital	Retained earnings	Other reserves	Exchange equalization reserve	Total			
<b>Balance at 1 April 2022</b>	5,730,537	2,045,520	141,032	4,725,105	12,642,194	150,522	12,792,716	
Profit for the year	-	(3,498,317)	-	-	(3,498,317)	165,869	(3,332,448)	
<b>Total comprehensive income for the year</b>	-	(3,498,317)	-	-	(3,498,317)	165,869	(3,332,448)	
Currency translation difference	-	-	-	1,376,346	1,376,346	-	1,376,346	
Gain on revaluation of land and building	-	-	962,572	-	962,572	-	962,572	
Deferred income tax relating to revaluation	-	-	(332,863)	-	(332,863)	-	(332,863)	
Remeasurement of post employment benefit obligation	-	(48,956)	-	-	(48,956)	-	(48,956)	
Deferred income tax on employee benefit obligation	-	16,930	-	-	16,930	-	16,930	
<b>Total comprehensive income for the year</b>	-	(3,530,343)	629,709	1,376,346	(1,524,288)	165,869	(1,358,419)	
Transfer from translation reserve to retained earnings	-	(19,140)	-	19,140	-	-	-	
Employee share option plan - value of employee services	-	-	24,103	-	24,103	-	24,103	
Transfer from retained earnings to other reserves	-	(30,525)	30,525	-	-	-	-	
Issue of shares under Employees Share Ownership Plan	24,038	-	(24,038)	-	-	-	-	
<b>Balance at 31 March 2023</b>	<b>5,754,575</b>	<b>(1,534,488)</b>	<b>801,331</b>	<b>6,120,591</b>	<b>11,142,009</b>	<b>316,391</b>	<b>11,458,400</b>	
<b>Balance at 1 April 2023</b>	<b>5,754,575</b>	<b>(1,534,488)</b>	<b>801,331</b>	<b>6,120,591</b>	<b>11,142,009</b>	<b>316,391</b>	<b>11,458,400</b>	
Profit / (loss) for the Period	-	(1,800,193)	-	-	(1,800,193)	10,861	(1,789,332)	
Remeasurement of post employment benefit obligation	-	(144,696)	-	(1,121,931)	(1,266,627)	-	(1,266,627)	
Deferred income tax on employee benefit obligation	-	43,409	-	-	43,409	-	43,409	
<b>Total comprehensive income for the year</b>	-	(1,901,480)	-	(1,121,931)	(3,023,411)	10,861	(3,012,550)	
Employee share option plan - value of employee services	-	-	4,933	-	4,933	-	4,933	
Transfer from retained earnings to other reserves	-	(60,919)	60,919	-	-	-	-	
Adjustment on Investment property classification	-	381,587	(94,510)	-	287,077	188,170	475,247	
Issue of shares under Employees Share Ownership Plan	26,104	-	(26,104)	-	-	-	-	
<b>Balance at 31 March 2024</b>	<b>5,780,679</b>	<b>(3,115,300)</b>	<b>746,569</b>	<b>4,998,660</b>	<b>8,410,608</b>	<b>515,422</b>	<b>8,926,030</b>	

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Changes in Equity

(All amounts are in Sri Lankan Rupees Thousands)

#### Company

	Stated capital	Share based payments	Retained earnings / (accumulated losses)	Exchange equalization reserve	Total
<b>Balance at 1 April 2022</b>	5,730,537	114,947	(1,488,118)	2,545,311	6,902,677
Loss for the year	-	-	(812,721)	-	(812,721)
Other comprehensive income	-	-	-	714,461	714,461
<b>Total comprehensive income for the year</b>	-	-	(812,721)	714,461	(98,260)
Issue of shares under Employees Share Ownership Plan	-	18,332	-	-	18,332
Employee share option plan - value of employee services	24,038	(24,038)	-	-	-
<b>Balance at 31 March 2023</b>	5,754,575	109,241	(2,300,839)	3,259,772	6,822,749
<b>Balance at 1 April 2023</b>	<b>5,754,575</b>	<b>115,012</b>	<b>(2,300,839)</b>	<b>3,259,771</b>	<b>6,828,519</b>
Loss for the year	-	-	(18,570)	-	(18,570)
Other comprehensive income	-	-	-	(543,801)	(543,801)
<b>Total comprehensive income for the year</b>	-	-	(18,570)	(543,801)	(562,371)
Employee share option plan	-	4,932	-	-	4,932
Issue of shares under Employees Share Ownership Scheme	26,104	(26,104)	-	-	-
<b>Balance at 31 March 2024</b>	<b>5,780,679</b>	<b>93,840</b>	<b>(2,319,409)</b>	<b>2,715,970</b>	<b>6,271,080</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the Financial Statements

(All amounts are shown in Sri Lankan Rupees Thousands unless otherwise stated)

#### 1 Operating segments

##### (i) Description of segments and principal activities

The Group's internal organization and management is structured based on segments which are determined based on the Group's geographical spread of operations, similarity in nature, process, risks and returns. The geographical analysis of turnover and profits is based on location of customers and assets respectively. The group has now organized its business units into three reportable operating segments based on their geographical spread as follows:

##### (ii) Summarized statement of comprehensive income for the quarter ended 31 March 2024

LKR'000"	Sri Lankan Region		UK and Europe Region		African Region		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	<b>13,209,641</b>	15,906,904	<b>5,736,165</b>	-	<b>2,776,829</b>	4,828,360	<b>21,722,634</b>	20,735,264
Gross profit	<b>(239,198)</b>	(777,550)	<b>1,224,118</b>	-	<b>566,776</b>	1,005,002	<b>1,551,694</b>	227,452
* Operating expenses	<b>(4,449,647)</b>	(1,164,061)	<b>6,561,029</b>	-	<b>(698,329)</b>	(478,731)	<b>(4,985,360)</b>	(1,642,792)
Operating (loss) / profit	<b>(3,698,153)</b>	(1,538,982)	<b>7,785,147</b>	-	<b>396,868</b>	123,642	<b>4,483,861</b>	(1,415,340)
Net finance cost	<b>(850,847)</b>	(1,306,526)	<b>(30,224)</b>	-	<b>(168,977)</b>	(218,151)	<b>(1,050,047)</b>	(1,524,677)
Profit before taxation	<b>(4,570,706)</b>	(2,909,600)	<b>7,754,923</b>	-	<b>227,891</b>	(36,414)	<b>3,412,107</b>	(2,946,014)
Income tax credit / (charge)	<b>1,073,201</b>	346,425	<b>64,100</b>	-	-	-	<b>1,137,300</b>	346,425
(Loss)/ profit for the year	<b>(3,497,505)</b>	(2,563,175)	<b>7,819,022</b>	-	<b>227,891</b>	59,923	<b>4,549,407</b>	(2,599,589)

\* FY 2022/23 figures have been re-classified to align with FY 2023/24 classification for better presentation

Operating results from UK and Europe is relating to FOCUS Group and it includes a gain on bargain purchase of LKR 8,299 Mn

##### (iii) Summarized statement of financial position as at 31.03.2024

LKR'000"	Sri Lankan Region		UK and Europe Region		African Region		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>								
Non-current assets	<b>20,129,476</b>	24,727,426	<b>5,546,785</b>	-	<b>2,293,004</b>	950,505	<b>27,969,267</b>	25,677,931
Current assets	<b>11,828,647</b>	22,890,976	<b>13,065,010</b>	-	<b>7,096,808</b>	7,129,007	<b>31,990,466</b>	30,019,983
<b>Total assets</b>	<b>31,958,123</b>	47,618,402	<b>18,611,795</b>	-	<b>9,389,812</b>	8,079,512	<b>59,959,733</b>	55,697,914
<b>LIABILITIES</b>								
Non-current liabilities	<b>5,212,584</b>	5,909,490	-	-	<b>2,977,171</b>	178,863	<b>8,189,756</b>	6,088,353
Current liabilities	<b>29,681,343</b>	32,084,235	<b>8,176,097</b>	-	<b>4,985,905</b>	6,066,926	<b>42,843,947</b>	38,151,161
<b>Total liabilities</b>	<b>34,893,927</b>	37,993,725	<b>8,176,097</b>	-	<b>7,963,076</b>	6,245,789	<b>51,033,703</b>	44,239,514

#### 2 General information

Hela Apparel Holdings PLC is engaged in providing consultancy and support services to group companies. The Group is engaged in the manufacture of apparel for export markets and in providing front-end services to foreign customers. The Company is a public limited liability company incorporated on 11 October 2018 and listed on the Colombo Stock Exchange on 7 February 2022. It is domiciled in Sri Lanka and bears the registration number PQ00205151 under the Companies Act No.07 of 2007. The address of the registered office and the principal place of the business is, No 35 Balapokuna Road, Colombo 06, Sri Lanka.

#### 3 Basis of preparation

The condensed interim financial statements for the period ended 31 March 2024 of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34, 'Interim Financial Reporting'. The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2023.

#### 4 Accounting policies

Accounting policies adopted are consistent with those used in the consolidated financial statements of Hela Apparel Holdings PLC for the year ended 31 March 2023.

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the Financial Statements

#### 5 Contingent liabilities

Determination of the treatment of contingent liabilities in the financial statements is based on the management's view of the expected outcome of the applicable contingency. The Company consults with legal counsel (lawyers) on matters related to litigation and other experts both within and outside the Company with respect to the matters in the ordinary course of business.

The following are the corporate guarantees provided by the Company and its subsidiaries as of 31 March 2024.

Liability Due by	Guarantee or contingent liability taken on behalf of	Financial Institution	Nature of the liability	Amount (LKR Mn)	
Foundation Garments	Hela Investment Holdings	NDB	Corporate Guarantee - USD	301.18	
		BOC	Corporate Guarantee - USD	1,204.73	
			Corporate Guarantee - USD	1,807.10	
	Hela Clothing Egypt	NDB	Corporate Guarantee - USD	301.18	
	Hela Clothing	Hela Clothing	HNB	Corporate Guarantee - USD	137.34
			DFCC	Corporate Guarantee - USD	1,204.73
			Commercial Bank	Corporate Guarantee - USD	1,445.68
NTB			Corporate Guarantee - USD	2,258.88	
Foundation Garments and Hela Intimates EPZ	Hela Investment Holdings	Aavishkaar	Corporate Guarantee - USD	1,505.92	
		Norfund	Corporate Guarantee - USD	4,534.93	
Hela Apparel Holdings	Foundation Garments	NDB	Corporate Guarantee - USD	2,958.83	
		DFCC	Corporate Guarantee - USD	903.55	
	Hela Clothing	Hela Clothing	DFCC	Corporate Guarantee - LKR	1,200.00
			NDB	Corporate Guarantee - LKR	1,260.00
			Commercial Bank	Corporate Guarantee - USD	301.18
			HNB	Corporate Guarantee - USD	933.67
			NTB	Corporate Guarantee - LKR	2,500.00
Hela Clothing	Foundation Garments	Sampath Bank	Corporate Guarantee - USD	602.37	
		Commercial Bank	Corporate Guarantee - USD	903.55	
		DFCC	Corporate Guarantee - USD	903.55	
			Corporate Guarantee - USD	903.55	
			Corporate Guarantee - USD	2,108.29	
			Corporate Guarantee - USD	903.55	
	Hela Investment Holdings	BOC	Corporate Guarantee - USD	3,162.43	
			Corporate Guarantee - USD	69.27	
			Corporate Guarantee - LKR	25.00	
			Corporate Guarantee - USD	903.55	
			Corporate Guarantee - USD	903.55	
Hela Clothing and Hela Apparel Holdings	Foundation Garments	Peoples Bank	Corporate Guarantee - USD	1,957.69	
			Corporate Guarantee - USD	301.18	
			Corporate Guarantee - LKR	300.00	

#### 6 Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future.

In determining the basis of preparing the financial statements for the quarter ended 31 March 2024, based on available information, the management has assessed the existing and anticipated effects of the prevailing economic conditions in Sri Lanka on the Group and the appropriateness of the use of the going concern basis.

To counter the effects of both events, the Group has evaluated the resilience of its businesses considering a wide range of factors under multiple stress tested scenarios relating to expected revenue streams, cost management, and the ability to defer non-essential capital expenditure. The Group's current reserves and financing facilities are sufficient to ensure the continuation of the business and the management believes that additional cost savings and cash conservation measures where needed will secure the Group's ability to continue as a going concern.

The Management has also assessed any specific impacts arising from the prevailing economic conditions in Sri Lanka on the operations and financial position of the business. Since the Group earns its revenues in US dollars from production and export of apparel to markets in the US and Europe and has a significant portion of its manufacturing operations located outside of Sri Lanka, it is the management's view that the Group is not significantly exposed to the prevailing economic conditions in Sri Lanka in a manner that would impact its ability to continue as a going concern.

Furthermore, the Management is not aware of any other material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on a going concern basis.

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the Financial Statements

#### 7 Investments in joint ventures

	<b>2024</b>
	<b>(LKR' 000)</b>
At 1 April 2023	288,325
Acquisition	-
Share of (loss) / profit	(75,994)
Exchange equalization reserve	(16,703)
<b>At 31 March 2024</b>	<b>195,628</b>

#### Nature of investment in joint ventures;

Name of entity	Place of business /country of incorporation	Level of ownership
Sumbiri Intimate Apparel Private Limited	Ethiopia	Indirect
Safeguard Workwear EPZ Limited	Kenya	Direct

Hela Investment Holdings Limited, an indirect subsidiary of the Company, has acquired 27% shareholding of Sumbiri Intimate Apparel Private Limited Company ( "the JV company") as at 31 March 2024. Foundation Garments (Private) Limited (Indirect Subsidiary) jointly operates and manages the JV company with the other shareholders. According to the joint venture agreement, Hela Investment Holdings Limited is to increase the investment in share capital of the JV company up to 50%. Sumbiri Intimate Apparel (Private) Limited is identified as a joint venture investment based on the joint control clauses in the JV agreement.

Hela Apparel Holdings PLC holds 50% shareholding of Safeguard Workwear EPZ Limited ( "the JV company") as at 31 March 2024. The Group jointly operates and manages the JV company with the other shareholders. According to the joint venture agreement, Safeguard Workwear EPZ Limited is identified as a joint venture investment based on the joint control clauses in the JV agreement.

#### 8 Comparatives

Comparative figures, where necessary, have been adjusted to conform with the changes in presentation in the current period.

#### 9 Seasonal or cyclical factors affecting the Group

The operations of the Group were not significantly affected by any seasonal or cyclical factors.

#### 10 Estimates

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

There were no changes in estimates and assumptions used in prior financial periods that may have a material effect in the current quarter and for the financial period to date.

In preparing the condensed interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the sources of estimates uncertainty are consistent with the audited financial statements for the year ended 31 March 2023.

#### 11 Stated capital

	<b>Company</b>			
	<b>31 March 2024</b>	31 March 2023	<b>31 March 2024</b>	31 March 2023
	<b>Number of shares</b>	Number of shares	<b>Value (LKR' 000)</b>	Value (LKR' 000)
Ordinary Voting Shares	<b>1,317,381,560</b>	1,309,955,933	<b>5,780,679</b>	5,754,575
	<b>1,317,381,560</b>	1,309,955,933	<b>5,780,679</b>	5,754,575

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the Financial Statements

#### 11 Stated capital (Contd.)

##### (i) Movement in ordinary shares:

	Number of shares	Value (LKR' 000)
Opening balance 1 April 2022	1,303,117,944	5,730,537
Share issue related to Employee Share Ownership Plan	6,837,989	24,038
<b>Balance 31 March 2023</b>	<b>1,309,955,933</b>	<b>5,754,575</b>
Opening balance 1 April 2023	<b>1,309,955,933</b>	<b>5,754,575</b>
Share issue related to Employee Share Ownership Plan	<b>7,425,627</b>	<b>26,104</b>
<b>Balance 31 March 2024</b>	<b>1,317,381,560</b>	<b>5,780,679</b>

#### 12 Earnings per share

The diluted earnings per share is the same as the basic earnings per share.

#### 13 Net Assets per share

Net assets as at a particular financial period ended divided by the number of shares in issue as at the current period end.

	Group		Company	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Net assets as of period end (LKR '000)	<b>8,410,608</b>	14,014,630	<b>6,271,080</b>	6,828,519
Number of shares as of period end	<b>1,317,381,560</b>	1,309,955,933	<b>1,317,381,560</b>	1,309,955,933
Net assets per share (Rs.)	<b>6.38</b>	10.70	<b>4.76</b>	5.21

#### 14 Other reserves

The following table shows a breakdown of the balance sheet line item 'other reserves' and the movements in these reserves during the period.

	Revaluation reserve	Share based payment reserve	Other reserves	Total
	(LKR'000)	(LKR'000)	(LKR'000)	(LKR'000)
Balance at 1 April 2023	<b>655,794</b>	<b>115,012</b>	<b>30,525</b>	<b>801,331</b>
Employees Share Ownership Scheme	-	<b>4,933</b>	-	<b>4,933</b>
Classifications	-	-	<b>(33,591)</b>	<b>(33,591)</b>
Issue of shares under Employees Share Ownership Scheme	-	<b>(26,104)</b>	-	<b>(26,104)</b>
<b>Balance at 31 March 2024</b>	<b>655,794</b>	<b>93,841</b>	<b>(3,066)</b>	<b>746,569</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the Financial Statements

#### 15 Effect of changes in composition of the Group

Hela Brands Limited was incorporated as a wholly-owned subsidiary of Hela Clothing (Private) Limited on 8th December 2023. On 27th March 2024, 99,900 shares in Hela Brand Limited were issued to Hela Apparel Holdings PLC. Pursuant to this investment, Hela Apparel Holdings PLC directly holds 99.9% in Hela Brands Limited. The remaining 0.01% shareholding is held by Hela Clothing (Private) Limited.

#### 16 Business combination

##### Summary of acquisition of Focus Brands Limited

Following the sales and purchase agreement executed on 24 January 2024, Hela Brands Limited, a company incorporated in Mauritius and a wholly owned sub-subsidiary of Hela Apparel Holdings PLC acquired 100% ownership of Focus Brands Limited, a fully owned subsidiary of JD Sports Fashion PLC for a consideration of GBP 8,000,000 (LKR 3,259 Mn).

Recognized gain on bargain purchase of LKR 8,299 Mn is based on the information available as of the date of approving these financial statements, on a provisional basis as per SLFRS 3 - Business Combinations.

#### 17 Events after reporting period

There has not been any significant events after reporting period

#### 18 Presentation currency

Transactions measured in US Dollars are translated to Sri Lankan Rupees based on the Sri Lanka Accounting Standard 21, "The Effects of Changes in Foreign Exchange Rates", as follows:

- (a) Assets and Liabilities presented including comparatives are translated at the closing rate existed at the date of each balance sheet presented.
- (b) Income and expense items for all periods presented (i.e. including comparatives) are translated at the period average exchange rate applicable for respective periods.
- (c) Share capital is translated at the exchange rate existing at the date of transaction.
- (d) All resulting exchange differences are recognized in equity under exchange equalization reserves.

#### 19 Fair values of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. The Group has trade receivables, trade payables and borrowings as financial instruments. The fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to the current market rates or the instruments are short-term in nature.

#### 20 Market Price Per Share

	2024	2023
<b>Market Value of Shares</b>		
Last trading price on 31 March (LKR)	<b>6.10</b>	8.00
Highest Price During the Quarter Ended 31 March (LKR)	<b>6.30</b>	9.90
Lowest Price During the Quarter Ended 31 March (LKR)	<b>4.80</b>	7.90
Market Capitalization on 31 March (LKR 000')	<b>8,036,027,516</b>	10,479,647,464
<b>Ratios</b>		
Net Asset Per Share of the Group on 31 March (LKR)	<b>6.38</b>	8.51
<b>Share Trading</b>		
No of Transactions During the Quarter Ended 31 March 2024	<b>5,472</b>	5,419
No of Shares Traded During the Quarter Ended 31 March 2024	<b>100,618,543</b>	26,621,415
Value of Shares Traded During the Quarter Ended 31 March 2024 (LKR 000')	<b>540,569,618</b>	240,798,513
Number of Shares	<b>1,317,381,560</b>	1,309,955,933

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the Financial Statements

#### 21 Public Holdings as at 31 March 2024

Public Holding as at 31 March	2024	2023
Issued Share Capital (No. of Shares)	<b>1,317,381,560</b>	1,309,955,933
Public Holding as a % of Issued Share Capital	<b>21.28%</b>	22.65%
Total Number of Shareholders	<b>13,874</b>	14,438
Number of Shareholders representing the Public Holding	<b>13,855</b>	14,418

#### Minimum Public Holding Requirement as per Listing Rules 7.13.1

	Float Adjusted Market Capitalization - (LKR)	Public Holding Percentage	No of Shareholders
Minimum Public Holding as at 31 March 2024	1,710,066,655	21.28%	13,855

The Company complies with the Minimum Public Holding required of the Main Board as per Option 5 of Section 7.13.1 (a) of the CSE Listing Rules

#### 22 Shareholder Information

List of 20 Major Shareholders as at 31 March 2024	2024	
	No. of Shares	%
1 Lesing Hela Limited	614,256,956	46.63
2 Tars Investments Lanka (Pvt) Ltd.	229,862,259	17.45
3 Mr. P.L.D. Jinadasa	148,531,300	11.27
4 Mr. D.E.H. Mcvey	30,598,973	2.32
5 Citibank Newyork S/A Norges Bank Account 2	28,116,708	2.13
6 Magna Wealth (Pvt) Ltd.	19,376,068	1.47
7 Hatton National Bank PLC/Sri Dhaman Rajendram Arudpragasam	16,260,071	1.23
8 Deutsche Bank AG as Trustee To Assetline Income Plus Growth Fund	8,302,589	0.63
9 Mr. R.S.P. Amaratunga	5,007,961	0.38
10 JN Lanka Holdings Company (Pvt) Ltd	5,000,000	0.38
11 California Link (Private) Limited	4,489,000	0.34
12 Mr. D.M. Beruwalage	4,361,600	0.33
13 Mr. P.S.V. Fernando	4,303,743	0.33
14 Mr. A.R. Rasiah	4,273,743	0.32
15 Union Assurance PLC-Universal Life Fund	4,191,500	0.32
16 DFCC Bank PLC A/C NO.02	4,000,000	0.30
17 Bank of Ceylon A/C Ceybank Unit Trust	2,945,200	0.22
18 Mr. W.A.R Gunawardhana	2,831,355	0.21
19 Mr. Y.C. Samarajeewa	2,721,857	0.21
20 J.B. Cocoshell (Pvt) Ltd	2,400,000	0.18
	<b>1,141,830,883</b>	<b>86.65</b>

Directors' Shareholding as at 31 March 2024	2024	2023
	No. of Shares	No. of Shares
<b>Directors' Direct Shareholding</b>		
Mr. P.L.D. Jinadasa (Group CEO)	<b>148,531,300</b>	137,276,656
Mr. A.R. Rasiah (Chairman)	<b>4,273,743</b>	4,273,743
Ms. T.S. Peries	<b>57,400</b>	57,400
	<b>152,862,443</b>	141,607,799



## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Profit or Loss

(All amounts are in US Dollars Thousands)

	Group		Company	
	Year ended 31 March		Year ended 31 March	
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023 (Audited)
Revenue from contracts with customers	<b>219,797</b>	268,499	-	-
Cost of sales	<b>(203,552)</b>	(235,414)	-	-
<b>Gross profit</b>	<b>16,245</b>	33,085	-	-
Distribution costs	<b>(7,163)</b>	(11,159)	-	-
Administrative costs	<b>(35,056)</b>	(25,428)	<b>(55)</b>	(34)
Other income	<b>27,671</b>	1,100	-	-
Other gains / (losses) - net	<b>(960)</b>	4,071	<b>(3)</b>	(2,261)
<b>Operating profit / (loss)</b>	<b>737</b>	1,669	<b>(58)</b>	(2,295)
Finance income	<b>350</b>	89	-	8
Finance costs	<b>(12,805)</b>	(11,237)	-	-
Finance (costs) / income - net	<b>(12,455)</b>	(11,148)	-	8
Share of loss of equity accounted investee, net of tax	<b>(238)</b>	(195)	-	-
<b>Loss before income tax</b>	<b>(11,955)</b>	(9,674)	<b>(58)</b>	(2,287)
Income tax (expense) / reversal	<b>6,360</b>	285	-	(2)
<b>Loss for the period</b>	<b>(5,595)</b>	(9,389)	<b>(58)</b>	(2,289)
Profit / (loss) is attributable to:				
Owners of the Company	<b>(5,629)</b>	(9,856)	<b>(58)</b>	(2,289)
Non-controlling interests	<b>34</b>	467	-	-
<b>Loss for the period</b>	<b>(5,595)</b>	(9,389)	<b>(58)</b>	(2,289)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Comprehensive Income

(All amounts are in US Dollars Thousands)

	Group		Company	
	Year ended 31 March		Year ended 31 March	
	2023 (Unaudited)	2022 (Audited)	2023 (Unaudited)	2022 (Audited)
<b>Loss for the period</b>	<b>(5,595)</b>	(9,389)	<b>(58)</b>	(2,289)
<b>Other comprehensive income:</b>				
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	<b>(305)</b>	(138)	-	-
Gain on revaluation of land and buildings	-	2,712	-	-
Deferred income tax impact relating to revaluation	-	(938)	-	-
Remeasurements of post-employment benefit obligations	<b>(452)</b>	(138)	-	-
Deferred income tax impact relating to remeasurements of post-employment benefit obligations - gratuity	<b>136</b>	48	-	-
<b>Other comprehensive loss for the period, net of tax</b>	<b>(621)</b>	1,546	-	-
<b>Total comprehensive loss for the period</b>	<b>(6,216)</b>	(7,843)	<b>(58)</b>	(2,289)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Profit or Loss

(All amounts are in US Dollars Thousands)

	Group		Company	
	Quarter ended 31 March		Quarter ended 31 March	
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023 (Audited)
Revenue from contracts with customers	68,491	57,233	-	-
Cost of sales	(63,598)	(56,605)	-	-
<b>Gross profit</b>	<b>4,893</b>	628	-	-
Distribution costs	(2,323)	(519)	-	-
Administrative costs	(13,396)	(7,564)	(40)	(11)
Other income	27,008	(27)	-	-
Other gains / (losses) - net	(2,045)	3,576	(3)	(1)
<b>Operating profit / (loss)</b>	<b>14,137</b>	(3,906)	<b>(43)</b>	(12)
Finance income	247	3	-	-
Finance costs	(3,558)	(4,211)	-	-
Finance (costs) / income - net	(3,311)	(4,208)	-	-
Share of loss of equity accounted investee, net of tax	(68)	(17)	-	-
<b>Profit / (loss) before income tax</b>	<b>10,758</b>	(8,131)	<b>(43)</b>	(12)
Income tax (expense) / reversal	3,586	954	-	-
<b>Profit / (loss) for the period</b>	<b>14,344</b>	(7,177)	<b>(43)</b>	(12)
Profit / (loss) is attributable to:				
Owners of the Company	14,603	(7,342)	(43)	(12)
Non-controlling interests	(259)	165	-	-
<b>Profit / (loss) for the period</b>	<b>14,344</b>	(7,177)	<b>(43)</b>	(12)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Comprehensive Income

(All amounts are in US Dollars Thousands)

	Group		Company	
	Quarter ended 31 March		Quarter ended 31 March	
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023 (Audited)
<b>Profit / (loss) for the period</b>	<b>14,344</b>	<b>(7,177)</b>	<b>(43)</b>	<b>(12)</b>
<b>Other comprehensive income:</b>				
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	(230)	340	-	-
Gain on revaluation of land and buildings	-	2,712	-	-
Deferred income tax impact relating to revaluation	-	(938)	-	-
Remeasurements of post-employment benefit obligations	(452)	(138)	-	-
Deferred income tax impact relating to remeasurements of post-employment benefit obligations - gratuity	136	76	-	-
<b>Other comprehensive profit / (loss) for the period, net of tax</b>	<b>(546)</b>	<b>2,052</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit / (loss) for the period</b>	<b>13,798</b>	<b>(5,125)</b>	<b>(43)</b>	<b>(12)</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed Statement of Financial Position

(All amounts are in US Dollars Thousands)

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	22,751	27,505	-	-
Investment property	4,172	1,710	-	-
Right-of-use assets	12,539	8,379	-	-
Intangible assets	40,918	36,536	88	-
Investment in subsidiaries	-	-	21,056	20,941
Investments accounted for using the equity method	650	881	-	-
Deferred tax assets	9,835	3,447	-	-
Other financial assets at amortized cost	2,001	1	-	-
<b>Total non-current assets</b>	<b>92,866</b>	<b>78,459</b>	<b>21,144</b>	<b>20,941</b>
<b>Current assets</b>				
Inventories	26,619	35,935	-	-
Trade and other receivables	39,364	30,081	73	45
Other assets	9,563	11,332	9	-
Income tax receivables	236	151	-	-
Derivative financial instruments	-	1,342	-	-
Other financial assets at amortized cost	3,355	949	-	-
Cash and cash equivalents	27,078	11,935	17	27
<b>Total current assets</b>	<b>106,215</b>	<b>91,725</b>	<b>99</b>	<b>72</b>
<b>Total assets</b>	<b>199,081</b>	<b>170,184</b>	<b>21,243</b>	<b>21,013</b>
<b>EQUITY</b>				
Stated capital	29,742	29,663	29,742	29,663
Retained earnings / (accumulated losses)	(4,531)	412	(9,453)	(9,395)
Other reserves	2,414	2,583	532	596
Exchange equalization reserve	(79)	885	-	-
<b>Capital and reserves attributable to owners of the Company</b>	<b>27,546</b>	<b>33,543</b>	<b>20,821</b>	<b>20,864</b>
Non-controlling interests	2,090	1,468	-	-
<b>Total equity</b>	<b>29,636</b>	<b>35,011</b>	<b>20,821</b>	<b>20,864</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	16,490	5,512	-	-
Deferred tax liabilities	4,708	4,931	-	-
Lease liabilities	3,551	6,521	-	-
Employee benefit obligations	2,443	1,638	-	-
<b>Total non-current liabilities</b>	<b>27,192</b>	<b>18,602</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	47,276	36,991	400	147
Lease liabilities	3,082	1,981	-	-
Income tax liabilities	-	77	-	2
Borrowings	91,895	77,522	22	-
<b>Total current liabilities</b>	<b>142,253</b>	<b>116,571</b>	<b>422</b>	<b>149</b>
<b>Total liabilities</b>	<b>169,445</b>	<b>135,173</b>	<b>422</b>	<b>149</b>
<b>Total equity and liabilities</b>	<b>199,081</b>	<b>170,184</b>	<b>21,243</b>	<b>21,013</b>

# CORPORATE INFORMATION

## NAME OF COMPANY

Hela Apparel Holdings PLC

## LEGAL FORM

Public Limited Liability Company  
Incorporated under the Companies Act No.7 of 2007

## DATE OF INCORPORATION

11 October 2018

## COMPANY REGISTRATION NUMBER

PQ00205151

## ACCOUNTING YEAR END

31 March

## PRINCIPAL ACTIVITY OF THE COMPANY

Providing consultancy and support services to group companies.

## REGISTERED OFFICE

No. 35, Balapokuna Road, Colombo 06, Sri Lanka.

## WEBSITE

[www.helaclotthing.com](http://www.helaclotthing.com)

## DIRECTORS

A R Rasiah  
A J Alderton  
P L D Jinadasa  
G P Gunawardana  
T S Peries  
P Schleiffer  
S R Khan  
S Doron

## SECRETARIES

Ms. Janseni Devi Kuhanesan  
No. 47/ 12A, Sri Gnanendra Road, Ratmalana.

## AUDITORS

Deloitte Partners  
No. 100, Braybrooke Place, Colombo 02, Sri Lanka.

## COMPANY REGISTRARS

SSP Corporate Services (Pvt) Ltd  
No. 101, Inner Flower Road, Colombo 03, Sri Lanka.

## PRINCIPAL ACTIVITIES OF THE GROUP

Manufacture of apparel for export markets and provision of front-end services to foreign customers

## DIRECT SUBSIDIARY

Hela Clothing (Private) Limited  
Hela Brands Limited

## INDIRECT SUBSIDIARIES

Foundation Garments (Private) Limited  
F D N Sourcing (Private) Limited  
Jinadasa Bennett (Private) Limited  
Foundation Bennett (Private) Limited  
Alpha Textiles (Private) Limited  
Hela Investment Holdings Limited  
Hela Indochine Apparel Private Limited Company  
Hela Intimates EPZ Limited  
Hela USA, Inc.  
Hela Clothing Egypt SAE  
Focus Brands Limited  
Focus Group Holdings Limited  
Focus Italy S.r.l  
Focus International Limited  
Focus International NL BV  
Focus International GMBH  
Focus Sports & Leisure International Limited  
Focus Equipment Limited

## JOINT VENTURES

Sumbiri Intimate Apparel Private Limited Company  
Safeguard Workwear EPZ Limited

## BANKERS

Absa Bank Kenya PLC  
Bank of Ceylon  
Commercial Bank of Ceylon PLC  
Commercial Bank of Ethiopia  
DFCC Bank PLC  
Equity Bank Kenya Limited  
Hatton National Bank PLC  
National Bank of Egypt  
National Development Bank PLC  
Nations Trust Bank PLC  
People's Bank  
Sampath Bank PLC  
Standard Chartered Bank PLC  
Qatar National Bank  
Afrasia Bank Limited  
Barclays PLC

# FORWARD LOOKING STATEMENTS DISCLOSURE

These interim condensed financial statements contain certain forward-looking statements, which are provided for the purpose of presenting information about the management's current expectations and plans. Forward-looking statements are predictive in nature, depend upon or refer to future events or conditions, and may include words such as "expect", "anticipate", "intend", "may", "plan to", "believe", "could" and similar terms or variations of such terms. However, these words are not the exclusive means of identifying forward looking statements. As such, all statements pertaining to the expected financial position, business strategy, plans and prospects of the Hela Group are classified as forward-looking statements.

Such forward looking statements are based upon the management's current reasonable expectations and assumptions, and are subject to known and unknown risks, uncertainties and other factors including, but not limited to, regulatory changes in the sectors in which the Group operates and its ability to respond to them, the Group's ability to successfully adapt to technological changes, exposure to market risks, exchange rate volatility,

general economic and fiscal policies in the countries that the Group operates in, inflationary pressures, the performance of financial markets both globally and locally, changes in domestic and foreign laws, regulation of taxes and changes in competition in the industry and further uncertainties that may or may not be in the control of the Group. Other specific risks are noted in Section 3.6.1. of the Prospectus for the Initial Public Offering of the Company.

Such factors may cause actual results, performance and achievements to materially differ from any future results, performance or achievements expressed or implied by forward looking statements herein. Given the risks and uncertainties that may cause the Group's actual future results, performance or achievements to materially differ from that expected, expressed or implied by forward looking statements in these financial statements, investors are advised not to place sole reliance on such statements. The Company also undertakes no obligations to update forward looking statements if circumstances or management assessments changes as a result of such factors, except as required by applicable laws and regulations.

