2nd December 2024

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
04-01, West Block
World Trade Center
Echelon Square
Colombo 01

Dear Sir,

HELA APPAREL HOLDINGS PLC ("THE COMPANY") - CLARIFICATION REGARDING FURTHER FALSE INFORMATION CIRCULATING IN ONLINE POST

In terms of Section 8.5 of the Listing Rules of the Colombo Stock Exchange, we write to clarify certain false accusations that have been circulated on social media in relation to the Company's acquisition of Focus Brands Limited, along with other unrelated claims. We take this opportunity to confirm that these accusations are entirely false and misleading. We have formally requested the publisher to immediately remove the online article and associated social media posts, and to issue a public retraction that clearly acknowledges the baseless nature of these statements.

As disclosed to the Colombo Stock Exchange on 24th January 2024, a wholly owned subsidiary of the Company acquired 100% shareholding of Focus Brands Limited on the same day for a total consideration of GBP 8,000,000. Focus Brands Limited is a market leader in design, sourcing, distribution and promotion of apparel brands, which is based in the UK and was acquired as a going concern from JD Sports Fashion PLC, a leading global omnichannel retailer of sports fashion and outdoor brands listed on the London Stock Exchange. Further details of the acquisition were subsequently disclosed in the Company's 2023/24 Annual Report as part of the externally audited financial statements, including the fair value of the assets and liabilities acquired. In addition, no bank borrowings were obtained by the Company to fund the acquisition.

We would further highlight that these accusations, as well as other similarly baseless claims recently circulated online, appear to be part of a targeted and malicious campaign aiming to undermine the Company's reputation through the deliberate dissemination of falsehoods. We reassure our stakeholders that we are working with legal counsel and the relevant authorities to address this matter.

As a publicly listed and socially responsible organization employing over 14,000 people across nine countries, we are committed to upholding the highest standards of transparency, integrity, and corporate responsibility for the benefit of our stakeholders.

Yours faithfully,

Dilanka Jinadasa
Group CEO & Executive Director