5th August 2026

Ms. Nilupa Perera
Chief Regulatory Officer
Colombo Stock Exchange
#04-01, West Block
World Trade Centre
Echelon Square
Colombo 01

Dear Madam

HELA APPAREL HOLDINGS PLC
<u>ANNOUNCEMENT</u>

In terms of Rule 8 of the Listing Rules of the Colombo Stock Exchange "CSE") we hereby announce that –

1. the Board of Directors of Hela Apparel Holdings PLC (the "Company"), having reviewed the financial position of the Company and its subsidiaries (together, the "Group"), including their realisable assets, liabilities, liquidity levels, indebtedness, operating performance (including expected cash flows) and creditor obligations (including inter-company guarantees given to creditors) and, has concluded that the Company and its subsidiaries, Hela Clothing (Private) Limited and Foundation Garments (Private) Limited are not able to pay their debts by reason of their liabilities and continuing liquidity constraints, and as such are unable to continue their businesses.

2. the Board of Directors of the Company has accordingly, by resolution passed on 4th August 2026 decided that the Company be wound up by Court in accordance with the provisions of the Companies Act No. 7 of 2007 and an application for such winding up has been made to the Commercial High Court of the Western Province (Exercising Civil Jurisdiction) holden in Colombo on 5th August 2026.

Hela Clothing (Private) Limited and Foundation Garments (Private) Limited have also made applications for winding up the Commercial High Court of the Western Province (Exercising Civil Jurisdiction) holden in Colombo on 5th August 2026, pursuant to decisions of the boards of directors of the respective companies.

Hela Apparel Holdings PLC | (Reg. No. PQ 00205151)
Registered Address: 35 Balapokuna Road, Kirulapone, Colombo 05, Sri Lanka.
T: +94114385400 info@helaclothing.com www.helaclothing.com

The Board of Directors hereby places on record, as notified to the market from time to time, that the Directors made due and continuing inquiry into the affairs of the Company and the relevant Group entities; regularly considered their financial and operational position; sought professional and independent advice where appropriate; pursued, tested and reassessed reasonably available restructuring and value-preservation alternatives (including debt restructures and strategic investments) for the purpose of preserving value and mitigating loss to creditors, employees and other stakeholders; and, this decision to wind up was taken only once all those alternatives were exhausted, rejected, and/or deemed to be incapable of timely implementation or no longer commercially viable.

BY ORDE OF THE BOARD OF
HELA APPAREL HOLDINGS PLC

Dilanka Jinadasa
Director

Hela Apparel Holdings PLC | (Reg. No. PQ 00205151)
Registered Address: 35 Balapokuna Road, Kirulapone, Colombo 05, Sri Lanka.
T: +94114385400 info@helaclothing.com www.helaclothing.com