

9th December 2025.

Colombo Stock Exchange,
#04-01, West Block,
World Trade Centre,
Echelon Square,
Colombo 01.

Attn: Ms. Nilupa Perera
Chief Regulatory Officer

Dear Sirs,

RE: CORPORATE DISCLOSURE - HELA APPAREL HOLDINGS PLC
UPDATE WITH REGARD TO DEBT RESTRUCTURE AND DISCUSSIONS WITH
STRATEGIC INVESTORS

We write further to the publication of the annual report of Hela Apparel Holdings PLC (the “**Company**”) for the financial year ended 31st March 2025 on the website of the Colombo Stock Exchange (the “**CSE**”) on 05th December 2025 to provide further updates on the ongoing debt restructure exercise of the Hela group of companies (the “**Hela Group**”) as well as the discussions that have been carried out with prospective strategic investors for investments in the Hela Group. Such updates are as follows -

1. All of the banks that the Hela Group has been carrying out discussions with regard to the restructure of debt owed to them have agreed in principle to the restructure proposal that entailed concessionary interest rates as well as deferment of repayment. This agreement is subject to a few conditions such as (i) the existing major shareholders investing a minimum of LKR 682 Million (the mode of such investment will be notified in due course), and (ii) sourcing new investments from strategic investors amounting to approximately LKR 3 to 4.4 Billion.
2. The Company is currently carrying out discussions with a few strategic investors with a view to securing equity investments in the Hela Group. The Company has received the in-principle approval of its board of directors to negotiate suitable terms of investment with these investors. These discussions are progressing positively, and the Company expects that the discussions will result in a favourable outcome, thereby improving the liquidity position of the Hela Group. Once the terms of investment are agreed on with the investors, the Company will provide a further update to the market and seek shareholder approval, as necessary, at an extraordinary general meeting.

The Company has corrected the language in Item 2 of Note 25 in the Financial Statement contained in the Annual Report that contains information with regard to the debt restructure and the discussion with strategic investors, by way of an Errata that will be published immediately after this disclosure.

By Order of the Board

Mrs. S Dimbulana
Director

CORPORATE ADVISORY SERVICES (PRIVATE) LIMITED
PV 3796
SEC/1017/98


SECRETARIES