

# CIRCULAR TO SHAREHOLDERS

## HELA APPAREL HOLDINGS PLC

Company No. PQ 00205151.  
No. 35, Balapokuna Road  
Colombo 06

### FIRST ANNUAL GENERAL MEETING OF THE COMPANY

*Dear Shareholder/s,*

Taking into consideration the current situation prevailing in the country and possible challenges which may arise with regard to transportation, the Board of Directors of Hela Apparel Holdings PLC has decided to hold the 01st Annual General Meeting (AGM) as a Virtual Meeting on 07 September 2022 in line with the guidelines issued by the Colombo Stock Exchange (CSE) for hosting of virtual AGMs and on the assumption that no curfew will be in force on that date and that there would be no restrictions imposed by the authorities on conduct of meetings.

#### 1. METHOD OF HOLDING THE AGM

Only the key officials who are essential for the administration of the formalities of the meeting will be physically present in the Board Room. All others, including shareholders, will participate via an online meeting hosted on a virtual platform.

#### 2. REGISTRATION PROCEDURE

Those Shareholders and Proxy holders who wish to participate via audio visual conferencing technology means should notify the Company of such intention by completing the REGISTRATION FORM.

The duly completed REGISTRATION FORM should be deposited with the Company at No. 35, Balapokuna Road, Colombo 05 or forwarded to [hela\\_agm@helaclotting.com](mailto:hela_agm@helaclotting.com) in order to enable the Company to receive the same 48 hours before the meeting.

The Guidelines for Registration and the Registration Form are available on Company's official website and on the Colombo Stock Exchange (CSE) website, details of which are given under item 6 of this Circular.

#### 3. APPOINTMENT OF PROXY HOLDERS

Shareholders are encouraged to vote by Proxy through appointment of a member of the Board of Directors to vote on their behalf and to include their voting preferences on the resolutions to be taken up at the meeting in the Form of Proxy.

The Form of Proxy will also be made available on the corporate website of the Company and the website of the Colombo Stock Exchange and those Shareholders who wish to submit their Form of Proxy should duly complete the same as per the instructions given therein. The duly completed Form of Proxy should be deposited at the Registered Office of the Company at No. 35, Balapokuna Road, Colombo 05 or forwarded by email [hela\\_agm@helaclotting.com](mailto:hela_agm@helaclotting.com) in order to enable the Company to receive the same by 3.30 pm on 06 September 2022.

#### 4. PARTICIPATION VIA AN ONLINE MEETING PLATFORM

The login information will be authorised only for the use by individual Shareholders, Proxy holders and authorised representatives in case of Institutional Shareholders and the Company will not be responsible or liable for any misuse. Where the Proxy holders are concerned, please note that the login information will only be shared with those in whose favour a valid proxy has been submitted by the Shareholder.

Shareholders can send in their queries, if any, to [hela\\_agm@helaclotting.com](mailto:hela_agm@helaclotting.com) forty eight hours (48) prior to the commencement of the meeting.

#### 5. VOTING

Voting on the items on the Agenda will be registered by using an online e-ballot platform. All such procedures will be explained to the Shareholders prior to the commencement of the meeting.

# CIRCULAR TO SHAREHOLDERS

## 6. COPIES OF THE ANNUAL REPORT 2021/22

The Annual Report of the Company is available on the Corporate Website of the Company - [www.helaclighting.com](http://www.helaclighting.com) and the website of the CSE [www.cse.lk](http://www.cse.lk).

Shareholders may also access the Annual Report and Financial Statements on their mobile phones by scanning the following QR code.



Further to Circular No. 4/2022 dated 27th May 2022, issued by the Colombo Stock Exchange the Company will not be providing a printed copy of the Annual Report. The shareholders may contact Adam Collins on any working day on +94 11 438 5400 or email to [hela\\_agm@helaclighting.com](mailto:hela_agm@helaclighting.com) with regard to any queries relating to viewing of the Annual Report.

All documents relating to the AGM must be forwarded to the Company by post or by email to the following email address [hela\\_agm@helaclighting.com](mailto:hela_agm@helaclighting.com) 48 hours prior to the time fixed for the meeting.

The Notice of Meeting, Form of Proxy, Registration Form and Guidelines for Registration will be made available on the Company Website [www.helaclighting.com](http://www.helaclighting.com) and the website of the CSE [www.cse.lk](http://www.cse.lk).

By order of the Board  
HELA APPAREL HOLDINGS PLC

A handwritten signature in black ink, appearing to read 'P W Corporate Secretarial (PVT) LTD'.

P W CORPORATE SECRETARIAL (PVT) LTD  
Director/Secretaries

15 August 2022

# NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of Hela Apparel Holdings PLC will be held as a virtual meeting on 07 September 2022 at 3.30pm, centred from the Registered Office of the Company at No. 35, Balapokuna Road, Colombo 06 for the following purposes:

## 1. ORDINARY BUSINESS

- 1.1 To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and its subsidiaries and the Statement of Accounts for the year ended 31 March 2022 and the Report of the Auditors thereon.
- 1.2 To pass the ordinary resolution set out below to re-appoint Mr. A R Rasiyah who is over 70 years of age, as a Director of the Company;  

“IT IS HEREBY RESOLVED THAT the age limit stipulated in Section 210 of the Companies Act, No. 07 of 2007 shall not apply to Mr. A R Rasiyah who is over 70 years of age and that he be and is hereby re-appointed a Director of the Company in terms of Section 211 of the Companies Act No. 07 of 2007 up to the next Annual General Meeting of the Company.”
- 1.3 To re-appoint Messrs PricewaterhouseCoopers, Chartered Accountants, the retiring Auditors and to authorise the Directors to determine their remuneration.
- 1.4 To authorise the Directors to determine donations for the year ending 31 March 2023 and up to the date of the next Annual General Meeting.

## 2. SPECIAL BUSINESS

### 2.1 CHANGE OF THE USE OF IPO PROCEEDS

Reference is made to the Item 1.2 (Objectives of the Issue) of the Prospectus of the Initial Public Offering (IPO) of the Company dated 28 December 2021, and the subsequent corporate disclosure to the Colombo Stock Exchange dated 27 May 2022, wherein it listed out the change of use of IPO proceeds in order to strengthen the Company's balance sheet by optimising the funds arising from the IPO, whilst remaining committed to the objectives listed in the Prospectus.

With reference to Objective 1.2.1 - Fabric Mill Investment, the Company is facing delays in finalising the target investment due to the prevailing economic environment in Sri Lanka. Furthermore, in line with the expected utilisation timeline, the Company plans to complete the Productivity-Enhancing Capital Expenditure mentioned under Objective 1.2.3 after the commencement of the second quarter of FY 2022/23, provided economic conditions are favourable at this time. Finally, while Objective 1.2.2 - Funding the Implementation of a New Enterprise Resource Planning (ERP) System is underway, a portion of the required payments are linked to the

United States Dollar and are therefore subject to further depreciation in the Rupee.

In order to avoid the impact of further depreciation in the currency on the remaining funds allocated to these objectives relative to the Company's US Dollar-denominated investment requirements and borrowings, it therefore immediately diverted them to equity investments into its subsidiaries for the purpose of settling additional debt under Objective 1.2.3. This includes Sri Lankan Rupee-denominated debt and US Dollar-denominated debt, which was settled by using the funds to finance local operating expenses and diverting a portion of US dollar export proceeds to debt settlement.

To give effect to the above deviation, the following ratification is proposed to be considered and if thought fit to pass as an Ordinary Resolution.

“The shareholders having noted the recommendation of the Directors, due to the steep depreciation of the exchange rate, HEREBY RATIFY the change of use of IPO proceeds in order to avoid the impact of further depreciation in the currency on the remaining funds allocated to the Company's US Dollar-denominated investment requirements and borrowings, is therefore immediately diverted to equity investments into its subsidiaries for the purpose of settling additional debt under Objective 1.2.3 and is in the best interest of the Company and all its shareholders be hereby ratified.”

By Order of the Board,  
HELA APPAREL HOLDINGS PLC



P W CORPORATE SECRETARIAL (PVT) LTD  
DIRECTOR / SECRETARIES

15 August 2022  
At Colombo

## NOTES:

- 1) A shareholder entitled to attend and vote at the Meeting is entitled to appoint a Proxy who need not be a shareholder, to attend and vote instead of him/her. A Proxy may vote on a poll (and join in demanding a poll) but not on a show of hands.
- 2) A Form of Proxy is enclosed in this Report.
- 3) The completed Form of Proxy should be deposited at the Company, No. 35, Balapokuna Road, Colombo 06 or emailed to [hela\\_agm@helaclothing.com](mailto:hela_agm@helaclothing.com) by 3.30 pm on 06 September 2022.

# FORM OF PROXY

HELA APPAREL HOLDINGS PLC

\*I/We ..... holder of

NIC No ..... of ..... being a

\*Shareholder / Shareholders of Hela Apparel Holdings PLC, do hereby appoint .....

holder of NIC No. .... of ..... or failing him/her

Mr. A R Rasiah or failing him

Mr. P L D Jinadasa or failing him

Mr. Gayan Gunawardana or failing him

Ms. A Nanayakkara or failing her

Ms. T Peries or failing her

Mr. Patrick Schleiffer or failing him

Dr. A J Alderton or failing him

(Alternate Director - Mr. Shesan Khan)

as \*my/our proxy to represent me/us to speak and vote for me/us on my/our behalf at the First Annual General Meeting of the Company to be held on 07 September 2022 at 3.30pm as a virtual AGM centred from the Registered Office of the Company at No. 35, Balapokuna Road, Colombo 06 and any adjournment thereof and at every poll which may be taken in consequence thereof.

		For	Against
<b>1. ORDINARY BUSINESS</b>			
1.1	To pass the ordinary resolution set out in the Notice of Meeting under item 1.2 for the re-appointment of Mr. A R Rasiah.	<input type="checkbox"/>	<input type="checkbox"/>
1.2	To re-appoint Messrs PricewaterhouseCoopers, Chartered Accountants, the retiring Auditors and to authorise the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
1.3	To authorise the Directors to determine donations for the year ending 31 March 2023 and up to the date of the next Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>
<b>2. SPECIAL BUSINESS</b>			
2.1	To pass the ordinary resolution set out in the Notice of Meeting under item 2.1 ratifying the change of use of the Initial Public Offering proceeds.	<input type="checkbox"/>	<input type="checkbox"/>

Signed this ..... day of ..... Two Thousand and Twenty Two

.....  
Signature

- 1) \*Please delete the inappropriate words.
- 2) Instructions as to completion are noted on the reverse thereof.

# FORM OF PROXY

## **INSTRUCTIONS AS TO COMPLETION**

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
- 2. THE PROXY SHALL**
  - (a) In the case of an individual be signed by the shareholder or by his/her attorney, and if signed by an Attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.
  - (b) In the case of a company or corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the company or corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute (as applicable).
3. Please indicate with a 'X' how the Proxy should vote on each resolution. If no indication is given, the Proxy in his/her discretion will vote as he/she thinks fit.
4. To be valid, the completed Form of Proxy should be deposited at the Company, No. 35, Balapokuna Road, Colombo 06 or emailed to [hela\\_agm@helaclimbing.com](mailto:hela_agm@helaclimbing.com) by 3.30 pm on 06 September 2022.

# GUIDELINE AND REGISTRATION PROCESS FOR THE ANNUAL GENERAL MEETING (AGM) VIA ONLINE MEETING PLATFORM

1. Shareholders are required to join the virtual AGM by clicking on the meeting link and user credentials sent by Hela Apparel Holdings PLC via email.
2. The request to register names for online participation via the Online Meeting Platform should be delivered to the Company at 35 Balapokuna Road, Colombo 6 or e-mailed to [hela\\_agm@helaclotting.com](mailto:hela_agm@helaclotting.com) along with the required registration information as per the **REGISTRATION FORM** by 3.30 pm on 05 September 2022.
3. The information received from a Shareholder pertaining to his/her Proxy holder should tally with the information indicated in the duly completed Form of Proxy submitted by the Shareholder in order for the meeting link and user credentials to be shared by the Company with the Proxy holder.
4. Hela Apparel Holdings PLC will verify all the registration requests and identification details received against the Shareholders' register and accept the registrations for AGM if it is satisfied with the request and supporting documents. Once the registration is accepted, Shareholders will receive an email confirmation acknowledging the registration.
5. The Shareholders whose online participation request has been accepted will receive a separate email containing the meeting link and user credentials from Hela Apparel Holdings PLC, twenty four (24) hours prior to the commencement of the AGM.
6. If a Shareholder/Proxy holder intends to join the Virtual AGM via a smart phone, it is necessary for him/her to download the "**Zoom Mobile App**" onto his/her smart phone. Similarly if a shareholder/Proxy holder wishes to attend the Virtual AGM via a desktop computer, the link can be opened by downloading the "**Zoom Desktop App**" to the respective desktop computer (Compatible web browser: **Google Chrome**).
7. The Shareholders/Proxy holders are requested to use the web link which will be forwarded by the Company and click on "**Virtual AGM Registration**" in order to log in to the meeting.
8. Upon clicking on the link forwarded by the Company, Shareholders/Proxy holders will be redirected to an interface where they will be requested to enter their **first name, last name, email address, re- enter email address and National Identity Card Number**. The participants are required to enter the correct details as mentioned in the registration form forwarded to us where any mismatch will be considered as an unsuccessful log in.
9. At this point, all participants are requested to click on "**REGISTER**" which will be prompted on their screens enabling them to receive the log in link.
10. Participants are required to click on "**Join the Virtual AGM of Hela Apparel Holdings PLC**".
11. It is recommended to join the meeting at least ten (10) minutes before the start of the AGM. The Online Meeting Platform will be active thirty (30) minutes before the start of the AGM.
12. Once the credentials are inserted, he/she will be directed to the Virtual AGM Zoom Platform.
13. Shareholders/Proxy holders may use the **Q & A** tab or the **Hand Raise** (🙋) icon appearing on the screen respectively, to submit their questions or concerns in typed format or verbally. The system will allow a pop up message to **unmute the microphone and to allow video options**.
14. The Company will forward a separate email to the Shareholders and to Proxy holders or representatives who are entitled to vote providing a separate link to vote on all resolutions included in the Notice of Meeting dated 15 August 2022.
15. We request such persons to please open the said link and be prepared to cast their vote when each resolution is taken up for voting by the Chairman. Participants are advised to "**refresh**" the voting page and cast the vote as per their discretion in the given space and click "**SUBMIT**" enabling the Company to receive the responses.
16. When declaring the position of a resolution, the Chairman will take in to account the voting of the Shareholders/ Proxy holders participating virtually
17. **60 seconds** will be allocated for Shareholders/Proxy holders to cast their vote in respect of each resolution.
18. The results will be processed and announced by the Chairman 15 seconds after the end of the time slot allocated for voting.
19. In a situation where Shareholders' voting is required for a poll, the same mechanism will be applicable. This will be moderated by the Chairman of the meeting.
20. It is advised to check the online AGM access at least 3 hours prior and also ensure that your devices have an audible sound system so that you could be a part of the AGM comfortably.

# REGISTRATION FORM

01ST ANNUAL GENERAL MEETING (AGM) OF HELA APPAREL HOLDINGS PLC TO BE HELD AS A VIRTUAL MEETING ON 07 SEPTEMBER 2022 AT 3.30PM

### DETAILS OF SHAREHOLDER

Full Name of the Principal Shareholder : .....

NIC No./Passport No./Company Registration No. : .....

CDS Account No. : .....

Residential Address : .....  
.....  
.....

Telephone No/s : .....

Email : .....

Full Name of 01st Joint Holder : .....

.....

NIC No/ Passport No. : .....

Full Name of 02nd Joint holder : .....

.....

NIC No/ Passport No. : .....

In the event Proxy holder is appointed by the Shareholder following details of his/her will also be required.

### DETAILS OF PROXY HOLDER: (only if a proxy is appointed)

Full name of Proxy holder : .....

.....

NIC No./Passport No. of Proxy holder : .....

Telephone No/s. : .....

Email : .....

### PARTICIPATION AT THE AGM - Please tick the cage below

Online

I/My Proxy holder am/is willing to participate at the AGM

Signature/s .....  
Principal Shareholder

.....  
01st Joint holder

.....  
02nd Joint holder

Date : .....

**Note:** In the case of a Company/Corporation, the Shareholder Registration Form must be signed in the manner prescribed by its Articles of Association/Statute and in the case of the Registration Form is signed by an Attorney, the Power of Attorney, must be deposited at No. 35, Balapokuna Road, Colombo 06, or emailed to [hela\\_agm@helaclathing.com](mailto:hela_agm@helaclathing.com).