



INVESTOR UPDATE

FOCUS BRANDS ACQUISITION

30 January 2024



AGENDA

1. ACQUISITION OVERVIEW

2. ABOUT FOCUS BRANDS

3. ALIGNMENT WITH HELA GROUP

4. POST-ACQUISITION VISION



ACQUISITION OVERVIEW | SUMMARY



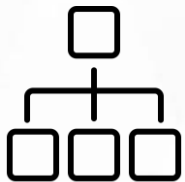
Hela has acquired 100% of Focus Brands Limited – a major UK-based apparel brand licensing house



Total purchase consideration of GBP 8,000,000 and the seller was JD Sports Fashion PLC, one of the world's largest sports fashion retailers



Transaction was completed on 24th January 2024 via wholly-owned subsidiary Hela Brands Limited (domiciled in Mauritius)



Focus Brands will form the basis of Hela's new 'Brand License Division', and operate independent of the existing business

FOCUS BRANDS – AT A GLANCE

\$100m Approx. USD revenue for 12 months ended 31st Dec. 2023

220 Employees across all locations

11 Licensed & Owned Apparel Brands

8 Global Offices and Showrooms

3 UK & European Distribution Centres



FOCUS
BRANDS

ABOUT FOCUS BRANDS

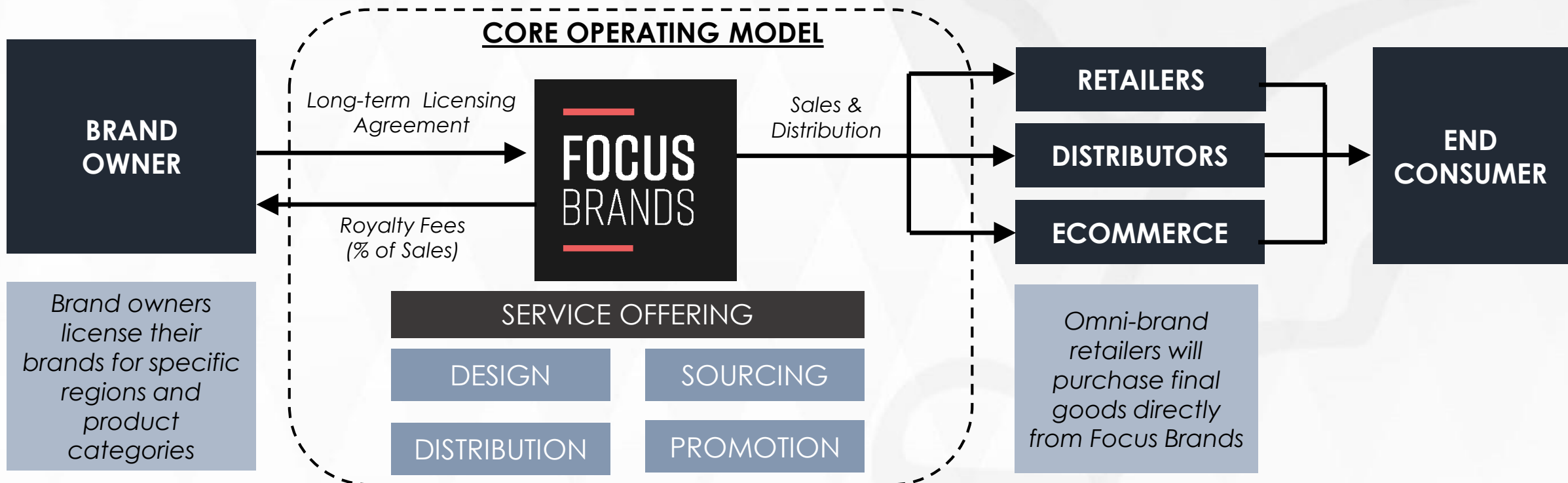
ABOUT FOCUS BRANDS | BUSINESS MODEL



Focus Brands is an established brand licensing and management company, based in the UK that specialises in the building world-leading sports fashion and lifestyle brands



POSITIONING IN THE APPAREL VALUE CHAIN



ABOUT FOCUS BRANDS | LICENSED BRANDS



**HERITAGE EUROPEAN
SPORTS FASHION BRAND**



Mens, Womens & Kids
Apparel, Accessories



UK, Ireland, Germany, France,
Spain, US, Canada, Australia &
New Zealand, and other
selected international markets



**LEADING GLOBAL LIFESTYLE
BRAND WITH SAILING HERITAGE**



Mens, Womens & Kids
Apparel, Accessories



UK & European Union



**TAKING THE ESSENCE AND SPIRIT OF
NAUTICA TO A NEW GENERATION**



Mens, Womens & Kids
Apparel, Accessories



UK & European Union

Note: The above information is a summary of the existing brand licenses for reference purposes only. The exact product and geographical coverage may vary based on the detailed license agreements for each brand.

ABOUT FOCUS BRANDS | LICENSED BRANDS



**HERITAGE AMERICAN
WORKWEAR BRAND**



Footwear Only



UK & Selected European
Countries



**HERITAGE EUROPEAN
FOOTBAL BRAND**



Mens, Womens & Kids
Apparel, Accessories



UK & European Union



**HERITAGE AMERICAN
LIFESTYLE BRAND**



Mens, Womens & Kids
Apparel, Accessories

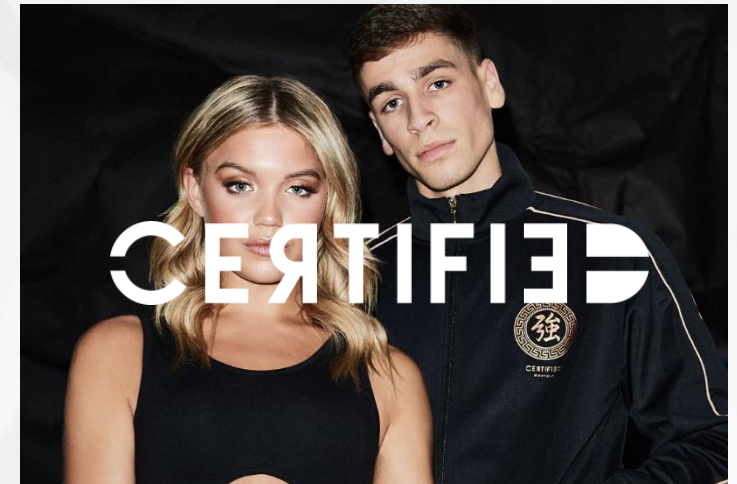


UK & Selected European
Countries

Note: The above information is a summary of the existing brand licenses for reference purposes only. The exact product and geographical coverage may vary based on the detailed license agreements for each brand.

ABOUT FOCUS BRANDS | OWNED BRANDS

Focus Brands owns the intellectual property for a number of emerging lifestyle apparel brands, with the potential to be distributed on an exclusive basis to partnered retailers



ABOUT FOCUS BRANDS | GLOBAL FOOTPRINT



OFFICES



MANCHESTER
(Huddersfield)



LONDON
(St Albans)



CHINA
(Ningbo)

PRODUCT SHOWROOMS



MANCHESTER
(Huddersfield)



LONDON



AMSTERDAM



BERLIN



MUNICH



DÜSSELDORF
(Neuss)

DISTRIBUTION CENTRES



ST ALBANS, UK



BIGGLESWADE, UK



BELGIUM
(Third Party Warehouse)

ABOUT FOCUS BRANDS | FINANCIAL HIGHLIGHTS



KEY FINANCIAL INDICATORS FOR 12 MONTHS ENDED 31st DECEMBER 2023*

REVENUE **US\$ 103 Mn**

EBITDA **US\$ 3.7 Mn**
(3.6% Margin)

PROFIT
AFTER TAX **US\$ 2.0 Mn**
(1.9% Margin)

DEBT
BURDEN **None**

Consolidation into Hela Group's financial results will commence in Q4 FY 2023/24 and is expected to have a positive impact on both the P&L and balance sheet

**Notes: Based on unaudited management accounts. The functional and reporting currency of Focus Brands is currently GBP. As such, these figures have been converted based on a period average exchange rate of 1.24 GBP/USD*





ALIGNMENT WITH HELA GROUP

ALIGNMENT WITH HELA | ACQUISITION RATIONALE



180

Focus Brands represents a major strategic investment to ensure Hela's long-term position in a rapidly evolving apparel industry – in line with Project 180° strategy

STRATEGIC BENEFITS



Forward Integration – Movement closer to the end consumer, providing higher blended profit margins



World-Class Capabilities – Access to Focus Brands' market-leading design, product development and promotion skills



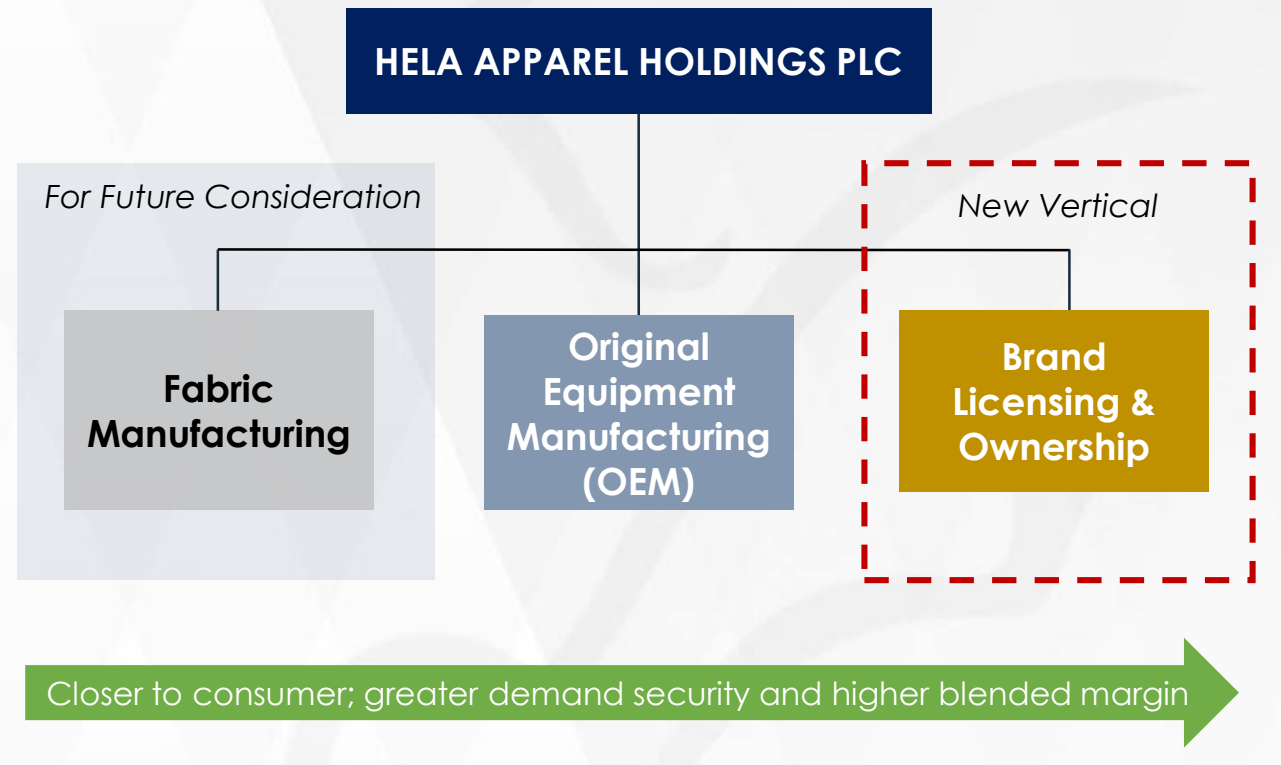
Improved Demand Security – Source of demand for Hela's existing manufacturing business (for suitable product categories)

VISION FOR HELA APPAREL HOLDINGS

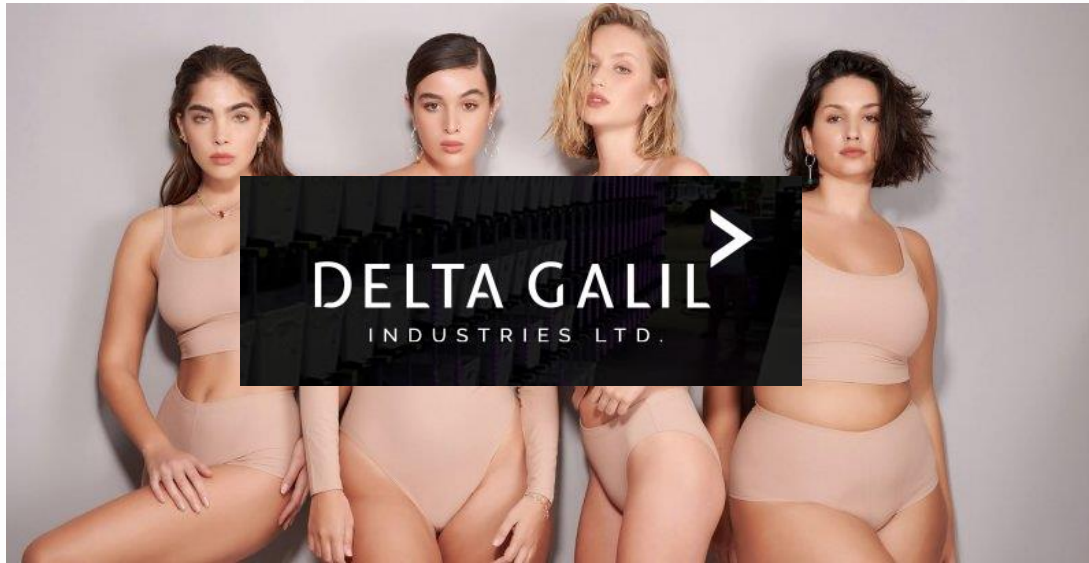


Hela will become a **fully vertically-integrated services provider** for the apparel sector

ENVISIONED FUTURE STRUCTURE OF THE HELA GROUP



ALIGNMENT WITH HELA | INDUSTRY PEERS



Listed Israeli apparel company with an extensive presence in manufacturing and brand management:

- Licensed Brands
- Owned Brands
- Private Label Manufacturing
- Direct-to-Consumer Retailing

\$2.0 Bn

Revenue (FY22)

\$284 Mn

EBITDA (FY22)

14.3x

P/E Ratio (TTM)



Listed Indian apparel company, positioned as a 'Global Fashion Infrastructure Company' providing:

- Design-Led Sourcing
- Sourcing as Service
- Owned Manufacturing Solutions
- Brand Management

\$1.3 Bn

Revenue (FY22)

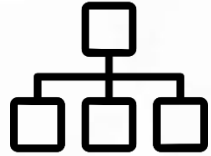
\$56 Mn

EBITDA (FY23)

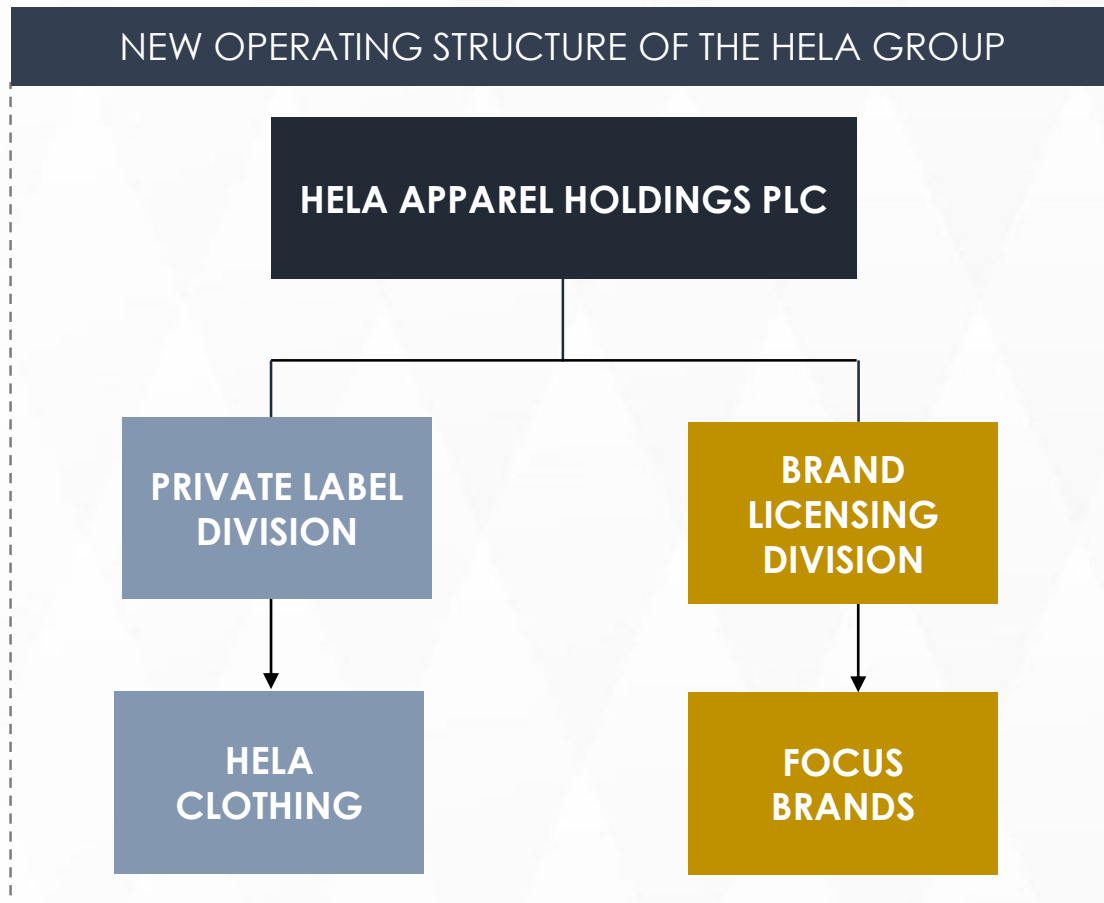
34.4x

P/E Ratio (TTM)

ALIGNMENT WITH HELA | OPERATING STRUCTURE



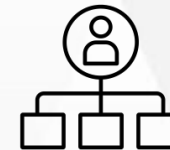
Focus Brands will form the basis of Hela's new 'Brand Licensing Division' – separate from existing manufacturing business (now referred to as our 'Private Label Division')



OPERATING PRINCIPLES



Focus Brands will be operated as a stand-alone entity in the Hela Group, with a separate management team



Group CEO will oversee both verticals with only critical shared services to ensure suitable financial reporting and risk controls



Trading between the two divisions will be on an 'arms-length basis', to ensure each is independently profitable



Synergies will be built overtime, rather than being an immediate focus to avoid disrupting existing operations

ALIGNMENT WITH HELA | LEADERSHIP



NEW LEADERSHIP TEAM OF INDUSTRY SPECIALISTS



Ray Evans – CEO, Focus Brands

An award-winning Chief Executive Officer/Chief Commercial Officer, with **25 years of experience** delivering sustainable and profitable growth anchored in brand building and licensing within the European sports industry



Julie Bromilow – CFO, Focus Brands

Commercial finance leader with in-depth experience of managing international finance functions. Fully qualified ACMA professional with **15 years of experience** within sportswear/fashion wholesale and retail, as well as the food retail and FMCG industries

SUPPORTED BY RETAIL EXPERTISE OF HELA BOARD AND SHAREHOLDER BASE



Dr Alastair Alderton – Co-Chairman, Hela Apparel Holding PLC

Alastair also serves as CEO of Rianta Capital – London-based investment advisory firm that has a strong footprint in the global fashion industry and also represents of Hela's largest shareholder (Lesing Hela)



Lesing Hela Limited – Largest Shareholder of Hela Apparel Holding PLC

An investment company benefiting the family of Tom Singh, the UK fast fashion pioneer and founder of high-street fashion chain 'New Look'

Current & Past Retail Investments

maurices

NEW LOOK

FOREVER NEW



ALIGNMENT WITH HELA | EXPECTED SYNERGIES



Opportunity to leverage Hela & Focus Brands' existing customer networks to access new markets and distribution opportunities



Hela's sophisticated supply chain will support duty-free sourcing and innovative inventory solutions for Focus Brands



Leveraging mutual strengths in design and product development to drive hero product creation across both organisations



Supporting Hela to develop & demonstrate manufacturing capabilities in new product categories – such as outerwear





FOCUS
BRANDS

POST-ACQUISITION VISION



Acquisition of Focus Brands will boost Hela's journey to becoming a US\$ 400 Mn company

- Significant scope to grow the Focus Brands business
- Forms basis for profitable & resilient future for the Hela Group



Opens doors to numerous new opportunities to grow both Brand Licensing & Private Label Divisions

- Major new brand licenses under consideration
- Cross selling opportunities with Hela customers already being explored



Foundation for innovative new solutions for both Hela and Focus Brands customers

- Significantly strengthens Hela's design & product development capabilities
- Opportunity to leverage Focus Brand's distribution network for Hela customers

SAFE HARBOR STATEMENT

The material in this presentation has been prepared by Hela Apparel Holdings PLC (“Hela”) and provides information about Hela’s activities as at the date of this presentation. This information is given in summary form and does not purport to be complete. Information in this presentation, including forecast financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice. All securities and financial product or instrument transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments and, in international transactions, currency risk.

This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to Hela’s businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Hela does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside Hela’s control. Past performance is not a reliable indication of future performance.

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THANK YOU

