



**HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FOURTH QUARTER ENDED  
31 MARCH 2022**

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### CHAIRMAN'S REVIEW

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The fourth quarter marked the end of a landmark year of growth and consolidation for the Hela Group, amidst a challenging global and local operating environment. Record full year revenue of LKR 56 Bn in FY 2021-22, represented a 75% growth over the previous year driven by the strong recovery in global demand from the effects of the COVID-19 pandemic and the Company's successful customer engagement strategies. However, as a result of external costs pressures, as well as operational challenges and one-off impacts in the fourth quarter, profit attributable to equity holders closed the year below expectations at LKR 818 Mn, compared to LKR 767 Mn in FY 2020-21.

While on a quarterly basis, revenue continued its strong growth trajectory in the fourth quarter – rising by 46% compared to the corresponding quarter of the previous year – persistent increases in global commodity prices and freight costs continued to weigh on gross margins. In addition, ongoing disruptions to global supply chains and a temporary labour dispute in Kenya increased operational expenses. The depreciation in the Sri Lankan Rupee in the final weeks of the quarter also contributed to one-off impacts, notably a significant increase in deferred income tax expenses. As a result, while Profit-Before-Tax of LKR 1,074 Mn for FY 2021-22 represented a 18% increase compared to the previous year, Net Profit declined by 6% to LKR 815 Mn.

The successful completion of the company's listing during the fourth quarter has also significantly strengthened the Hela Group's balance sheet, positioning it for well for further global expansion. The intended settlement of debt using the IPO proceeds is well underway and the Debt-to-Equity ratio dropped to 2.4 as of 31st March 2022, compared to 4.0 at the close of the previous financial year.

Demand conditions remain strong in the Company's key markets in Europe and North America and are reflected in the Group's robust order book. That said, the impact of high rates of inflation and rising interest rates on real household incomes is a risk. In addition, US Dollar liquidity constraints in Sri Lanka and persistent supply chain disruptions are also creating operational challenges. The management's focus in the coming months will be on navigating through these operational challenges, while consolidating the Company's larger revenue base and implementing comprehensive margin improvement measures. In this context, revenue growth is expected to be more measured in FY2022-23, while profitability should resume its positive trajectory as external pressures ease and cost management measures take effect.

A. R. Rasiah  
**Chairman**

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Note: We advise readers of these interim condensed financial statements to take note of the forward looking statements disclosure on the final page.

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of profit or loss

(all amounts in Sri Lankan Rupees)

	Group		Company	
	Three months ended 31 March		Three months ended 31 March	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Revenue from contracts with customers	14,593,552,303	9,988,990,729	-	-
Cost of sales	(11,685,354,157)	(7,475,300,564)	-	-
<b>Gross profit</b>	<b>2,908,198,146</b>	2,513,690,165	-	-
Distribution costs	(616,134,574)	(149,279,549)	-	-
Administrative costs	(1,846,480,128)	(1,610,330,754)	(40,325,069)	(1,284,295)
Net impairment losses on financial assets	-	(16,762,980)	-	-
Other income	(14,817,317)	17,624,966	-	-
Other gains / (losses) - net	72,444,126	68,585,412	(1,386,139,940)	(245,511)
<b>Operating profit / (loss)</b>	<b>503,210,253</b>	823,527,260	<b>(1,426,465,009)</b>	(1,529,806)
Finance income	26,711,347	7,002,413	32,598,868	58,550
Finance costs	(496,959,598)	(347,662,170)	(16,848)	(25,741)
Finance costs - net	(470,248,251)	(340,659,757)	32,582,020	32,809
Share of net gain of joint ventures	(68,737,655)	-	-	-
<b>Profit / (loss) before income tax</b>	<b>(35,775,653)</b>	482,867,503	<b>(1,393,882,988)</b>	(1,496,997)
Income tax expense	(224,902,371)	(5,530,507)	(7,820,057)	(28,377)
<b>Profit / (loss) for the period</b>	<b>(260,678,024)</b>	477,336,996	<b>(1,401,703,045)</b>	(1,525,374)
Profit / (loss) is attributable to:				
Owners of Hela Apparel Holdings PLC	(289,032,240)	415,458,723	(1,401,703,045)	(1,525,374)
Non-controlling interests	28,354,216	61,878,273	-	-
<b>Profit / (loss) for the period</b>	<b>(260,678,024)</b>	477,336,996	<b>(1,401,703,045)</b>	(1,525,374)
<b>Earnings / (loss) per share for profit / (loss) attributable to the equity holders of the Company</b>				
Basic / diluted earnings / (loss) per share	(0.54)	41.55	(2.62)	(0.15)

**HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES**

**Condensed statement of comprehensive income**

(all amounts in Sri Lankan Rupees)

	Group		Company	
	Three months ended 31 March		Three months ended 31 March	
	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Profit / (loss) for the period</b>	<b>(260,678,024)</b>	477,336,996	<b>(1,401,703,045)</b>	(1,525,374)
<b>Other comprehensive income:</b>				
<i>Items that will be reclassified to profit or loss</i>				
Currency translation differences	<b>4,230,503,925</b>	316,794,403	<b>2,319,671,634</b>	137,942,350
<i>Items that will not be reclassified to profit or loss</i>				
Gain on revaluation of land and buildings	28,049,905	11,414,868	-	-
	-	-	-	-
Deferred income tax impact relating to revaluation	(5,808,062)	(1,871,783)	-	-
	-	-	-	-
Remeasurements of post-employment benefit obligations	63,537,334	(40,447,234)	-	-
	-	-	-	-
Deferred income tax impact relating to remeasurements of post-employment benefit obligations - gratuity	(7,484,676)	4,511,823	-	-
	-	-	-	-
<b>Other comprehensive income for the period, net of tax</b>	<b>4,308,798,426</b>	290,402,077	<b>2,319,671,634</b>	137,942,350
<b>Total comprehensive income for the period</b>	<b>4,048,120,402</b>	767,739,073	<b>917,968,588</b>	136,416,976

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of profit or loss

(all amounts in Sri Lankan Rupees)

	Group		Company	
	Twelve months ended 31 March		Twelve months ended 31 March	
	2022 (Unaudited)	2021 (Audited)	2022 (Unaudited)	2021 (Audited)
Revenue from contracts with customers	56,179,622,396	32,155,092,492	-	-
Cost of sales	(47,367,813,833)	(26,144,414,131)	-	-
<b>Gross profit</b>	<b>8,811,808,563</b>	6,010,678,361	-	-
Distribution expenses	(1,444,235,775)	(598,519,088)	-	-
Administrative expenses	(5,179,650,802)	(3,780,666,026)	(47,478,891)	(4,359,032)
Net impairment losses on financial assets	-	(16,762,980)	-	-
Other income	93,285,552	262,843,784	-	-
Other gains / (losses) - net	322,291,727	82,449,589	(1,386,313,944)	(420,963)
<b>Operating profit / (loss)</b>	<b>2,603,499,265</b>	1,960,023,640	<b>(1,433,792,835)</b>	(4,779,995)
Finance income	32,583,607	10,174,342	32,583,573	118,020
Finance costs	(1,470,750,731)	(1,058,098,708)	(44,311)	(1,503)
Finance costs - net	(1,438,167,124)	(1,047,924,366)	32,539,262	116,517
Share of net loss of joint ventures	(91,516,094)	-	-	-
<b>Profit / (loss) before income tax</b>	<b>1,073,816,046</b>	912,099,274	<b>(1,401,253,573)</b>	(4,663,478)
Income tax expense	(258,840,143)	(40,563,563)	(7,820,057)	(28,377)
<b>Profit / (loss) for the year</b>	<b>814,975,903</b>	871,535,711	<b>(1,409,073,630)</b>	(4,691,855)
Profit / (loss) is attributable to:				
Owners of Hela Apparel Holdings PLC	818,355,211	766,845,546	(1,409,073,630)	(4,691,855)
Non-controlling interests	(3,379,308)	104,690,165	-	-
<b>Profit / (loss) for the year</b>	<b>814,975,903</b>	871,535,711	<b>(1,409,073,630)</b>	(4,691,855)

### Earnings / (loss) per share for profit / (loss) attributable to the equity holders of the Company

Basic / diluted earnings / (loss) per share	1.53	76.68	(2.63)	(0.47)
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## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of comprehensive income

(all amounts in Sri Lankan Rupees)

	Group		Company	
	Twelve months ended 31 March		Twelve months ended 31 March	
	2022 (Unaudited)	2021 (Audited)	2022 (Unaudited)	2021 (Audited)
<b>Profit / (loss) for the year</b>	<b>814,975,903</b>	871,535,711	<b>(1,409,073,630)</b>	(4,691,855)
<b>Other comprehensive income:</b>				
<i>Items that will be reclassified to profit or loss</i>				
Currency translation differences	<b>4,256,608,746</b>	307,969,290	<b>2,349,565,862</b>	168,630,316
<i>Items that will not be reclassified to profit or loss</i>				
Gain on revaluation of land and buildings	<b>28,049,905</b>	11,414,868	-	-
Deferred income tax impact relating to revaluation	<b>(5,808,062)</b>	(1,871,783)	-	-
Remeasurements of post-employment benefit obligations	<b>63,537,334</b>	(40,447,234)	-	-
Deferred income tax impact relating to remeasurements of post-employment benefit obligations - gratuity	<b>(7,484,676)</b>	4,511,823	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>4,334,903,247</b>	281,576,964	<b>2,349,565,862</b>	168,630,316
<b>Total comprehensive income for the year</b>	<b>5,149,879,151</b>	1,153,112,675	<b>940,492,232</b>	163,938,461

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of financial position

(all amounts in Sri Lankan Rupees)

	Group		Company	
	31 March 2022 (Unaudited)	31 March 2021 (Audited)	31 March 2022 (Unaudited)	31 March 2021 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5,954,796,138	3,560,886,307	-	-
Investment property	564,075,460	340,795,890	-	-
Right-of-use assets	1,853,419,672	562,667,370	-	-
Intangible assets	10,914,667,894	7,271,434,771	-	916,380
Capital work-in-progress	599,806,680	42,338,794	-	-
Investment in subsidiaries	-	-	1,904,030,505	1,236,265,748
Investment in joint venture	320,406,905	-	-	-
Deferred tax assets	-	290,374,861	-	-
Other financial assets at amortised cost	331,890	220,934	-	-
<b>Total non-current assets</b>	<b>20,207,504,639</b>	<b>12,068,718,927</b>	<b>1,904,030,505</b>	<b>1,237,182,128</b>
<b>Current assets</b>				
Inventories	13,279,658,327	5,453,106,060	-	-
Trade receivables	13,006,379,204	5,288,323,019	-	-
Other financial assets at amortised cost	1,057,993,423	911,737,155	3,945,240,306	737,872,187
Other assets	1,658,234,864	1,034,839,811	-	-
Income tax receivables	5,077,618	6,294,640	-	-
Cash and cash equivalents	5,244,150,236	1,896,512,633	1,115,481,067	2,173,914
<b>Total current assets</b>	<b>34,251,493,672</b>	<b>14,590,813,318</b>	<b>5,060,721,373</b>	<b>740,046,101</b>
<b>Total assets</b>	<b>54,458,998,311</b>	<b>26,659,532,245</b>	<b>6,964,751,878</b>	<b>1,977,228,229</b>
<b>EQUITY</b>				
Stated capital	5,696,037,118	1,723,898,790	5,696,037,118	1,723,898,790
Retained earnings / (accumulated losses)	2,200,499,174	1,313,834,962	(1,441,677,154)	(32,603,524)
Other reserves	141,032,682	86,065,358	114,947,445	82,221,964
Exchange equalization reserve	4,762,377,686	505,768,939	2,550,488,412	200,922,550
Capital and reserves attributable to owners of Hela Apparel Holdings PLC	12,799,946,660	3,629,568,049	6,919,795,821	1,974,439,780
Non-controlling interests	150,523,120	340,115,765	-	-
<b>Total equity</b>	<b>12,950,469,780</b>	<b>3,969,683,814</b>	<b>6,919,795,821</b>	<b>1,974,439,780</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	1,593,542,626	2,063,220,376	-	-
Deferred income tax liabilities	389,314,744	357,485,792	-	-
Lease liabilities	1,733,318,249	548,511,446	-	-
Employee benefit obligations	426,414,066	436,902,553	-	-
<b>Total non-current liabilities</b>	<b>4,142,589,685</b>	<b>3,406,120,167</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	9,017,930,638	6,110,299,701	44,953,964	2,287,465
Lease liabilities	433,923,750	73,888,823	-	-
Income tax liabilities	27,250,262	1,675,718	-	-
Borrowings	27,886,834,196	13,097,864,022	2,093	500,984
<b>Total current liabilities</b>	<b>37,365,938,846</b>	<b>19,283,728,264</b>	<b>44,956,057</b>	<b>2,788,449</b>
<b>Total liabilities</b>	<b>41,508,528,531</b>	<b>22,689,848,431</b>	<b>44,956,057</b>	<b>2,788,449</b>
<b>Total equity and liabilities</b>	<b>54,458,998,311</b>	<b>26,659,532,245</b>	<b>6,964,751,878</b>	<b>1,977,228,229</b>
Net assets per share	9.82	362.94	5.31	197.44

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007

Sgd.  
Group Chief Financial Officer  
Date: 25 May 2022

The Board of Directors is responsible for the preparation and presentation of these financial statements. Approved and signed for and on behalf of the Board of Directors.

Sgd,  
Director  
Date: 25 May 2022

Sgd.,  
Director  
Date: 25 May 2022

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of changes in equity

(all amounts in Sri Lankan Rupees)

Group

	Attributable to owners of Hela Apparel Holdings PLC						
	Stated capital	Retained earnings	Other reserves	Exchange equalization reserve	Total	Non-controlling interests	Total equity
<b>Balance at 1 April 2020</b>	1,723,896,190	582,924,827	(1,023,579)	197,799,649	2,503,597,087	230,749,488	2,734,346,575
Profit for the year	-	766,845,546	-	-	766,845,546	104,690,165	871,535,711
Other comprehensive income	-	(35,935,411)	4,866,973	307,969,290	276,900,852	4,676,112	281,576,964
<b>Total comprehensive income for the year</b>	-	<b>730,910,135</b>	<b>4,866,973</b>	<b>307,969,290</b>	<b>1,043,746,398</b>	<b>109,366,277</b>	<b>1,153,112,675</b>
Issue of shares to employees under the ESOP - value of employee services	-	-	82,221,964	-	82,221,964	-	82,221,964
Share issue	2,600	-	-	-	2,600	-	2,600
<b>Balance at 31 March 2021</b>	<b>1,723,898,790</b>	<b>1,313,834,962</b>	<b>86,065,358</b>	<b>505,768,939</b>	<b>3,629,568,049</b>	<b>340,115,765</b>	<b>3,969,683,814</b>
<b>Balance at 1 April 2021</b>	<b>1,723,898,790</b>	<b>1,313,834,962</b>	<b>86,065,358</b>	<b>505,768,939</b>	<b>3,629,568,049</b>	<b>340,115,765</b>	<b>3,969,683,814</b>
Profit/ (loss) for the year	-	818,355,211	-	-	818,355,211	(3,379,308)	814,975,903
Other comprehensive income	-	56,052,658	22,241,843	4,256,608,746	4,334,903,247	-	4,334,903,247
<b>Total comprehensive income for the year</b>	-	<b>874,407,869</b>	<b>22,241,843</b>	<b>4,256,608,746</b>	<b>5,153,258,459</b>	<b>(3,379,308)</b>	<b>5,149,879,151</b>
NCI on business combination	-	126,088,762	-	-	126,088,762	(186,213,337)	(60,124,575)
Issue of shares to employees under the ESOP - value of employee services	-	-	32,725,481	-	32,725,481	-	32,725,481
Share issue	4,006,638,103	-	-	-	4,006,638,103	-	4,006,638,103
Capitalization of share issue expenses	(34,499,775)	-	-	-	(34,499,775)	-	(34,499,775)
Prior period adjustment on IFRS 16	-	(113,832,420)	-	-	(113,832,420)	-	(113,832,420)
<b>Balance at 31 March 2022</b>	<b>5,696,037,118</b>	<b>2,200,499,174</b>	<b>141,032,682</b>	<b>4,762,377,685</b>	<b>12,799,946,659</b>	<b>150,523,120</b>	<b>12,950,469,780</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of changes in equity

(all amounts in Sri Lanka Rupees)

Company

	Stated capital	Share based payments	Retained earnings / (accumulated losses)	Exchange equalization reserve	Total
<b>Balance at 1 April 2020</b>	1,723,896,190	-	(27,911,669)	32,292,234	1,728,276,755
Loss for the year	-	-	(4,691,855)	-	(4,691,855)
Other comprehensive income	-	-	-	168,630,316	168,630,316
<b>Total comprehensive income for the year</b>	-	-	(4,691,855)	168,630,316	163,938,461
Issue of shares to employees under the ESOP - value of employee services	-	82,221,964	-	-	82,221,964
Share issue	2,600	-	-	-	2,600
<b>Balance at 31 March 2021</b>	<b>1,723,898,790</b>	<b>82,221,964</b>	<b>(32,603,524)</b>	<b>200,922,550</b>	<b>1,974,439,780</b>
<b>Balance at 1 April 2021</b>	<b>1,723,898,790</b>	<b>82,221,964</b>	<b>(32,603,524)</b>	<b>200,922,550</b>	<b>1,974,439,780</b>
Loss for the year	-	-	(1,409,073,630)	-	(1,409,073,630)
Other comprehensive income	-	-	-	2,349,565,862	2,349,565,862
<b>Total comprehensive income for the year</b>	-	-	<b>(1,409,073,630)</b>	<b>2,349,565,862</b>	<b>940,492,232</b>
Issue of shares to employees under the ESOP - value of employee services	-	32,725,481	-	-	32,725,481
Share issue	4,006,638,103	-	-	-	4,006,638,103
Capitalization of share issue expenses	(34,499,775)	-	-	-	(34,499,775)
<b>Balance at 31 March 2022</b>	<b>5,696,037,118</b>	<b>114,947,445</b>	<b>(1,441,677,154)</b>	<b>2,550,488,412</b>	<b>6,919,795,821</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of cash flows

(all amounts in Sri Lankan Rupees)

	Group		Company	
	Twelve months ended 31 March (Unaudited)	31 March (Audited)	Twelve months ended 31 March (Unaudited)	31 March (Audited)
Profit / (loss) before income tax from continuing operations	1,073,816,046	912,099,274	(1,401,253,573)	(4,663,478)
<b>Adjustments for:</b>				
Depreciation and amortization	759,801,562	915,708,094	960,569	863,726
Net interest expenses	1,438,167,124	1,047,924,366	(32,539,296)	(116,517)
Issue of shares under employee share option plan	-	-	-	2,600
Retirement benefits obligations provision	(77,508,563)	96,191,031	-	-
Loss on sale of property, plant and equipment	-	952,805	-	-
Fair value adjustment to investment property	(36,374,349)	(14,318,199)	-	-
Provision for impairment of debtors	-	55,666,745	-	-
Share based payment expenses	32,725,481	82,222,006	-	15,731,201
Share of loss from joint Ventures	91,516,094	-	-	-
Exchange difference	(9,259,141)	10,354,755	-	-
<b>Changes in working capital</b>				
- (Increase) / decrease in inventories	(3,550,294,754)	(1,329,486,730)	-	-
- (Increase) / decrease in trade receivables	(3,532,333,325)	(440,828,153)	-	19,931,125
- Increase / (decrease) in trade and other payables	(111,798,402)	1,317,030,166	(2,032,435,890)	(1,414,951)
- (Increase) / decrease Other financial assets at amortized cost	241,192,896	-	106,234,496	-
- (Increase) / decrease Other assets	(72,351,660)	-	-	-
<b>Cash (used in) / generated from operations</b>	<b>(3,752,700,990)</b>	<b>2,653,516,160</b>	<b>(3,359,033,694)</b>	<b>30,333,706</b>
Retirement benefits obligations paid	(21,921,584)	(38,889,482)	-	-
Income tax paid	(37,215,593)	(128,616,097)	(7,820,057)	-
Interest paid	(1,470,750,731)	(552,328,713)	(44,311)	(1,503)
<b>Net cash (outflow) / inflow from operating activities</b>	<b>(5,282,588,899)</b>	<b>1,933,681,868</b>	<b>(3,366,898,062)</b>	<b>30,332,203</b>
<b>Cash flows from investing activities</b>				
Net movement of property, plant and equipment and intangible assets	(1,154,163,110)	(289,460,311)	-	-
Purchase of investment properties	-	(189,058)	-	-
Expenses incurred on capital work-in-progress	(374,156,065)	(20,975,619)	-	-
Interest received	32,583,607	10,174,342	32,585,067	118,020
Investments made in joint venture	(315,091,424)	-	-	-
NCI on business combination	(60,156,660)	-	-	-
<b>Net cash (outflow) / inflow from investing activities</b>	<b>(1,870,983,652)</b>	<b>(300,450,646)</b>	<b>32,585,067</b>	<b>118,020</b>
<b>Cash flows from financing activities</b>				
Net proceeds from Share Issue	3,972,138,328	-	3,972,138,328	-
Net change in borrowings	4,821,150,139	(1,257,281,205)	4,159,306,443	-
<b>Net cash inflow / (outflow) from financing activities</b>	<b>8,793,288,467</b>	<b>(2,514,562,410)</b>	<b>8,131,444,771</b>	<b>-</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>1,639,715,916</b>	<b>(881,331,188)</b>	<b>4,797,131,776</b>	<b>30,450,223</b>
Cash and cash equivalents at beginning of the year	544,023,630	1,281,471,561	1,672,930	9,815,850
Currency translation differences	3,060,410,690	143,883,257	(3,683,323,640)	(38,593,143)
<b>Cash and cash equivalents at end of the year</b>	<b>5,244,150,236</b>	<b>544,023,630</b>	<b>1,115,481,067</b>	<b>1,672,930</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the condensed interim financial statements

#### 1 General information

Hela Apparel Holdings PLC is engaged in providing consultancy and support services to group companies. The Group is engaged in the manufacture of apparel for export market and in providing front-end services to foreign customers. The Company is a public limited liability company incorporated on 11 October 2018 and listed on the Colombo Stock Exchange on 7 February 2022. It is domiciled in Sri Lanka and bears the registration number PQ00205151 under the Companies Act No.07 of 2007. The address of the registered office and the principal place of the business is, No 35 Balapokuna Road, Colombo 06, Sri Lanka.

#### 2 Basis of preparation

The condensed interim financial statements for the period ended 31 March 2022 of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34, 'Interim Financial Reporting'. The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2021.

#### 3 Accounting policies

Accounting policies adopted are consistent with those used in the consolidated financial statements of Hela Apparel Holdings PLC (formerly known as Hela Apparel Holdings Limited) for the year ended 31 March 2021.

#### 4 Contingent liabilities

There has been no significant change in the nature of the contingencies and other commitments which were disclosed as of 30th September 2021 in the Prospectus for the Initial Public Offering on the company, published on 28th December 2021.

#### 5 Financial commitments

The Group has entered into a master service agreement with Attune Lanka (Private) Limited on 02 June 2021 to implement SAP S/4HANA Fashion ERP system. Further, End User License Agreement and SAP Delivered Support Agreement were entered into with SAP India (Private) Limited on 28 May 2021. The total cost of the implementation and the licensing amounts to LKR 436,419,353 (USD 2,183,544).

#### 6 Covid impact and going concern

The Group has adequate resources to continue its operational existence for the foreseeable future and continues to adopt the going concern basis in preparing and presenting these financial statements. To counter the COVID-19 effect, the Group has evaluated the resilience of its businesses considering a wide range of factors under multiple stress tested scenarios, relating to expected revenue streams, cost management, the ability to defer non-essential capital expenditure. The reserves and potential sources of financing facilities are strong enough to ensure the operational business to continue as least impacted. The Group believes that these cost savings, as well as its cash conservation measures will secure the Group's and Company's ability to continue as a going concern. From the Company perspective, after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources through the operational and business activities of the subsidiary, Hela Clothing (Private) Limited to continue in operational existence for the foreseeable future.

#### 7 Segmental Information

The Company does not disclose segmental information since the Group is mainly in the business of manufacturing apparel for exports and therefore is considered as having only one operating segment of apparel manufacture.

#### 8 Investments in joint ventures

	2022
At 1 April 2021	-
Acquisition	315,091,424
Share of (loss) / profit	(91,516,094)
Exchange equalization reserve	96,831,575
<b>At 31 March 2022</b>	<b>320,406,905</b>

##### Nature of investment in joint venture 2022;

Name of entity	Place of business /country of incorporation	Level of ownership
Sumbiri Intimate Apparel Private Limited Company	Ethiopia	Indirect
Safeguard Workwear EPZ Limited	Kenya	Direct

Hela Investment Holdings Limited, an indirect subsidiary of the Company, has acquired 27% shareholding of Sumbiri Intimate Apparel Private Limited Company ("the JV company") as at 31 March 2022. Foundation Garments (Private) Limited (Indirect Subsidiary) jointly operates and manages the JV company with the other shareholders. According to the joint venture agreement, Hela Investment Holdings Limited is to increase the investment in share capital of the JV company up to 50%. Sumbiri Intimate Apparel (Private) Limited is identified as a joint venture investment based on the joint control clauses in the JV agreement.

Hela Apparel Holdings PLC holds 50% shareholding of Safeguard Workwear EPZ Limited ("the JV company") as at 31 March 2022. The Group jointly operates and manages the JV company with the other shareholders. According to the joint venture agreement, Safeguard Workwear EPZ Limited is identified as a joint venture investment based on the joint control clauses in the JV agreement.

**HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES**
**Notes to the condensed interim financial statements**
**9 Comparatives**

Comparative figures, where necessary, have been adjusted to conform with the changes in presentation in the current period.

**10 Seasonal or cyclical factors affecting the Group disclosure note;**

The operations of the Group were not significantly affected by any seasonal or cyclical factors.

**11 Estimates**

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

There were no changes in estimates and assumptions used in prior financial periods that may have a material effect in the current quarter and for the financial period to date.

In preparing the condensed interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the sources of estimates uncertainty are consistent with the audited financial statements for the year ended 31 March 2021.

**12 Stated capital**

	Company			
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Number of shares	Number of shares	Value (LKR)	Value (LKR)
A1 Preference Shares	-	3,200,000	-	544,202,800
A2 Preference Shares	-	2,500,000	-	425,476,797
A3 Preference Shares	-	700,000	-	119,176,303
A4 Preference Shares	-	3,600,000	-	635,040,000
B Ordinary Shares	-	171	-	290
C Ordinary Shares	-	260	-	2,600
Ordinary Voting Shares	<b>1,303,117,944</b>	-	<b>5,730,536,893</b>	-
	<b>1,303,117,944</b>	<b>10,000,431</b>	<b>5,730,536,893</b>	<b>1,723,898,790</b>
Capitalization of share issue expenses	-	-	(34,499,775)	-
	<b>1,303,117,944</b>	<b>10,000,431</b>	<b>5,696,037,118</b>	<b>1,723,898,790</b>

**(i) Movement in ordinary shares:**

	Number of shares	Value (LKR)
Opening balance 1 April 2020	10,000,171	1,723,896,190
Issue of shares under the ESOP	260	2,600
<b>Balance 31 March 2021</b>	<b>10,000,431</b>	<b>1,723,898,790</b>
Opening balance 1 April 2021	<b>10,000,431</b>	<b>1,723,898,790</b>
Share issue (prior to share capital restructure)	395	1,853
Cancellation of existing shares due to share capital restructure	(10,000,826)	-
Share capital restructure to Ordinary Voting Shares	1,005,409,973	-
Share issues (Ordinary Voting Shares)	30,598,973	1,280
Share issues (Ordinary Voting Shares)	<b>267,108,998</b>	<b>4,006,634,970</b>
	<b>1,303,117,944</b>	<b>5,730,536,893</b>
Capitalization of share issue expenses	-	(34,499,775)
<b>Balance 31 March 2022</b>	<b>1,303,117,944</b>	<b>5,696,037,118</b>

Pursuant to the share capital reorganization on 02 September 2021, all multiple classes of issued shares (A1, A2, A3, A4 Preference Shares and B and C ordinary shares) were converted into a single class of ordinary voting shares.

**(ii) The major shareholders of the Company are as mentioned below:**

Shareholder name	Number of	Value
Lesing Hela Limited	614,256,956	1,104,367,280
Tars Investments Lanka (Private) Limited	235,638,162	432,989,150
P. L. D. Jinadasa	135,932,066	222,771,247
Other shareholders	317,290,760	3,970,409,216
	<b>1,303,117,944</b>	<b>5,730,536,893</b>
Capitalization of share issue expenses	-	(34,499,775)
<b>Total share capital</b>	<b>1,303,117,944</b>	<b>5,696,037,118</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Notes to the condensed interim financial statements

#### 13 Earnings per share

The diluted earnings per share is the same as the basic earnings per share.

#### 14 Net Assets per share

Net assets as at a particular financial period ended divided by the number of shares in issue as at the current period end.

	Group		Company	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Net assets as of period end	12,799,946,660	3,629,568,049	6,919,795,821	1,974,439,780
Number of shares as of period end	1,303,117,944	10,000,431	1,303,117,944	10,000,431
Net assets per share (Rs.)	9.82	362.94	5.31	197.44

#### 15 Other reserves

The following table shows a breakdown of the balance sheet line item 'other reserves' and the movements in these reserves during the year.

	Revaluation reserve	Share based payment reserve	Total
Balance at 1 April 2021	3,843,394	82,221,964	86,065,358
Other comprehensive income	22,241,843	-	22,241,843
<b>Total comprehensive income for the year</b>	-	-	-
ESOP - value of employee services	-	32,725,481	32,725,481
<b>Balance at 31 March 2022</b>	<b>3,843,394</b>	<b>105,902,836</b>	<b>141,032,682</b>

#### 16 Effect of changes in composition of the Group

- Hela Clothing (Private) Limited (direct subsidiary) disposed its ownership in Hela Kenya (Private) Limited to Foundation Garments (Private) Limited (indirect subsidiary) for a consideration of LKR 2,268,548,186 on 25 May 2021.
- Foundation Garments (Private) Limited (indirect subsidiary) became the sole shareholder, holding 100% of the share capital of Jinadasa Bennett (Private) Limited and Foundation Bennett (Private) Limited with the acquisition of 49% balance stake from John Stuart Bennett Manufacturing Limited.
- Hela Kenya (Private) Limited (indirect subsidiary), changed its name to Hela Investment Holdings Limited with effect from 19 May 2021.
- Hela Investment Holdings Limited (formerly known as Hela Kenya (Private) Limited), acquired 49,832 shares of Sumbiri Intimates Apparels (Private) Limited, a company incorporated and domiciled in Ethiopia for a consideration of LKR 250,701,234.45 as at 31 December 2021.
- Hela Investment Holdings Limited (formerly known as Hela Kenya (Private) Limited), acquired 2,480 shares (99% of stake) of Hela Clothing Egypt SAE, a company incorporated and domiciled in Egypt for a consideration of LKR 3,214,270 on 02 November 2021.

Other than disclosed above, there has not been a change in the composition of the Group which was disclosed in the audited financial statements for the year ended 31 March 2021.

#### 17 Presentation currency

Transactions measured in US Dollars are translated to Sri Lanka rupees based on the Sri Lanka Accounting Standard 21, "The Effects of Changes in Foreign Exchange Rates", as follows:

- Assets and Liabilities presented including comparatives are translated at the closing rate existed at the date of each balance sheet presented.
- Income and expense items for all periods presented (i.e. including comparatives) are translated at an annual/quarter average exchange rate applicable for respective years.
- Share capital is translated at the exchange rate existing at the date of transaction.
- All resulting exchange differences are recognized in equity under exchange equalization reserves.

#### 18 Fair values of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. The Group has trade receivables, trade payables and borrowings as financial instruments. The fair values are not materially different to their carrying amounts, since the interest receivable/ payable is either close to the current market rates or the instruments are short-term in nature.

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

## Notes to the condensed interim financial statements

## 19 Market Price Per Share

	2022	2021
<b>Market Value of Shares</b>		
Closing Price on 31 March (LKR)	12.90	-
Highest Price During the Quarter Ended 31 March (LKR)	22.00	-
Lowest Price During the Quarter Ended 31 March (LKR)	12.50	-
Market Capitalisation on 31 March (LKR 000')	16,810,221	-
<b>Ratios</b>		
Net Asset Per Share of the Group on 31 March (LKR)	9.82	-
Price Earnings Ratio for the Twelve Months Ending 31 March (Times)	8.44	-
<b>Share Trading</b>		
No of Transactions During the Quarter Ended 31 March 2022	33,646	-
No of Shares Traded During the Quarter Ended 31 March 2022	115,641,164	-
Value of Shares Traded During the Quarter Ended 31 March 2022 (LKR 000')	2,051,977	-
<b>Number of Shares</b>	1,303,117,944	-

Notes: The Company was listed on the Colombo Stock Exchange on 7 February 2022. Comparative figures have therefore not been included for 2021.  
Price Earnings Ratio is based on the closing share price on 31 March 2022.

## 20 Public Holdings as at 31 March 2022

Public Holding as at 31 March	2022	2021
Issued Share Capital (No. of Shares)	1,303,117,944	-
Public Holding as a % of Issued Share Capital	20.13%	-
Total Number of Shareholders	16,445	-
Number of Shareholders representing the Public Holding	16,421	-

## Minimum Public Holding Requirement as per Listing Rules 7.14.1

	Float Adjusted Market Capitalisation - (LKR)	Public Holding Percentage	No of Shareholders
Minimum Public Holding as at 31 March 2022	3,383,897,583	20.13	16,421

The Company complies with the Minimum Public Holding required of the Main Board as per Option 3 of Section 7.14.1 (a) of the CSE Listing Rules

## 22 Shareholder Information

List of 20 Major Shareholders as at 31 March 2022	2022	
	No. of Shares	%
1 Lesing Hela Limited	614,256,956	47.14
2 Tars Investments Lanka Pvt Ltd	235,638,162	18.08
3 Mr. P.L.D. Jinadasa	135,932,066	10.43
4 Mr. D.E.H. Mcvey	30,598,973	2.35
5 Citibank Newyork S/A Norges Bank Account 2	20,971,740	1.61
6 Mr. H.H. Abdulhusein	18,438,517	1.41
7 Hatton National Bank PLC/Sri Dhama Rajendram Arudpragasam	15,902,456	1.22
8 Union Assurance PLC-universal Life Fund	6,748,748	0.52
9 Akbar Brothers Pvt Ltd A/C No 1	6,000,000	0.46
10 Janashakthi Insurance PLC-shareholders	5,333,334	0.41
11 Mr W.M.S.R. Peiris	5,255,743	0.40
12 Mr. R.S.P. Amaratunga	4,907,961	0.38
13 Deutsche Bank AG as Trustee To Capital Alliance Quantitative Equity Fund	4,715,000	0.36
14 Mr. D.M. Beruwalage	4,361,600	0.33
15 Mr. A.R. Rasiah	4,273,743	0.33
16 Dfcc Bank Plc/J N Lanka Holdings Company (Pvt) Ltd	3,766,600	0.29
17 Magna Wealth (Pvt) Ltd	3,372,100	0.26
18 Deutsche Bank Ag-national Equity Fund	3,063,000	0.24
19 Union Assurance PLC-traditional Life Participating Fund	2,969,882	0.23
20 Bank Of Ceylon A/C Ceybank Unit Trust	2,945,200	0.23
	<b>1,129,451,781</b>	<b>86.68</b>

## Directors' Shareholding as at 31st March 2022

Directors' Direct Shareholding	2022	2021
	No. of Shares	No. of Shares
Mr. P.L.D. Jinadasa (CEO)	135,932,066	-
Mr. A.R. Rasiah (Chairman)	4,273,743	-
Ms. T.S. Peries	57,400	-
Ms. A. Nanayakkara	619,100	-
Mr. G.P. Gunawardana	-	-
Mr. A. Alderton	-	-
Mr. P. Schleiffer	-	-
Mr. S. Khan (Alternate Director)	-	-
	<b>140,882,309</b>	<b>-</b>

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

## Notes to the condensed interim financial statements

## 23 Utilization of funds raised by the Initial Public Offering of the Company as at 31 March 2022

Objective No.	Objective as per Prospectus	Amount allocated as per Prospectus in LKR	Proposed date of utilization as per Prospectus	Amount allocated upon the receipt of proceeds in LKR (A)	As a % of Total proceeds	Amount utilised in the objective in LKR (B)	% of utilised against allocation (B/A)	Clarification if not fully utilised including where the funds are invested
1.2.1	Fabric Mill Investment	999,761,063	2nd Quarter FY23	999,761,063	25%	0	0%	The utilised funds were invested in money market and deposit accounts with banks & financial institutions.
1.2.2	Funding the Implementation of a New Enterprise Resource Planning (ERP) System	596,266,801	2nd Quarter FY23	596,266,801	15%	95,291,245	16%	
1.2.3	Investment into Subsidiaries of the Group	2,410,607,106	4th Quarter FY22 – 3rd Quarter FY23	2,410,607,106	60%	1,910,802,886	79%	
<b>Total</b>		<b>4,006,634,970</b>		<b>4,006,634,970</b>	<b>100%</b>	<b>2,006,094,131</b>	<b>50%</b>	

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Statement of profit or loss

(all amounts in US Dollars)

	Group		Company	
	Three months ended 31 March		Three months ended 31 March	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Revenue from contracts with customers	62,682,238	51,232,703	-	-
Cost of sales	(49,774,550)	(38,159,907)	-	-
<b>Gross profit</b>	<b>12,907,688</b>	<b>13,072,796</b>	<b>-</b>	<b>-</b>
Distribution costs	(2,808,470)	(755,423)	-	-
Administrative costs	(8,267,904)	(8,380,817)	(192,028)	(6,570)
Net impairment losses on financial assets	-	(89,198)	-	-
Other income	(89,903)	72,544	-	-
Other gains / (losses) - net	932,381	363,751	(6,643,729)	(1,289)
<b>Operating profit / (loss)</b>	<b>2,673,792</b>	<b>4,283,653</b>	<b>(6,835,757)</b>	<b>(7,859)</b>
Finance income	127,001	36,986	156,266	306
Finance costs	(2,211,815)	(1,788,418)	(92)	(139)
Finance costs - net	(2,084,814)	(1,751,432)	156,174	167
Share of net profit of joint ventures	(325,480)	-	-	-
<b>Profit / (loss) before income tax</b>	<b>263,498</b>	<b>2,532,221</b>	<b>(6,679,583)</b>	<b>(7,691)</b>
Income tax expense	(1,072,027)	(26,394)	-	(151)
<b>Profit / (loss) for the period</b>	<b>(808,529)</b>	<b>2,505,827</b>	<b>(6,679,583)</b>	<b>(7,842)</b>
Profit/ (loss) is attributable to:				
Owners of Hela Apparel Holdings PLC	(949,974)	2,180,273	(6,679,583)	(7,842)
Non-controlling interests	141,445	325,554	-	-
<b>Profit/ (loss) for the period</b>	<b>(808,529)</b>	<b>2,505,827</b>	<b>(6,679,583)</b>	<b>(7,842)</b>
<b>Earnings / (loss) per share for profit / (loss) attributable to the equity holders of the Company</b>				
Basic / diluted earnings / (loss) per share	(0.00)	0.22	(0.01)	(0.00)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Statement of comprehensive income

(all amounts in US Dollars)

	Group		Company	
	Three months ended 31 March		Three months ended 31 March	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
<b>Profit / (loss) for the period</b>	<b>(808,529)</b>	2,505,827	<b>(6,679,583)</b>	(7,842)
<b>Other comprehensive income:</b>				
<i>Items that will be reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	<b>13,620</b>	15,164	-	-
<i>Items that will not be reclassified to profit or loss</i>				
Gain on revaluation of land and buildings	<b>134,443</b>	60,740	-	-
Deferred income tax impact relating to revaluation	<b>(27,838)</b>	(9,960)	-	-
Remeasurements of post-employment benefit obligations	<b>304,534</b>	(215,225)	-	-
Deferred income tax impact relating to remeasurements of post-employment benefit obligations - gratuity	<b>(35,874)</b>	24,008	-	-
<b>Other comprehensive income for the period, net of tax</b>	<b>388,885</b>	(125,273)	-	-
<b>Total comprehensive income for the period</b>	<b>(419,644)</b>	2,380,554	<b>(6,679,583)</b>	(7,842)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of profit or loss

(all amounts in US Dollars)

	Group		Company	
	Twelve months ended 31 March		Twelve months ended 31 March	
	2022 (Unaudited)	2021 (Audited)	2022 (Unaudited)	2021 (Audited)
Revenue from contracts with customers	269,268,538	171,101,434	-	-
Cost of sales	(227,033,601)	(139,117,801)	-	-
<b>Gross profit</b>	<b>42,234,937</b>	31,983,633	-	-
Distribution expenses	(6,922,212)	(3,184,798)	-	-
Administrative expenses	(24,826,030)	(20,117,447)	(227,566)	(23,197)
Net impairment losses on financial assets		(89,198)		
Other income	447,117	1,398,626	-	-
Other gains / (losses) - net	1,544,742	438,725	(6,644,593)	(2,238)
<b>Operating profit / (loss)</b>	<b>12,478,554</b>	10,429,541	<b>(6,872,159)</b>	(25,435)
Finance income	156,173	54,139	156,173	628
Finance costs	(7,049,298)	(5,630,281)	(212)	(8)
Finance costs - net	(6,893,125)	(5,576,142)	155,961	620
Share of net loss of joint ventures	(438,636)	-	-	-
<b>Profit / (loss) before income tax</b>	<b>5,146,793</b>	4,853,399	<b>(6,716,198)</b>	(24,815)
Income tax expense	(1,240,619)	(215,844)	(37,481)	(151)
<b>Profit / (loss) for the year</b>	<b>3,906,174</b>	4,637,555	<b>(6,753,680)</b>	(24,966)
Profit / (loss) is attributable to:	-	-	-	-
Owners of Hela Apparel Holdings PLC	3,922,371	4,080,485	(6,753,680)	(24,966)
Non-controlling interests	(16,197)	557,070	-	-
<b>Profit / (loss) for the year</b>	<b>3,906,174</b>	4,637,555	<b>(6,753,680)</b>	(24,966)

### Earnings / (loss) per share for profit / (loss) attributable to the equity holders of the Company

Basic / diluted earnings / (loss) per share	0.01	0.41	(0.01)	(0.00)
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## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Condensed statement of comprehensive income

(all amounts in US Dollars)

	Group		Company	
	Twelve months ended 31 March		Twelve months ended 31 March	
	2022 (Unaudited)	2021 (Audited)	2022 (Unaudited)	2021 (Audited)
<b>Profit / (loss) for the year</b>	<b>3,906,174</b>	4,637,555	<b>(6,753,680)</b>	(24,966)
<b>Other comprehensive income:</b>				
<i>Items that will be reclassified to profit or loss</i>				
Currency translation differences	<b>(44,540)</b>	(32,560)	-	-
<i>Items that will not be reclassified to profit or loss</i>				
Gain on revaluation of land and buildings	<b>134,443</b>	60,740	-	-
Deferred income tax impact relating to revaluation	<b>(27,838)</b>	(9,960)	-	-
Remeasurements of post-employment benefit obligations	<b>304,534</b>	(215,225)	-	-
Deferred income tax impact relating to remeasurements of post-employment benefit obligations - gratuity	<b>(35,874)</b>	24,008	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>330,725</b>	(172,997)	-	-
<b>Total comprehensive income for the year</b>	<b>4,236,899</b>	4,464,558	<b>(6,753,680)</b>	(24,966)

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### Statement of financial position

(all amounts in US Dollars)

	Group		Company	
	31 March 2022 (Unaudited)	31 March 2021 (Audited)	31 March 2022 (Unaudited)	31 March 2021 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	19,915,706	17,890,305	-	-
Investment property	1,886,540	1,712,198	-	-
Right-of-use assets	6,198,728	2,826,906	-	-
Intangible assets	36,503,906	36,532,530	-	4,604
Capital work-in-progress	2,006,042	212,715	-	-
Investment in subsidiaries	-	-	6,367,995	6,211,142
Investment in joint venture	1,071,595	-	-	-
Deferred tax assets	-	1,458,877	-	-
Other financial assets at amortised cost	1,110	1,110	-	-
<b>Total non-current assets</b>	<b>67,583,627</b>	<b>60,634,641</b>	<b>6,367,995</b>	<b>6,215,746</b>
<b>Current assets</b>				
Inventories	44,413,573	27,397,035	-	-
Trade receivables	43,499,596	26,569,147	-	-
Other financial assets at amortised cost	3,538,440	4,580,673	13,194,784	3,707,155
Other assets	5,545,936	5,199,155	-	-
Income tax receivables	16,982	31,625	-	-
Cash and cash equivalents	17,538,964	9,528,299	3,730,706	10,922
<b>Total current assets</b>	<b>114,553,491</b>	<b>73,305,934</b>	<b>16,925,490</b>	<b>3,718,077</b>
<b>Total assets</b>	<b>182,137,118</b>	<b>133,940,575</b>	<b>23,293,485</b>	<b>9,933,823</b>
<b>EQUITY</b>				
Stated capital	29,481,047	9,660,904	29,481,047	9,660,904
Retained earnings	11,191,058	6,916,823	(6,932,284)	(178,604)
Other reserves	721,156	457,698	594,367	437,514
Exchange equalization reserve	918,721	963,261	-	-
Capital and reserves attributable to owners of Hela				
Apparel Holdings PLC	42,311,982	17,998,686	23,143,130	9,919,814
Non-controlling interests	1,000,626	1,945,465	-	-
<b>Total equity</b>	<b>43,312,608</b>	<b>19,944,151</b>	<b>23,143,130</b>	<b>9,919,814</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	5,329,574	10,365,858	-	-
Deferred income tax liabilities	1,302,056	1,796,050	-	-
Lease liabilities	5,797,051	2,755,785	-	-
Employee benefit obligations	1,426,134	2,195,049	-	-
<b>Total non-current liabilities</b>	<b>13,854,815</b>	<b>17,112,742</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	30,160,303	30,698,853	150,348	11,492
Lease liabilities	1,451,250	371,226	-	-
Income tax liabilities	91,138	8,419	-	-
Borrowings	93,267,004	65,805,184	7	2,517
<b>Total current liabilities</b>	<b>124,969,695</b>	<b>96,883,682</b>	<b>150,355</b>	<b>14,009</b>
<b>Total liabilities</b>	<b>138,824,510</b>	<b>113,996,424</b>	<b>150,355</b>	<b>14,009</b>
<b>Total equity and liabilities</b>	<b>182,137,118</b>	<b>133,940,575</b>	<b>23,293,485</b>	<b>9,933,823</b>
Net assets per share	0.03	1.80	0.02	0.99

# HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

## Corporate information

### Name of Company

Hela Apparel Holdings PLC

### Legal Form

Public Limited liability company incorporated under the Companies act No. 7 of 2007

### Date of Incorporation

11 October 2018

### Company Registration Number

PQ00205151

### Accounting Period End

31 March 2022

### Principal Activity - the Company

Providing consultancy and support services to group companies.

### Registered Office

35, Balapokuna Road,  
Colombo 06,  
Sri Lanka.

### Website

[www.helaclotthing.com](http://www.helaclotthing.com)

### Major Shareholders

Lesing Hela Limited  
Tars Investment Lanka (Private) Limited  
P L D Jinadasa

### Secretaries

P W Corporate Secretarial (Private) Limited  
3/17, Kynsey Road,  
Colombo 08,  
Sri Lanka.

### Auditors

PricewaterhouseCoopers  
100, Braybrooke Place,  
Colombo 02,  
Sri Lanka.

### Company Registrars

SSP Corporate Services (Pvt) Ltd  
No. 101,  
Inner Flower Road,  
Colombo 03,  
Sri Lanka.

### Bankers

Bank of Ceylon  
Sampath Bank PLC  
National Development Bank PLC  
Union Bank of Colombo PLC  
Hatton National Bank PLC  
Standard Chartered Bank PLC  
Commercial Bank of Ceylon PLC  
DFCC Bank PLC

### Principal Activities- the Group

Manufacture of apparel for export markets and provision of front-end services to foreign customers

### Directors

A R Rasiah  
P L D Jinadasa  
G P Gunawardana  
A Nanayakkara  
T S Peries  
P Schleiffer  
A J Alderton  
S R Khan (Alternate to A J Alderton)

### Audit Committee

G P Gunawardana  
A Nanayakkara  
T S Peries  
P Schleiffer  
A J Alderton

### Remuneration Committee

A Nanayakkara  
A J Alderton  
G P Gunawardana

### Related Parties Transaction Review Committee

T S Peries  
A J Alderton  
A Nanayakkara

### Nomination Committee

A R Rasiah  
A J Alderton  
P Schleiffer  
T S Peries

### Direct Subsidiary

Hela Clothing (Private) Limited

### Indirect Subsidiaries

Foundation Garments (Private) Limited  
F D N Sourcing (Private) Limited  
Jinadasa Bennett (Private) Limited  
Foundation Bennett (Private) Limited  
Alpha Textile (Private) Limited  
Hela Investments Holdings (Private) Limited  
Hela Investment Holdings Limited  
Hela Indochine Apparel Private Limited Company  
Hela Intimates EPZ Limited  
Hela USA, Inc.  
Hela Clothing Egypt SAE

### Joint Ventures

Sumbiri Intimate Apparel Private Limited Company  
Safeguard Workwear EPZ Limited

## HELA APPAREL HOLDINGS PLC AND ITS SUBSIDIARIES

### **FORWARD LOOKING STATEMENTS DISCLOSURE**

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These interim condensed financial statements contain certain forward-looking statements, which are provided for the purpose of presenting information about the management's current expectations and plans. Forward-looking statements are predictive in nature, depend upon or refer to future events or conditions, and may include words such as "expect", "anticipate", "intend", "may", "plan to", "believe", "could" and similar terms or variations of such terms. However, these words are not the exclusive means of identifying forward looking statements. As such, all statements pertaining to the expected financial position, business strategy, plans and prospects of the Hela Group are classified as forward-looking statements.

Such forward looking statements are based upon the management's current reasonable expectations and assumptions, and are subject to known and unknown risks, uncertainties and other factors including, but not limited to, regulatory changes in the sectors in which the Group operates and its ability to respond to them, the Group's ability to successfully adapt to technological changes, exposure to market risks, exchange rate volatility, general economic and fiscal policies in the countries that the Group operates in, inflationary pressures, the performance of financial markets both globally and locally, changes in domestic and foreign laws, regulation of taxes and changes in competition in the industry and further uncertainties that may or may not be in the control of the Group. Other specific risks are noted in Section 3.6.1. of the Prospectus for the Initial Public Offering of the Company.

Such factors may cause actual results, performance and achievements to materially differ from any future results, performance or achievements expressed or implied by forward looking statements herein. Given the risks and uncertainties that may cause the Group's actual future results, performance or achievements to materially differ from that expected, expressed or implied by forward looking statements in these financial statements, investors are advised not to place sole reliance on such statements. The Company also undertakes no obligations to update forward looking statements if circumstances or management assessments changes as a result of such factors, except as required by applicable laws and regulations.