



Stella Reports Strong 1Q FY2022 Results

Hong Kong, 21 April 2022 – **Stella International Holdings Limited** (“Stella” or the “Group”; SEHK: 1836), a leading developer, manufacturer and retailer of quality footwear and leather goods products, today announced its unaudited first quarter business update for the three months ended 31 March 2022.

Financial & Operational Highlights:

	For the three months ended 31 March (Unaudited)	
	<u>2022</u>	<u>2021</u>
Manufacturing revenue (US\$ million)		
- Manufacturing	374.6	299.8
Shipment volume (million pairs)	14.0	12.0
Average selling price (“ASP”) (manufacturing) (US\$/pair)	26.8	25.0

For the three months ended 31 March 2022, the Group’s unaudited consolidated revenue¹ increased by 26.3% to approximately US\$383.3 million, compared to the unaudited consolidated revenue of approximately US\$303.4 million for the corresponding period of last year. This was mostly attributable to increased orders from our manufacturing business during the three months under review. Strong demand led to full utilisation of our production capacity for the period under review when compared to the same period last year.

Shipment volumes in the three months ended 31 March 2022 increased by 16.7% year-on-year, supported by our Fashion, Sports and Luxury footwear segments. The increase in average selling price (‘ASP’) for the same period was mostly driven by changes to our product mix as well as customer mix.

Mr. Chi Lo-Jen, Chief Executive Officer of the Group said, “Demand for our footwear products, particularly in the Sports and Luxury segments remains strong and is continuing to support our efforts to achieve long-term profitable and sustainable growth. We continue to eagerly pursue our capacity expansion efforts, including ramping up our new factory in Solo, Indonesia.”

Mr. Lawrence Chen, Chairman of the Group, said, “In addition to continued margin expansion, investment is also a major focus this year. We have committed to investing US\$120 million for another new factory in Indonesia to support our major sports customer, which will expand our capacity by 15 million pairs after it fully ramps up within the next couple of years. With this clear plan, we aim to create long-term value and higher returns to our shareholders, both in 2022 and even more in the years to come.”

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¹ Including our manufacturing business, branding business and other businesses not covered hereof, and after the elimination of inter-segment sales.

About Stella International Holdings Limited

Stella International (SEHK: 1836) is a leading developer and manufacturer of quality footwear and leather goods. A trusted partner to many of the world's most sought-after brands, it offers a unique proposition of unparalleled craftsmanship, production flexibility, and strong speed-to-market and commercialization capability, supported by a broad, diverse and proven manufacturing base across China and Southeast Asia.

Stella International was listed on the Hong Kong Stock Exchange in 2007 and is a constituent of the MSCI Hong Kong Small Cap Index.

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