



## Continued Order Recovery Supports Stella's Robust Performance in 4Q 2021

Hong Kong, 13 January 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 fourth quarter business update for the three months and year ended 31 December 2021.

### Financial & Operational Highlights:

	For the three months ended 31 December (Unaudited)		For the year ended 31 December (Unaudited)	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue (US\$ million)				
- Manufacturing	<b>396.7</b>	275.9	<b>1,512.0</b>	1,117.1
Shipment volume (million pairs)	<b>14.4</b>	10.8	<b>55.8</b>	43.4
Average selling price ("ASP") (manufacturing) (US\$/pair)	<b>27.5</b>	25.6	<b>27.1</b>	25.7

The Group's unaudited consolidated revenue<sup>1</sup> increased by 44.9% to approximately US\$405.8 million (2020: US\$280.1 million) in the three months ended 31 December 2021 and increased by 35.6% to approximately US\$1,540.6 million (2020: US\$1,135.8 million) in the year ended 31 December 2021. This was mainly attributable to a continued order recovery in our manufacturing business across all product categories.

Our shipment volumes in the three months and year ended 31 December 2021 grew 33.3% and 28.6% year-on-year respectively, with the average selling price ("ASP") of our products also increasing during both periods due mainly to changes in our customer mix as well as product mix.

Looking ahead, we are cautiously optimistic about order levels for the upcoming Spring and Summer 2022 season. We will continue to closely monitor potential headwinds, including the COVID-19 situation in Southeast Asia and the PRC, and will take measures to minimize the impact accordingly. We will also continue to prioritise margin improvement in 2022 while ramping up production at our new factory in Indonesia.

**Mr. Chi Lo-Jen, Chief Executive Officer** of the Group said, "Our full-year performance, supported by the ongoing recovery in orders, is in line with our expectations. Although we have some visibility for the upcoming Spring and Summer season, there is still uncertainty about 2022 overall. Existing headwinds, especially the constantly evolving COVID-19 situations in Southeast Asia and China, remain a key risk."

**Mr. Lawrence Chen, Chairman** of the Group, said, "Heading into 2022, building further on the solid margin improvements realised in 2021, we remain focused on achieving profitable and sustainable long-term growth. This includes expanding our manufacturing capacity in Southeast Asia and further building up our high-end athleisure footwear offering."

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<sup>1</sup> 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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