



## Stella Sees Sustained Volume Growth in 1Q 2024 led by its Sports Category

Hong Kong, 18 April 2024 – **Stella International Holdings Limited** (“Stella” or the “Group”; SEHK: 1836), a leading developer and manufacturer of quality footwear and leather goods, today announced its unaudited first quarter business update for the three months ended 31 March 2024.

### **Financial & Operational Highlights:**

	For the three months ended 31 March (Unaudited)		
	<u>2024</u>	<u>2023</u>	<u>Change (%)</u>
Revenue (US\$ million)			
- Manufacturing	<b>326.3</b>	277.4	17.6
Shipment volume (manufacturing) (million pairs)	<b>11.7</b>	9.6	21.9
Average selling price (“ASP”) (manufacturing) (US\$/pair)	<b>27.8</b>	28.8	-3.5

For the three months ended 31 March 2024, the Group’s unaudited consolidated revenue<sup>1</sup> increased by approximately 18.9% to US\$338.4 million, compared to the unaudited consolidated revenue of approximately US\$284.6 million for the corresponding period of last year. Shipment volumes in the three months ended 31 March 2024 increased by approximately 21.9% year-on-year with growth across all product categories, led by the Sports category. ASP decreased by approximately 3.5% year-on-year due to the higher proportion of Sports and Casual product orders which have a lower ASP.

Having achieved an operating profit margin of 10.7% in 2023, we are ahead of schedule in meeting the goals of our Three-Year Plan (2023-2025), which are to achieve an operating margin of 10% and a low-teens annualised growth rate on profit after tax by the end of 2025. We are confident that we will continue to meet these targets in the coming two years.

**Mr. Chi Lo-Jen, Chief Executive Officer** of the Group said, “We are pleased to see year-on-year revenue and volume growth in the first quarter led by our Sports customers, as well as the unique, premium products we have developed for customers across all categories which continue to perform well in the market. Although our ASP declined slightly due to the higher proportion of Sports and Casual product orders which have a lower ASP, we are confident that we will continue to meet our margin and profitability targets under our Three-Year Plan.”

**Mr. Lawrence Chen, Chairman** of the Group, said, “As we reach close-to-full utilisation across our Luxury, Fashion and Casual product categories, we will continue to ramp up our manufacturing facility in Solo, Indonesia and work towards completing our development of an additional production facility in Bangladesh to expand our capacity. This will enable us to reallocate capacity from Vietnam to Indonesia which will help further improve our product mix.”

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

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**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 Main Board of The Stock Exchange of Hong Kong Limited in 2007 and is a constituent of the MSCI Hong Kong Small Cap Index.

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