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Stella International Sees Volume Growth of 7.8% in 3Q 2025

Hong Kong, 16 October 2025 – 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 business update for the three months and nine months ended 30 September 2025.

Operational Highlights:

Footwear Manufacturing	For the three months ended 30 September (Unaudited)		Change (%)	For the nine months ended 30 September (Unaudited)		Change (%)
	<u>2025</u>	<u>2024</u>		<u>2025</u>	<u>2024</u>	
Revenue (US\$ million)	391.6	378.0	+3.6	1,145.1	1,126.8	+1.6
Shipment volume (million pairs)	13.9	12.9	+7.8	41.4	39.4	+5.1
Average selling price ("ASP") (US\$/pair)	28.2	29.3	-3.8	27.7	28.6	-3.1

For the three months ended 30 September 2025, the Group's unaudited consolidated revenue¹ increased by 3.7% to US\$404.2 million (2024: US\$389.7 million). For the nine months ended 30 September 2025, the Group's unaudited consolidated revenue increased by 1.7% to US\$1,179.2 million (2024: US\$1,159.7 million).

In respect of the footwear manufacturing business, shipment volumes in the three months and nine months ended 30 September 2025 increased by approximately 7.8% and 5.1% year-on-year respectively, mainly driven by the Sports segment, and solid demand from new customers for whom we are ramping up production. ASP in both periods decreased due to the growth of the Sports segment which has a lower ASP.

The growth in revenue and shipment volume for the three months ended 30 September 2025 was also boosted by a low-base effect. This effect arose from the early shipment of approximately one million pairs to certain customers during the first half of 2024, which depressed revenue and shipment volume for the three months ended 30 September 2024.

We have made solid progress in resolving initial challenges linked to the ramp-up and expansion of our production facilities in Indonesia and the Philippines. This will serve as a valuable learning experience for the commissioning and ramp-up of our new production facilities, which are scheduled to commence operations in the second half of 2026.

We remain committed to returning additional cash up to US\$60 million per year to shareholders in 2025 and 2026, through a combination of share repurchases and special dividends, on top of paying regular dividends with a payout ratio of approximately 70% (comprising final dividends and interim dividends).

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

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Mr. Chi Lo-Jen, Chief Executive Officer of the Group said, "We continue to make progress in resolving the efficiency issues observed at some of our manufacturing facilities, while continuing to work closely with key U.S. customers to optimise their production operations and reinforce our long-term strategic relationships with them. We expect a moderate full-year increase in shipment volumes compared to 2024."

Mr. Lawrence Chen, Chairman of the Group, said, "We are close to finalising our next Three-Year Plan (2026-2028), which includes our intention to scale-up total production capacity by an additional 20 million pairs starting from this year. We remain focused on acquiring and ramping up new customers, particularly in the Luxury, high-end Fashion and Sports categories."

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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 Hong Kong Stock Exchange in 2007. It is a constituent of the Hang Seng Composite Index and the MSCI Hong Kong Small Cap Index, and eligible to be traded on the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

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