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Stella International's Revenue Grows 1.9% in 1Q 2026

Hong Kong, 16 April 2026 – 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 2026.

Operational Highlights:

<u>Footwear Manufacturing Business</u>	For the three months ended 31 March (Unaudited)		
	<u>2026</u>	<u>2025</u>	<u>Change (%)</u>
Revenue (US\$ million)	327.4	320.5	+2.2
Shipment volume (million pairs)	11.9	12.1	-1.7
Average selling price ("ASP") (US\$/pair)	27.4	26.4	+3.8

For the three months ended 31 March 2026, the Group's unaudited consolidated revenue¹ increased by approximately 1.9% to US\$337.4 million, compared to the unaudited consolidated revenue of approximately US\$331.0 million for the corresponding period of last year.

In respect of the footwear manufacturing business, shipment volumes in the three months ended 31 March 2026 decreased by approximately 1.7%, reflecting fewer working days due to Ramadan celebrations in Indonesia and Bangladesh occurring earlier in 2026. ASP increased by 3.8%, mainly driven by a higher-ASP product mix within our Sports segment.

Under our recently announced Three-Year Plan (2026–2028), we focus on commissioning and ramping up three new factories in Indonesia, Bangladesh and Vietnam in 2026. Together with our existing factory in Solo, Indonesia, these new factories will add approximately 20 million pairs of additional production capacity over the coming years. With 2026 set as an investment year, we expect the majority of profit growth from the strategies outlined in our Three-Year Plan to materialise in the latter part of the 2026–2028 period. For the three new factories in Indonesia, Bangladesh and Vietnam, we expect they will commence operations in the second half of 2026.

In addition, we remain committed to returning additional cash up to US\$60 million to shareholders in 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, "Despite heightened geopolitical uncertainties, our performance in the first three months of 2026 was largely in line with our expectations. We expect demand from our new Sports and high-end Fashion customers to remain robust, although we will continue to monitor risks closely."

Mr. Lawrence Chen, Chairman of the Group, said, "2026 is an important investment year, both for our footwear manufacturing business and our handbag and accessories manufacturing business as we enter our new Three-Year Plan (2026–2028). Our diversified manufacturing base remains a core differentiator, underpinning both customer retention and new-customer acquisition."

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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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