



## Stella Sees Improving Trend in 2Q 2023

Hong Kong, 13 July 2023 – **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 business update for the three months and six months ended 30 June 2023.

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

	For the three months ended 30 June (Unaudited)		For the six months ended 30 June (Unaudited)	
	<b><u>2023</u></b>	<u>2022</u>	<b><u>2023</u></b>	<u>2022</u>
Revenue (US\$ million)				
- Manufacturing	<b>419.5</b>	432.8	<b>696.9</b>	807.4
Shipment volume (million pairs)	<b>14.0</b>	15.0	<b>23.6</b>	29.0
Average selling price (“ASP”) (manufacturing) (US\$/pair)	<b>30.2</b>	28.7	<b>29.6</b>	27.8

For the three months ended 30 June 2023, the Group’s unaudited consolidated revenue decreased by approximately 2.8% to US\$431.4 million (2022: US\$443.9 million). For the six months ended 30 June 2023, the Group’s unaudited consolidated revenue decreased by approximately 13.4% to US\$716.0 million (2022: US\$ 827.2 million).

Shipment volumes in the three months ended 30 June 2023 decreased by approximately 6.7% year-on-year, which was a more moderate decline than seen in the first quarter of 2023 due to the reshaping of our product and customer mix as part of our Three-Year Plan (2023-2025). Shipment volumes in the six months ended 30 June 2023 decreased by approximately 18.6% year-on-year. The increase in ASP during both periods was mostly driven by changes to our product mix and customer mix.

We remain confident of reaching the medium-term goals of our Three-Year Plan of achieving an operating margin of 10% and a low-teens annualised growth rate on profit after tax by the end of 2025.

**Mr. Chi Lo-Jen, Chief Executive Officer** of the Group said, “The relative improvement of our top-line performance in the second quarter versus the first quarter is in line with our expectations for the full year.”

**Mr. Lawrence Chen, Chairman** of the Group, said, “We remain committed to our Three-Year Plan and are confident about growing our profitability and achieving ongoing margin expansion in the medium-to-long-term as we continue adding new Luxury and high-end Fashion customers.”

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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 and is a constituent of the MSCI Hong Kong Small Cap Index.

*For further information, please contact:*

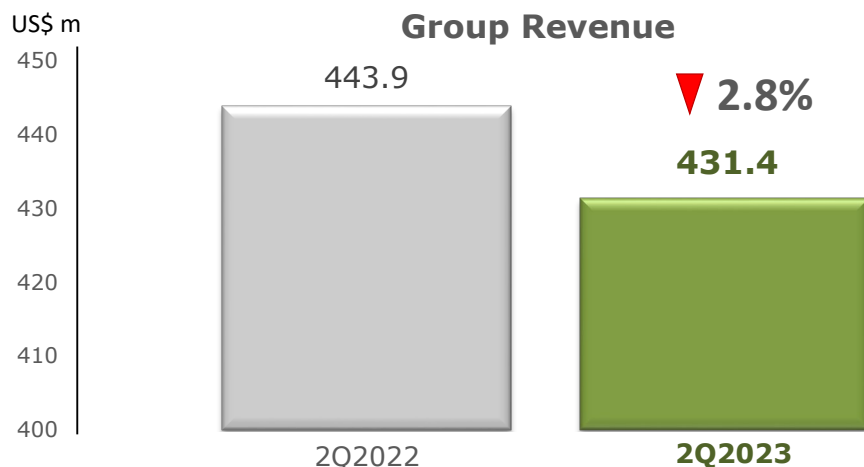
**Macy Leung**

Head of Investor Relations

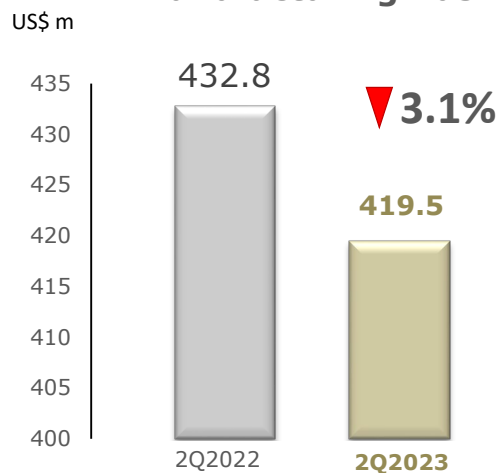
Email: [macy.leung@stella.com.hk](mailto:macy.leung@stella.com.hk)

# Operational Highlights - 2Q2023

## Group Performance In Line with Group's Expectations

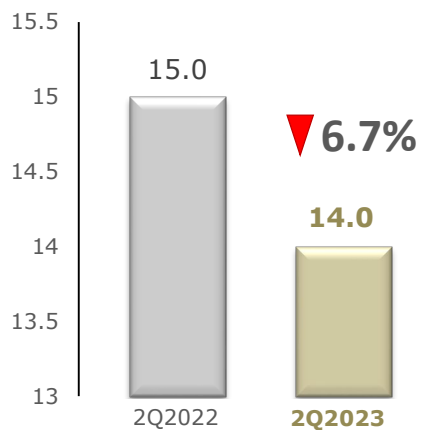


### Manufacturing Business

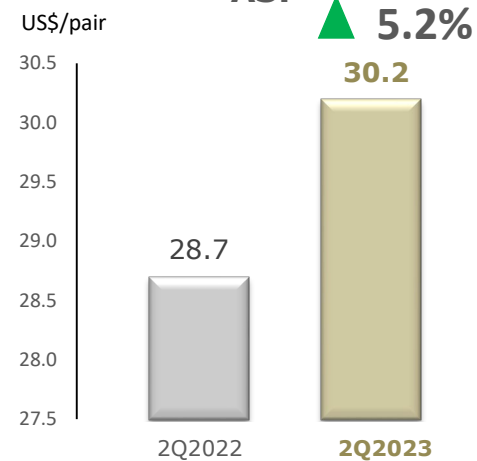


m pairs

### Volume

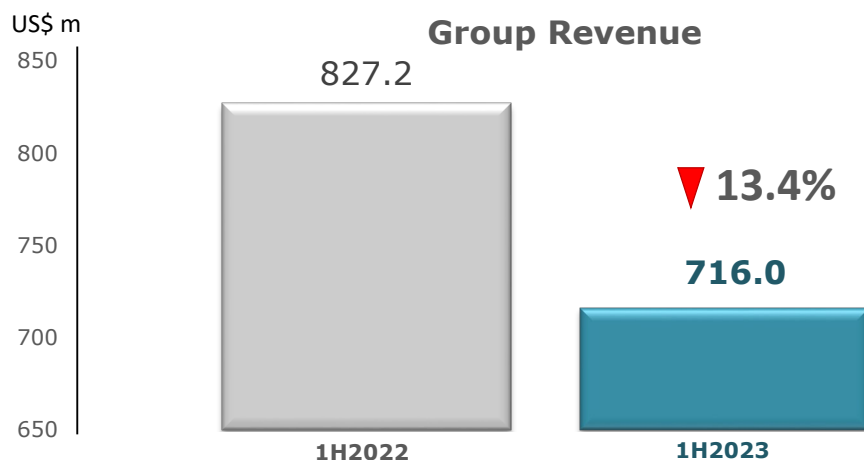


### ASP

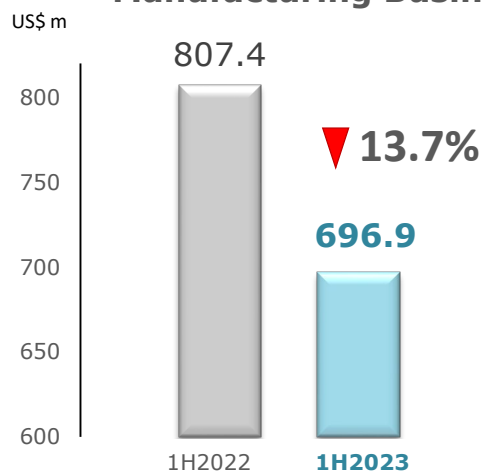


# Operational Highlights – 1H2023

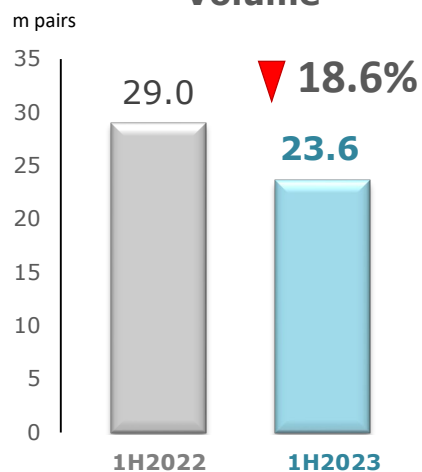
## Group Performance In Line with Group's Expectations



### Manufacturing Business



### Volume



### ASP

