



Stella International Holdings Limited 九興控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1836)

FOURTH QUARTER 2007 BUSINESS UPDATE

The board of directors (the “Board”) of Stella International Holdings Limited (the “Company”) is pleased to update the business development of the Company and its subsidiaries (the “Group”) for the fourth quarter of 2007. This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Manufacturing Business

For its manufacturing business, shipment of the Group amounted to approximately US\$228.2 million for the three months ended 31 December 2007, representing a 23.8% year-on-year growth as compared to the same period of last year. Due to the strong performance, the total shipment of the Group for the year ended 31 December 2007 was approximately US\$921.2 million, representing a robust year-on-year growth of 19.6% as compared to 2006.

During the year ended 31 December 2007, the Group’s manufacturing facilities in Guangdong, China and Vietnam continued to operate at full capacity.

An analysis of the growth in both quantity and average selling price in the manufacturing business is shown in the table below:

	For the year			For the three months		
	ended 31 December 2007	2006	Growth (%)	ended 31 December 2007	2006	Growth (%)
Quantity (pairs in million)	47.7	43.4	10.0	12.3	10.9	12.6
Average Selling Price (US\$/pair)	19.3	17.8	8.7	18.5	16.9	10.0

Retail Business

During the fourth quarter of 2007, the Group's own Stella Luna and What For retail chains continued to perform well. The Group's retail stores increased to 83 as at 31 December 2007 (31 December 2006: 30)

The following table sets out the distribution of the Stella Luna and What For stores as at 31 December 2007:

	Number of Stella Luna Shops	Number of What For Shops
China		
Eastern China	19	2
Southern China	8	2
Northern China	15	2
South-West China	7	1
North-East China	10	1
Central China	8	2
	<hr/>	<hr/>
Sub-total	-----67	-----10
Thailand		
Bangkok	5	—
Phuket	1	—
	<hr/>	<hr/>
Sub-total	-----6	-----
	<hr/>	<hr/>
Total	<u>73</u>	<u>10</u>

Retail sales amounted to approximately US\$4.1 million and approximately US\$10.5 million for the three months and the year ended 31 December 2007 respectively, representing a significant growth of 256% and 305% respectively as compared to the last corresponding quarter and year. As compared to the last corresponding quarter, the Group's retail business has recorded a significant same-stores-sales growth of 56% for the three months ended 31 December 2007.

By Order of the Board
Stella International Holdings Limited
Chiang Jeh-Chung, Jack
Deputy Chairman

Hong Kong, 17 January 2008

As at the date of this announcement, the Executive Directors are Mr. Chiang Jeh-Chung, Jack, Mr. Chao Ming-Cheng, Eric, Mr. Chen Li-Ming, Lawrence, Mr. Shieh Tung-Pi, Billy and Mr. Chi Lo-Jen, Stephen, the Non-executive Directors are Mr. Chen Jiann-Min, Jimmy and Mr. Shih Takuen, Daniel and the Independent Non-executive Directors are Mr. Chu Pao-Kuei, Mr. Ng Hak-Kim, JP and Mr. Hung John Terence, SBS, JP.

** For identification purpose only*