

# STELLA

INTERNATIONAL

## Stella International Delivers Continued Top-Line Growth in 3Q 2026 with All New Factories to Commence Operations by Year-End

Hong Kong, 15 October 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 business update for the three months and nine months ended 30 September 2026.

### Operational Highlights:

| <u>Footwear Manufacturing Business</u>    | <u>For the three months ended 30 September (Unaudited)</u> |             | <u>Change (%)</u> | <u>For the nine months ended 30 September (Unaudited)</u> |             | <u>Change (%)</u> |
|-------------------------------------------|------------------------------------------------------------|-------------|-------------------|-----------------------------------------------------------|-------------|-------------------|
|                                           | <u>2026</u>                                                | <u>2025</u> |                   | <u>2026</u>                                               | <u>2025</u> |                   |
| Revenue (US\$ million)                    | 396.7                                                      | 391.6       | 1.3%              | 1,163.3                                                   | 1,145.1     | 1.6%              |
| Shipment volume (million pairs)           | 13.3                                                       | 13.9        | -4.3%             | 40.8                                                      | 41.4        | -1.4%             |
| Average selling price ("ASP") (US\$/pair) | 29.9                                                       | 28.2        | 6.0%              | 28.5                                                      | 27.7        | 2.9%              |

For the three months ended 30 September 2026, the Group's unaudited consolidated revenue<sup>1</sup> increased by approximately 2.2% to US\$412.9 million (2025: US\$404.2 million). For the nine months ended 30 September 2026, the Group's unaudited consolidated revenue increased by approximately 1.7% to US\$1,199.6 million (2025: US\$1,179.2 million).

In respect of the footwear manufacturing business, the decrease in shipment volumes for the three months ended 30 September 2026 was primarily attributable to the front-loading of production for a certain Casual customer into the first half of 2026 in preparation for the phased shutdown of our footwear factory in the Philippines, which commenced in July 2026. Accordingly, the decrease in shipment volumes for the first nine months of 2026 was in line with expectations. ASP for both the three months and nine months ended 30 September 2026 increased due to a higher-ASP product mix, especially in our Sports segment, as well as increased raw material costs.

Under our recently announced Three-Year Plan (2026–2028), we are focusing on expanding and diversifying our manufacturing base to support our future growth. Our new dedicated factory in Vietnam for a premium Sports customer commenced operations in the third quarter of 2026 and is expected to continue ramping up through 2027, while our two new factories in Indonesia and Bangladesh are expected to commence operations in the fourth quarter of 2026. Together with our existing factory in Solo, Indonesia, these new factories will add approximately 20 million pairs to our total production capacity over the coming years. With 2026 set as an investment year, we expect the majority of the profit growth from the strategies outlined in our Three-Year Plan to materialise in the latter part of the 2026–2028 period.

In addition, we remain committed to returning additional cash of 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).

<sup>1</sup> Including our manufacturing 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, "Our capacity expansion investments in 2026 have positioned Stella for its next phase of growth, in line with our current Three-Year Plan. The opening of our new Vietnam facility, together with our soon-to-open factories in Indonesia and Bangladesh, will enhance our ability to serve leading global brands and respond to their evolving needs, while enabling us to capture higher-value opportunities."

**Mr. Lawrence Chen, Chairman** of the Group, said, "As we reach the end of our current investment cycle, we remain focused on investing further in innovation and product development to drive our ongoing performance, as well as our ability to deliver for shareholders. This includes fulfilling our commitment to return additional cash of up to US\$60 million to our shareholders in 2026 under our Excess Cash Return Program."

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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.

*For further information, please contact:*

### **Macy Leung**

Head of Investor Relations

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