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Stella International's Performance in 2Q 2026 In Line with Expectations

Hong Kong, 16 July 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 six months ended 30 June 2026.

Operational Highlights:

Footwear Manufacturing Business	For the three months ended 30 June (Unaudited)		Change (%)	For the six months ended 30 June (Unaudited)		Change (%)
	2026	2025		**2026**	2025	
Revenue *(US$ million)*	**439.2**	433.0	+1.4	**766.6**	753.5	+1.7
Shipment volume *(million pairs)*	**15.6**	15.4	+1.3	**27.5**	27.5	+0.0
Average selling price ("ASP") *(US$/pair)*	**28.2**	28.2	+0.0	**27.9**	27.4	+1.8

For the three months ended 30 June 2026, the Group's unaudited consolidated revenue increased by approximately 1.2% to US$449.3 million (2025: US$444.0 million). For the six months ended 30 June 2026, the Group's unaudited consolidated revenue increased by approximately 1.5% to US$786.7 million (2025: US$775.0 million).

In respect of our footwear manufacturing business, shipment volumes in the three months and six months ended 30 June 2026 were flat, in line with expectations. ASP for the six months ended 30 June 2026 increased due to a higher-ASP product mix within our Sports segment and increased raw material costs.

Under our recently announced Three-Year Plan (2026-2028), we are focused 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 the 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).

Mr. Chi Lo-Jen, Chief Executive Officer of the Group said, "Our performance in the first half of 2026 was within our expectations, even against a backdrop of heightened geopolitical and economic uncertainties. Forward order visibility remains solid, supported by our customers' ongoing attraction to our diversified manufacturing base and our ability to deliver differentiation, high quality and value."

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Mr. Lawrence Chen, Chairman of the Group, said, "We remain focused on implementing our new Three-Year Plan (2026–2028). Despite 2026 being an important investment year for the Group, given our strong net cash position, we have both the capability and commitment to return additional cash up to US$60 million to shareholders in 2026 under our ongoing 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.

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