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

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 1836)

**BUSINESS UPDATE OF THE GROUP**  
**FOR THE FIRST QUARTER OF 2023**

The board (the “**Board**”) of directors (the “**Directors**”) of Stella International Holdings Limited (the “**Company**”) would like to provide an update on the business development of the Company and its subsidiaries (collectively, the “**Group**”) for the first quarter of 2023 on a voluntary basis.

**TOTAL CONSOLIDATED REVENUE**

For the three months ended 31 March 2023, the Group’s unaudited consolidated revenue<sup>1</sup> decreased by 25.8% to approximately US\$284.6 million, compared to the unaudited consolidated revenue of approximately US\$383.3 million for the corresponding period of last year.

<sup>1</sup> Including the Group’s manufacturing business, branding business and other businesses not covered herein, and after the elimination of inter-segment sales.

\* For identification purpose only

## MANUFACTURING BUSINESS

An analysis of the revenue, shipment volume and average selling price (“ASP”) in relation to the manufacturing business of the Group for the three months ended 31 March 2023 is shown in the table below:

	For the three months ended		Change (%)
	31 March (Unaudited) 2023	2022	
Revenue (US\$ million)	277.4	374.6	-25.9
Shipment Volume (million pairs)	9.6	14.0	-31.4
Average Selling Price (US\$/pair)	28.8	26.8	7.5

Shipment volumes in the three months ended 31 March 2023 decreased by 31.4% year-on-year due to a high base effect with the Group’s manufacturing business running at a full utilisation rate during the corresponding period of last year, and with certain Sports and Casual customers clearing their excess inventory during the first quarter of 2023. ASP increased by 7.5% year-on-year due to changes to the Group’s product mix and customer mix.

## GROUP PERFORMANCE

For the three months ended 31 March 2023, the Group’s unaudited consolidated profit after tax is in line with the Group’s expectations and it remains confident of reaching the medium-term goals of its Three-Year Plan (2023-2025), achieving an operating margin of 10% and low-teens annualised growth rate on profit after tax by the end of 2025.

By order of the Board  
**Stella International Holdings Limited**  
**Chen Li-Ming, Lawrence**  
*Chairman*

Hong Kong, 20 April 2023

*As at the date of this announcement, the executive Directors are Mr. Chen Li-Ming, Lawrence, Mr. Chi Lo-Jen, Mr. Gillman Charles Christopher and Mr. Chiang Yi-Min, Harvey; and the independent non-executive Directors are Mr. Chen Johnny, Mr. Bolliger Peter, Mr. Chan Fu Keung, William, BBS, Mr. Yue Chao-Tang, Thomas, Ms. Shi Nan Sun and Ms. Wan Sin Yee, Cindy.*