

**KTP HOLDINGS LTD :  
REEBOK, LA GEAR AND DKNY DELAY BUYING ORDERS  
PROFITS HEAD SOUTH**

Problems continue to plague publicly listed KTP Holdings Ltd (Code: 645, Main Board, The Stock Exchange of Hongkong Ltd) as it becomes more and more apparent that it may have to take it on the chin before the Current Financial Year is out.

According to extremely reliable sources, close to the Company, KTP is concerned about what Management calls 'delayed orders' from its major customer: Reebok International.

Reebok's orders represent about 70 percent of total production of sports shoes to KTP.

This US giant has delayed, for the past 2 months, the placing of its normal orders for this time of the year for KTP-produced sports shoes.

This is equal to a reduction of yearly orders of about one million pairs of sports shoes, or about 27 container loads of product, our source explained.

At factory prices per pair of shoes of between \$US12 and \$US17, this is a loss to KTP of at least \$HK113 million in terms of annual Turnover.

TARGET's source said that it was of 'major concern' to senior management of KTP because the Company could, now, be facing a loss situation for the Current Financial Year, ending March 31, 2002.

Reebok, however, is but one of the 3 major customers of this sports shoemaker to have delayed (or cancelled) orders. The other 2 customers are LA Gear and DKNY.

While LA Gear only orders between 20,000 pairs and 30,000 pairs of sports shoes, annually, DKNY, on the other hand, usually orders about one million pairs of sports shoes, annually.

In both cases, these 2 customers have delayed the placing of their orders, too.

That means that there is no hope that KTP will be having any Christmas orders from these 3 major customers.

'They (the 3 customers) are not buying for Christmas ... It is too late, now!' TARGET's source lamented.

He went on to state that this situation will affect the profitability of KTP for the Current Financial Year and, although there was, definitely, a profit for the first half, to September 30, 2001, it is unlikely that there will be a profit when the Year runs its course, to March 31, 2002.

What this Company appears to be looking at, up to today, is a drop-off in orders of not less than 30 percent, compared with the same period in the 2001 Financial Year when the Turnover was about \$HK967 million.

That would be equal to a reduction in Turnover about ... [CLICK TO ORDER FULL ARTICLE](#)

***While TARGET makes every attempt to ensure accuracy of all data published,  
TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to [editor@targetnewspapers.com](mailto:editor@targetnewspapers.com) or [targnews@hkstar.com](mailto:targnews@hkstar.com). TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*