

**BANK OF CHINA HONGKONG BRANCH
TAKES OVER 99 MILLION GOLIK SHARES IN COUP DE THÉÂTRE**

It appears that Bank of China Hongkong Branch, during the past year, has become the proud owner of 99 million shares in the Issued and Fully Paid-Up Share Capital of Golik Holdings Ltd (Code: 1118, Main Board, The Stock Exchange of Hongkong Ltd).

But the acquisition of about 17.46 percent of the publicly listed trading company, Golik Holdings, would appear to have been a force majeure situation, following the financial problems of one of its customers: China Metallurgic (Hongkong) Company Ltd.

According to the 1999 Annual Report of Golik Holdings, covering the Financial Year, ended December 31, 1999, China Metallurgic (Hongkong) Company Ltd was listed as being the owner of 99 million shares in the Issued Share Capital of the Company, representing 17.73 percent of the entire Capital Structure of Golik Holdings.

The Annual Report of Golik for the following Financial Year shows that Bank of China (Hongkong Branch) was the owner of 99 million shares in the Issued Share Capital of Golik, this time, representing 17.46 percent of the Issued Share Capital of the Company.

During the Year, Golik Holdings had issued a few more shares in order to make a number of smallish acquisitions: That was the reason that 99 million shares in Golik, today, represents a lesser percentage of the whole than during the 1999 Financial Year.

TOLFIN (TARGET's Computerised Online Financial Information Service) indicates that Bank of China, Hongkong Branch, has been having its fair share of problems with China Metallurgic, having sued the company on at least 2 occasions.

TARGET presumes that China Metallurgic mortgaged its 99 million Golik shares to Bank of China and, when it could not pay back that which was due to one of the largest banks in the People's Republic of China (PRC), Bank of China just applied the market value of the shares in Golik to China Metallurgic's debt to the bank.

Bank of China sued China Metallurgic on May 8, 2000 for \$HK7,479,187.27, that sum of money, being an alleged amount due to the bank.

Bank of China Hongkong Branch sued China Metallurgic again just last Friday, this time for \$US3,485,005.53 (about \$HK27.15 million).

In this claim, Bank of China Hongkong Branch alleges that China Metallurgic was granted Letters of Credit up to the extent of \$HK30 million ... [CLICK TO ORDER FULL ARTICLE](#)

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