
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **GLORY FLAME HOLDINGS LIMITED**, you should at once hand this circular with the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM**”) of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GLORY FLAME HOLDINGS LIMITED**朝威控股有限公司***(incorporated in the Cayman Islands with limited liability)***(Stock Code: 8059)****PROPOSALS FOR GRANT OF
ISSUE MANDATE AND REPURCHASE MANDATE
RETIREMENT OF DIRECTORS AND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (“**AGM**”) of **GLORY FLAME HOLDINGS LIMITED** (the “**Company**”) to be held at Jasmine Room, 3/F, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 20 May 2016 (Friday) at 10:30 a.m. is set out on pages 18 to 22 of this circular.

A form of proxy is enclosed with this circular. Whether or not you intend to attend and vote at the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof (as the case may be) should you so desire.

This circular will remain on the “Latest Company Announcements” page of the Stock Exchange’s website at www.hkexnews.hk for 7 days from the date of its posting. This circular will also be posted on the Company’s website at www.drillcut.com.hk.

19 April 2016

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
Characteristics of the Growth Enterprise Market	i
Definitions	1
Letter from the Board	3
Appendix I – Explanatory Statement	7
Appendix II – Details of Directors proposed to be re-elected at the AGM	11
Notice of AGM	18

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at Jasmine Room, 3/F, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 20 May 2016 (Friday) at 10:30 a.m., the notice of which is set out on pages 18 to 22 of this circular
“AGM Notice”	the notice convening the AGM set out on pages 18 to 22 of this circular
“Articles of Association”	the articles of association of the Company adopted on 2 August 2014 and as amended from time to time
“Board”	the board of Directors
“close associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Company”	Glory Flame Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange
“core connected person(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all power of the Company to allot, issue and otherwise deal with Shares of up to 20% of the issued share capital of the Company on the date of AGM as set out in resolution number 4 of the AGM Notice

DEFINITIONS

“Latest Practicable Date”	13 April 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares up to 10% of the issued share capital of the Company on the date of AGM, as set out in resolution number 5 in the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent.

LETTER FROM THE BOARD

GLORY FLAME HOLDINGS LIMITED

朝威控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8059)

Executive Directors:

Mr. Pei Wing Fu
Ms. Pei Wing Sze Clare
Ms. Che Xiaoyan
Mr. Liu Zhong Ping
Mr. Chong Yu Keung

Registered Office:

Clifton House
75 Fort Street, P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

Non-executive Director:

Mr. Zheng Si Rong

Head Office and Principal Place

of Business in Hong Kong:

Suites 2001-2006, 20th Floor
Jardine House
1 Connaught Place
Central, Hong Kong

Independent non-executive Directors:

Ms. Lee Suk Fong
Mr. Tsang Wai Wa
Mr. Liu Ping

19 April 2016

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GRANT OF
ISSUE MANDATE AND REPURCHASE MANDATE
RETIREMENT OF DIRECTORS AND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to: (i) provide you with details of the proposed Issue Mandate and the proposed Repurchase Mandate and the extension of the Issue Mandate by addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate; (ii) set out an explanatory statement regarding the Repurchase Mandate; (iii) furnish you with details of the proposed re-election of Directors; and (iv) give you notice of the AGM.

GENERAL MANDATE TO ISSUE SHARES

The Company's existing mandate to issue Shares was approved by its then Shareholders on 24 June 2015. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the AGM. At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to allot, issue and otherwise deal with Shares of up to 20% of the aggregate number of issued shares of the Company as at the date of the passing of the proposed resolution.

LETTER FROM THE BOARD

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if so granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

The Issue Mandate allows the Company to allot, issue and otherwise deal with Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or the laws of the Cayman Islands; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the “**Relevant Period**”).

As at the Latest Practicable Date, the issued share capital of the Company comprised 620,000,000 Shares. Subject to the passing of the relevant resolution to approve the Issue Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Directors would be authorised to allot, issue and otherwise deal with a maximum of 124,000,000 new Shares under the Issue Mandate, representing 20% of the aggregate number of issued shares of the Company as at the date of the AGM.

GENERAL MANDATE TO REPURCHASE SHARES

The Company’s existing mandate to repurchase Shares was approved by its then Shareholders on 24 June 2015. Unless otherwise renewed, the existing mandate to repurchase Shares will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to repurchase Shares of up to 10% of the aggregate number of issued shares of the Company as at the date of the passing of the proposed resolution. The Repurchase Mandate allows the Company to make purchases only during the Relevant Period.

As at the Latest Practicable Date, the issued share capital of the Company comprised 620,000,000 Shares. Subject to the passing of the relevant resolution to approve the Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Company would be allowed to repurchase a maximum of 62,000,000 Shares under the Repurchase Mandate, representing 10% of the aggregate number of issued shares of the Company as at the date of the AGM.

An explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is set out in Appendix I to this circular to provide the requisite information regarding the Repurchase Mandate to the Shareholders.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 112 of the Articles of Association, Ms. Che Xiaoyan, Mr. Liu Zhong Ping, Mr. Chong Yu Keung, Ms. Lee Suk Fong, Mr. Tsang Wai Wa and Mr. Liu Ping and in accordance with article 108 of the Articles of Association, Ms. Pei Wing Sze Clare and Mr. Pei Wing Fu will retire from office as Directors and being eligible, have offered themselves for re-election as Directors at the AGM.

Details of the above retiring Directors who are subject to re-election at the AGM are set out in Appendix II to this circular in accordance with the relevant requirements of the GEM Listing Rules.

AGM

A notice convening the AGM to be held at Jasmine Room, 3/F, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 20 May 2016 (Friday) at 10:30 a.m. is set out on page 18 to 22 of this circular.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

A form of proxy for use by Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the AGM or any adjournment thereof (as the case may be) should you so desire.

RECOMMENDATION

The Directors consider that the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of retiring Directors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM and as set out in the AGM Notice.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board
Glory Flame Holdings Limited
Pei Wing Fu
Chairman

This appendix serves as an explanatory statement as required under the GEM Listing Rules to provide the requisite information to Shareholders for consideration of the Repurchase Mandate pursuant to Rule 13.08 of the GEM Listing Rules.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 620,000,000 Shares. Subject to the passing of the relevant resolution to approve the Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased between the Latest Practicable Date and the date of AGM, the Company will be allowed to repurchase a maximum of 62,000,000 Shares during the Relevant Period.

2. SOURCE OF FUNDS

The Directors propose that the repurchase of Shares under the Repurchase Mandate would be financed from the Company's internal resources.

In repurchasing the Shares, the Company may only apply funds which are legally available for such purposes in accordance with the constitutive documents of the Company, the GEM Listing Rules and the applicable laws and regulations of the Cayman Islands. The Company will not purchase the Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

3. REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of exercising the proposed Repurchase Mandate, the Directors believe that the flexibility afforded by the proposed Repurchase Mandate would be beneficial to the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that repurchase of Shares will benefit the Company and Shareholders as a whole.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months and up to the Latest Practicable Date were as follows:

	Shares Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2015		
April	1.95	1.74
May	2.40	1.71
June	2.36	1.78
July	1.89	1.35
August	2.32	1.60
September	1.99	1.88
October	1.66	0.79
November	1.01	0.90
December	1.09	0.85
2016		
January	1.20	1.03
February	1.06	0.78
March	0.76	0.61
April (up to the Latest Practicable Date)	1.42	0.61

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following shareholders had interests representing 5% or more of the issued share capital of the Company:

Name	Shares held	Nature of interest	Approximate percentage of total issued Shares	
			As at the Latest Practicable Date	If Repurchase Mandate is exercised in full
Power Key Investments Limited (“ Power Key ”)	153,739,000	Beneficial owner	24.80	27.55
Mr. Pei Wing Fu (“ Mr. Pei ”)	153,739,000	Interest in a controlled corporation (<i>Note 1</i>)	24.80	27.55
Ms. Lau Kwai Fong	153,739,000	Interest of spouse (<i>Note 2</i>)	24.80	27.55
Mr. Zhou Chuxiong	40,000,000	Beneficial owner	6.45	7.17

Notes:

1. Mr. Pei beneficially owns Power Key as to 74.55% and is deemed, or taken to be, interested in all the Shares held by Power Key for the purposes of the SFO. Mr. Pei is an executive Director, the chairman of the Company and the sole director of Power Key.
2. Ms. Lau Kwai Fong (“**Mrs. Pei**”) is the spouse of Mr. Pei and is deemed, or taken to be, interested in all the Shares in which Mr. Pei is interested for the purposes of the SFO. Mrs. Pei also beneficially owns Power Key as to 25.45%.

On the basis of the aforesaid increase of shareholding held by the Shareholders set out above, the Directors are not aware of any consequences of such repurchases of Shares that would result in any Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate was exercised in full. Moreover, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors will not repurchase the Shares on GEM if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

7. DISCLOSURE OF INTERESTS OF DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

As at the Latest Practicable Date, none of the Directors nor, to the best of their respective knowledge and belief and having made all reasonable enquiries, their close associates (as defined under the GEM Listing Rules), have any present intention, if the Repurchase Mandate is approved by the Shareholders and is exercised, to sell any Shares to the Company or any of its subsidiaries under the Repurchase Mandate.

As at the Latest Practicable Date, no core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares in the event that the Repurchase Mandate is approved by the Shareholders.

8. MATERIAL ADVERSE CHANGE

As compared with the financial position of the Company as at 31 December 2015 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

9. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of the Shares (whether on GEM or otherwise) during the six months ended on the Latest Practicable Date.

The following are particulars of the Directors proposed to be re-elected at the AGM:

RE-ELECTION OF DIRECTORS

Mr. Pei Wing Fu (費榮富) (“Mr. Pei”)

Mr. Pei, aged 63, is the chairman of the Board, an executive Director and the chief executive officer of the Group. Mr. Pei is the father of Ms. Pei Wing Sze Clare, an executive Director. Mr. Pei has accumulated over 34 years of experience in the concrete demolition industry in Hong Kong and is responsible for overseeing the general operation and devising business strategies of the Group. Mr. Pei was appointed as an executive Director on 25 April 2014. Mr. Pei was first employed by Drillcut Limited (“**Drillcut**”), a limited company incorporated in Hong Kong on 5 May 1981 and an indirect wholly-owned subsidiary of the Company, as a supervisor in July 1981 and was subsequently promoted to the position of project manager in January 1982. In May 1991, Mr. Pei acquired Drillcut and became a director. Prior to joining the Group, Mr. Pei was trained and employed as an electrician by a number of auto companies. In January 1976, Mr. Pei started a sole proprietorship business which was principally engaged in the repair of auto electric spare parts. Mr. Pei carried out such business until he joined Drillcut in July 1981. Mr. Pei obtained a diploma in business management jointly awarded by Hong Kong Polytechnic and Hong Kong Management Association in October 1985.

As at the Latest Practicable Date, Power Key Investments Limited (“**Power Key**”) beneficially owned approximately 24.80% of the total issued Shares. Mr. Pei beneficially owns Power Key as to 74.55% and is deemed, or taken to be, interested in all the Shares held by Power Key for the purposes of the SFO. Mr. Pei is an executive Director, the chairman of the Company and a director of Power Key.

Mr. Pei has entered into a director’s service agreement with the Company for a term of three years commencing on 2 August 2014 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director’s fee of Mr. Pei is HK\$1,200,000 per annum which is determined with reference to his experience, duties and responsibilities within the Company. Mr. Pei will be entitled to discretionary bonus payment as determined by the Board.

Save as disclosed above, Mr. Pei does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, Mr. Pei does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Pei as an executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Ms. Pei Wing Sze Clare (費詠詩) (“Ms. Pei”)

Ms. Pei, aged 36, is an executive Director, administration manager and the compliance officer, who is mainly responsible for overseeing the accounting, financial, administrative and marketing activities and devising business strategies of the Group. Ms. Pei is the daughter of Mr. Pei Wing Fu, the chairman of the Board, the chief executive officer of the Group and an executive Director. Ms. Pei was appointed as an executive Director on 25 April 2014. Ms. Pei first joined Drillcut (an indirect wholly-owned subsidiary of the Company) as an administration manager in November 2004 and was later appointed as a director. She has accumulated over 9 years of experience working in the Group since then. Ms. Pei has been an authorised signatory of Drillcut registered under the Building (Minor Works) Regulation (Chapter 123N of the Laws of Hong Kong) since March 2011. Ms. Pei graduated from the University of British Columbia in Vancouver, Canada in May 2002 with a degree of Bachelor of Commerce in Finance.

As at the Latest Practicable Date, Talent Great Investments Limited (“**Talent Great**”) beneficially owned 19,461,000 Shares, representing approximately 3.14% of the total issued Shares. Ms. Pei beneficially owns Talent Great as to 100% and is deemed, or taken to be, interested in all the Shares held by Talent Great for the purposes of the SFO. Ms. Pei is a director of Talent Great.

Ms. Pei has entered into a director’s service agreement with the Company for a term of three years commencing on 2 August 2014 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director’s fee of Ms. Pei is HK\$1,200,000 per annum which is determined with reference to her experience, duties and responsibilities within the Company. Ms. Pei will be entitled to discretionary bonus payment as determined by the Board.

Save as disclosed above, Ms. Pei does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, Ms. Pei does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and she has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Ms. Pei as an executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Ms. Che Xiaoyan (車曉豔) (“Ms. Che”)

Ms. Che, aged 32, was appointed as the vice chairman of the Board and an executive Director on 22 January 2016. Ms. Che obtained a bachelor’s degree in International Business Trading from Hunan International Economics University (湖南涉外經濟學院) in 2011. Ms. Che is experienced in the ecofriendly and energy saving industry. Ms. Che is the founder of Shenzhen Weixing Biological Technology Company Limited* (深圳慧盈生態科技有限公司), a company established in the People’s Republic of China (“PRC”) in 2013 and is principally engaged in, among others, the development of products and services related to energy saving and reduction of carbon emission. She is also the founder of Shenzhen Changyi Energy Saving Technology Company Limited* (深圳祥益節能科技有限公司), a company established in the PRC in 2013 and is principally engaged in, among others, the research, development, production and sale of new energy batteries and solar energy products.

Ms. Che has entered into a director’s service agreement with the Company for a term of three years commencing on 22 January 2016 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director’s fee of Ms. Che is HK\$720,000 per annum and Ms. Che will be entitled to discretionary bonus payment subject to approval of the Board which is determined with reference to her experience, duties and responsibilities within the Group.

Save as disclosed above, Ms. Che does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Ms. Che does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and she has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Ms. Che as an executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Liu Zhong Ping (劉中平) (“Mr. Liu”)

Mr. Liu, aged 49, was appointed as an executive Director on 8 September 2015. Mr. Liu graduated from the Guangdong University of Technology with a bachelor’s degree in materials science and engineering. Mr. Liu has extensive working experience in management and leadership role. Mr. Liu has been engaged in various business management positions in logistic management and import and export trade companies since 1989. He had been an executive director of Seamless Green China (Holdings) Limited (stock code: 8150) from June 2013 to October 2014, the shares of which are listed on the GEM of the Stock Exchange.

* For identification purpose only

Mr. Liu has entered into a director's service agreement with the Company for a term of three years commencing on 8 September 2015 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director's fee of Mr. Liu is HK\$360,000 per annum and Mr. Liu will be entitled to discretionary bonus payment subject to approval of the Board which is determined with reference to his experience, duties and responsibilities within the Company.

Save as disclosed above, Mr. Liu does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Mr. Liu does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Liu as an executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Chong Yu Keung (莊儒強) ("Mr. Chong")

Mr. Chong, aged 51, holds a bachelor's degree in E-commerce with over 20 years of financial experience in securities brokerage, investment, corporate finance, wealth management and private banking. Mr. Chong held Responsible Officer licences from the Hong Kong Securities and Futures Commission to carry on type 1, 2, 4 and 5 regulated activities under the SFO.

Mr. Chong had served various positions in leading financial companies and banks including The Chase Manhattan Bank N.A., Prudential-Bache Securities (HK) Ltd., UBS Warburg, Dryden Securities (HK) Ltd., Fortis Bank, Hong Kong, Forties Wealth Management (HK) Ltd., FT Securities (HK) Ltd. and Standard Chartered Bank Hong Kong. Mr. Chong had served as a director in a number of non-listed financial institutions in the past 10 years. Mr. Chong joined the Group as an executive Director on 1 February 2016.

Mr. Chong has entered into a director's service agreement with the Company for a term of three years commencing on 1 February 2016 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director's fee of Mr. Chong is HK\$600,000 per annum and Mr. Chong is entitled to discretionary bonus payment subject to approval of the Board which is determined with reference to his experience, duties and responsibilities within the Group.

Save as disclosed above, Mr. Chong does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Mr. Chong does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Chong as an executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Ms. Lee Suk Fong (李淑芳) (“Ms. Lee”)

Ms. Lee, aged 32, was appointed as an independent non-executive Director on 6 November 2015. Ms. Lee obtained a Bachelor of Science degree in economics and finance from The Hong Kong University of Science and Technology in 2005. She is experienced in sales and management. Ms. Lee is the founder of Liberal Arts Culture Limited, a company incorporated in Hong Kong in 2009 and is principally engaged in the provision of education services, and has been its director since its establishment.

Ms. Lee has entered into a director’s service agreement with the Company for a term of three years commencing on 6 November 2015 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director’s fee of Ms. Lee is HK\$200,000 per annum which is determined with reference to her experience, duties and responsibilities within the Company.

Save as disclosed above, Ms. Lee does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Ms. Lee does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and she has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Ms. Lee as an independent non-executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Tsang Wai Wa (曾偉華) (“Mr. Tsang”)

Mr. Tsang, aged 54, was appointed as an independent non-executive Director on 8 December 2015. Mr. Tsang holds a Bachelor degree in Finance and Accounting from South Bank University and a Master degree in Business Administration from University of Lincolnshire & Humberside. He is a fellow member of the Chartered Association of Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He has over 20 years’ experience in auditing, accounting, company secretary and corporate finance experiences. From November 2009 to February 2015, Mr.

Tsang was an independent non-executive director of Culturecom Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 343). From August 2011 to March 2014, he was an independent non-executive director of China Bio Cassava Holdings Limited, the shares of which are listed on the GEM of the Stock Exchange (stock code: 8129). Mr. Tsang is currently the company secretary of Wanjia Group Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 401).

Mr. Tsang has entered into a director's service agreement with the Company for a term of three years commencing on 8 December 2015 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director's fee of Mr. Tsang is HK\$120,000 per annum which is determined with reference to his experience, duties and responsibilities within the Company.

Save as disclosed above, Mr. Tsang does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Mr. Tsang does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Tsang as an independent non-executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Liu Ping (劉平) ("Mr. Liu")

Mr. Liu, aged 42, was appointed as an independent non-executive Director on 8 December 2015. Mr. Liu obtained a bachelor's degree in Technology and Economics from Xian Jiaotong University, and a master's degree in Engineering Management from Zhejiang University. Mr. Liu has more than ten years of experience in high tech enterprise, equity investment and start-ups. Mr. Liu is currently the managing director of China Capital Management Company Ltd.. He has been working as an investment manager, investment director and a general manager of the investment and development department at China Merchants Technology Group Co., Ltd. since August 2004.

Mr. Liu has entered into a director's service agreement with the Company for a term of three years commencing on 8 December 2015 subject to rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The director's fee of Mr. Liu is HK\$120,000 per annum which is determined with reference to his experience, duties and responsibilities within the Company.

Save as disclosed above, Mr. Liu does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Mr. Liu does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he has no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, the Company considers that in relation to the re-election of Mr. Liu as an independent non-executive Director, there is no information to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

NOTICE OF AGM

GLORY FLAME HOLDINGS LIMITED

朝威控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8059)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of shareholders of Glory Flame Holdings Limited (the “**Company**”) will be held at Jasmine Room, 3/F, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 20 May 2016 (Friday) at 10:30 a.m., to consider and, if thought fit, to pass with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company for the year ended 31 December 2015.
2. To re-appoint HLB Hodgson Impey Cheng Limited as auditors of the Company and to authorise the board of Directors to fix their remuneration.
3.
 - (a) To re-elect Mr. Pei Wing Fu as an executive Director and the board of Directors be authorised to fix his Director’s remuneration;
 - (b) To re-elect Ms. Pei Wing Sze Clare as an executive Director and the board of Directors be authorised to fix her Director’s remuneration;
 - (c) To re-elect Ms. Che Xiaoyan as an executive Director and the board of Directors be authorised to fix her Director’s remuneration;
 - (d) To re-elect Mr. Liu Zhong Ping as an executive Director and the board of Directors be authorised to fix his Director’s remuneration;
 - (e) To re-elect Mr. Chong Yu Keung as an executive Director and the board of Directors be authorised to fix his Director’s remuneration;
 - (f) To re-elect Ms. Lee Suk Fong as an independent non-executive Director and the board of Directors be authorised to fix her Director’s remuneration;
 - (g) To re-elect Mr. Tsang Wai Wa as an independent non-executive Director and the board of Directors be authorised to fix his Director’s remuneration; and
 - (h) To re-elect Mr. Liu Ping as an independent non-executive Director and the board of Directors be authorised to fix his Director’s remuneration.

NOTICE OF AGM

4. “THAT:

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 (the “**Share**”) each in the share capital of the Company or securities convertible into such shares or options, warrants, or similar right to subscribe for any shares or convertible securities of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers (including but not limited to the power to allot, issue and deal with additional Shares in the capital of the Company) during or after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of any options granted under any share option scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any eligible persons thereunder of shares or rights to subscribe for shares in the capital of the Company; (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part a dividend pursuant to the articles of association of the Company (the “**Articles of Association**”) from time to time; or (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate number of issued shares of the Company as at the time of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF AGM

- (d) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
 - (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares of the Company open for a period fixed by the Company or the Directors to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

5. **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the share capital of the Company on the Growth Enterprise Market of the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers to repurchase such shares are subject to and in accordance with all applicable laws and requirements of the GEM Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (c) the aggregate number of shares of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate number of issued shares of the Company as at the time of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF AGM

- (d) for the purpose of this Resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
 - (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
6. “**THAT** conditional upon the passing of resolutions 4 and 5 as set out in this notice convening the Meeting of which this resolution forms part, the general mandate granted to the directors of the Company pursuant to Resolution 4 as set out in this notice convening the Meeting of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5 as set out in this notice convening the Meeting of which this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate number of issued shares of the Company as at the date of passing this Resolution.”

By Order of the Board
Glory Flame Holdings Limited
Pei Wing Fu
Chairman

Hong Kong, 19 April 2016

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorized on its behalf.
3. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or any adjournment thereof), either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company’s branch registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

NOTICE OF AGM

5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. An explanatory statement as required by the GEM Listing Rules in connection with the repurchase mandate under resolution No. 5 above is set out in Appendix I to this circular.
7. In relation to resolution No. 3, Mr. Pei Wing Fu, Ms. Pei Wing Sze Clare, Ms. Che Xiaoyan, Mr. Liu Zhong Ping, Mr. Chong Yu Keung, Ms. Lee Suk Fong, Mr. Tsang Wai Wa and Mr. Liu Ping will retire from office at the Meeting in accordance with the Articles of Association and, being eligible, will offer themselves for re-election. Biographical details of these Directors are set out in Appendix II to this circular.
8. The transfer books and register of members of the Company will be closed from 18 May 2016 (Wednesday) to 20 May 2016 (Friday), both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 17 May 2016 (Tuesday).
9. A form of proxy for use by shareholders at the Meeting is enclosed.