
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).

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This circular, for which the directors of Glory Flame Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on 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

- (1) GRANT OF ISSUE MANDATE AND REPURCHASE MANDATE**
- (2) RETIREMENT AND RE-ELECTION OF DIRECTORS**
- (3) SHARE CONSOLIDATION**
- (4) CAPITAL REDUCTION OF ISSUED CONSOLIDATED SHARES AND SUB-DIVISION OF UNISSUED CONSOLIDATED SHARES**
- AND**
- (5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of GLORY FLAME HOLDINGS LIMITED to be held at 10:00 a.m. on 26 June 2026 (Friday) at 3/F, OfficePlus@SheungWan, NOs 93-103 Wing Lok Street, Sheung Wan, Hong Kong is set out on pages 29 to 36 of this circular.

A form of proxy is enclosed with this circular. Whether or not you intend to attend and vote at the aforesaid annual general meeting, 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, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the aforesaid annual general meeting 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 aforesaid annual general meeting or any adjournment thereof (as the case may be) should you so desire.

This circular together with the proxy form are published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gf-holdings.com).

5 June 2026

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

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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 10:00 a.m. on 26 June 2026 (Friday) at venue 3/F, OfficePlus@SheungWan, NOs 93-103 Wing Lok Street, Sheung Wan, Hong Kong, the notice of which is set out in the AGM Notice
“AGM Notice”	the notice convening the AGM set out on pages 29 to 36 of this circular
“Articles of Association”	the memorandum and articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby the par value of each of the issued Consolidated Shares will be reduced from HK\$0.2 each to HK\$0.01 each by cancelling the paid-up capital to the extent of HK\$0.19 on each issued Consolidated Share
“Capital Reorganisation”	collectively, the Share Consolidation, the Capital Reduction and the Share Sub-division
“Cayman Registrar”	the Registrar of Companies in the Cayman Islands
“CCASS”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“close associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Companies Act”	the Companies Act (as revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“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
“Consolidated Share(s)”	the ordinary share(s) of par value HK\$0.2 each in the share capital of the Company upon the Share Consolidation becoming effective but prior to the Capital Reduction and Share Sub-division becoming effective
“core connected person(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Shares”	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation, the Capital Reduction and the Sub-division becoming effective
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with new Shares (including any sale or transfer of Treasury Shares out of treasury) not exceeding 20% of the issued Shares (excluding any Treasury Shares) as at the date of passing of the relevant resolution granting of such general mandate by the Shareholders
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“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 total number of issued Shares on the date of AGM as set out in resolution number 5 of the AGM Notice
“Latest Practicable Date”	2 June 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“New Shares”	the issued and unissued ordinary share(s) of par value HK\$0.01 each in the share capital of the Company upon the Capital Reorganisation becoming effective
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to repurchase up to a maximum of 10% of the issued Shares (excluding any Treasury Shares) as at the date of passing of the relevant resolution granting of such repurchase mandate by the Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	Existing Share(s), Consolidated Share(s) and/or New Share(s), as the case may be
“Shareholder(s)”	the holder(s) of Share(s)
“Share Consolidation”	the proposed consolidation of every twenty (20) issued and unissued Existing Shares of par value HK\$0.01 each into one (1) Consolidated Share of par value HK\$0.2 each in the share capital of the Company
“Share Option(s)”	the option(s) to subscribe for new shares of the Company granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 2 August 2014 and expired on 1 August 2024

DEFINITIONS

“Share Sub-division” or “Sub-division”	the proposed sub-division of each of the authorised but unissued Consolidated Shares of par value HK\$0.2 each into twenty (20) New Shares of par value of HK\$0.01 each
“Solvency Statement”	means a solvency statement made or to be made by the Directors pursuant to the Companies Act
“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 issued by the Securities and Futures Commission of Hong Kong
“Treasury Shares”	has the meaning ascribed to it under the GEM Listing Rules, as amended from time to time
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation, the Capital Reduction and the Share Sub-division is set out below. The expected timetable is subject to the results of the AGM and satisfaction of the conditions to the Share Consolidation, the Capital Reduction and the Share Sub-division and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates.

Time and date

Expected date of dispatch of circular, the notice of the AGM and
the form of proxy of the AGM on or before By Friday, 5 June 2026

Latest date and time for lodging transfer documents in order to
qualify for attending and voting at AGM.....4:30 p.m. on Monday,
22 June 2026

Closure of register of members for determining the identity of the
Shareholders entitled to attend and vote at the AGM
(both dates inclusive) Tuesday, 23 June 2026 to
Friday, 26 June 2026

Latest date and time for lodging the proxy form for the AGM10:00 a.m. on Wednesday,
24 June 2026

Record date for AGMFriday, 26 June 2026

Expected date and time of the AGM 10:00 a.m. on Friday,
26 June 2026

Publication of announcement of poll results of the AGMFriday, 26 June 2026

EXPECTED TIMETABLE

The following events are conditional upon, among other things, (i) the passing of the relevant special resolution(s) by the Shareholders at the AGM, (ii) the Directors making the Solvency Statement in accordance with the Companies Act, and (iii) the registration by the Registrar of Companies in the Cayman Islands of the Solvency Statement and the relevant minutes in respect of the Capital Reduction, and are therefore indicative only.

Effective date of the Share Consolidation, Capital Reduction and

Share Sub-division Thursday, 9 July 2026

First day for free exchange of existing share certificates for

new share certificates of the New Shares. Thursday, 9 July 2026

Dealings in the New Shares commence. 9:00 a.m. on Thursday,
9 July 2026

Original counter for trading in Existing Shares in board lots of

5,000 Existing Shares (in the form of existing share certificates)

temporarily closes 9:00 a.m. on Thursday,
9 July 2026

Temporary counter for trading in New Shares in board lots of

250 New Shares (in the form of existing share certificates) opens. 9:00 a.m. on Thursday,
9 July 2026

Original counter for trading in New Shares in board lots of

5,000 New Shares (in the form of new share certificates for

New Shares) re-opens 9:00 a.m. on Thursday,
23 July 2026

Parallel trading in the New Shares (in the form of

new share certificates for the New Shares and existing

share certificates) commences. 9:00 a.m. on Thursday,
23 July 2026

Designated broker starts to stand in the market to provide

matching services for the sale and purchase of odd lots of

the New Shares 9:00 a.m. on Thursday,
23 July 2026

EXPECTED TIMETABLE

Designated broker ceases to stand in the market to provide
matching services for sale and purchase of odd lots of
the New Shares 4:00 p.m. on Wednesday,
12 August 2026

Temporary counter for trading New Shares in board lots of
250 New Shares (in the form of existing share certificates)
closes 4:10 p.m. on Wednesday,
12 August 2026

Parallel trading in New Shares (in the form of new share
certificates for the New Shares and existing share certificates)
ends. 4:10 p.m. on Wednesday,
12 August 2026

Last date and time for free exchange of existing share certificates
for the new share certificates of the New Shares 4:30 p.m. on Friday,
14 August 2026

GENERAL

The AGM will be convened and held for the Shareholders to consider and, if thought fit, approve the special resolution in respect of the Capital Reorganisation.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Share Consolidation, the Capital Reduction and the Share Sub-division and no Shareholders are required to abstain from voting at the AGM.

As the Capital Reorganisation is subject to the satisfaction of conditions, it may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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. Zhong Zhiwei

Independent non-executive Directors:

Mr. Choi Chi Wai

Ms. Chan Chu Hoi

Mr. Lam Pang

Registered Office:

Windward 3, Regatta Office Park

P.O. Box 1350

75 Fort Street

Grand Cayman KY1-1108

Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong:*

Unit 9B, 23/F.,

On Hong Commercial Building

145 Hennessy Road

Wan Chai

Hong Kong

5 June 2026

To the Shareholders

Dear Sir/Madam,

PROPOSALS FOR

(1) GRANT OF ISSUE MANDATE AND REPURCHASE MANDATE

(2) RETIREMENT AND RE-ELECTION OF DIRECTORS

(3) SHARE CONSOLIDATION

**(4) CAPITAL REDUCTION OF ISSUED CONSOLIDATED SHARES AND
SUB-DIVISION OF UNISSUED CONSOLIDATED SHARES AND**

(5) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the granting of the General Mandate (including the extended General Mandate) and the Repurchase Mandate to the Directors; (ii) the re-election of Directors; (iii) the re-appointment of auditors; and (iv) the Capital Reorganisation.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the granting of the General Mandate (including the extended General Mandate) and the Repurchase Mandate, the re-election of Directors, the re-appointment of auditors, the Capital Reorganisation, and the notice of the AGM.

GENERAL MANDATE AND REPURCHASE MANDATE

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the General Mandate and the Repurchase Mandate

GENERAL MANDATE

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the General Mandate) to allot, issue and deal with unissued Shares or underlying shares of the Company (other than by way of rights issue or pursuant to a share option scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Articles of Association) (including any sale or transfer of Treasury Shares out of treasury) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate amount of up to 20% of the number of issued Shares (excluding any Treasury Shares) as at the date of granting of the General Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the General Mandate authorizing the Directors to allot, issue and deal with Shares (including any sale or transfer of Treasury Shares out of treasury) to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 1,010,605,000 Shares in issue. Subject to the passing of the resolutions for the approval of the General Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the General Mandate to allot, issue and deal with (or sale or transfer out of treasury) a maximum of 202,121,000 Shares. If the Company conducts a share consolidation or subdivision after the General Mandate is granted, the maximum number of Shares that can be issued under the General Mandate will be adjusted so that such maximum number of Shares as a percentage of the total number of issued Shares as at the date immediately before and after such consolidation or subdivision will be the same.

LETTER FROM THE BOARD

REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate amount of up to 10% of the number of issued Shares (excluding any Treasury Shares) as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 101,060,500 Shares. If the Company conducts a share consolidation or subdivision after the Repurchase Mandate is granted, the maximum number of Shares that can be repurchased under the Repurchase Mandate will be adjusted so that such maximum number of Shares as a percentage of the total number of issued Shares as at the date immediately before and after such consolidation or subdivision will be the same.

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, the Companies Act or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first (the “**Relevant Period**”).

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the GEM Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 108 and 112 of the Articles of Association, Mr. Zhong Zhiwei, Mr. Choi Chi Wai and Mr. Lam Pang have offered themselves for re-election as Directors at the AGM respectively.

LETTER FROM THE BOARD

The Nomination Committee leads the process of appointment of Directors. The Nomination Committee shall evaluate the proposed candidate's suitability with reference to the selection criteria as stated in the nomination policy adopted on 1 January 2019 and make recommendation(s) to the Board's consideration and approval; In the case of the re-election of a director at the general meeting, the Nomination Committee shall review the overall contribution of the directors to the Company and their services, their participation and performance within the Board, and whether such director still meets the needs to complement the Company's corporate strategy.

Each of independent non-executive Directors has confirmed that they are independent and remains independent pursuant to Rule 5.09 of the GEM Listing Rules. The Board has determined that there are no relationships or circumstances which are considered to be material to affect the independence of independent non-executive Directors.

Each of the Directors standing for re-election has confirmed that they would be able to devote sufficient time to the Board.

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. It indicates how each Director contributes to the diversity of the Board and their skills and experience that the Directors can bring to the Board.

RE-APPOINTMENT OF AUDITORS

McMillan Woods (Hong Kong) CPA Limited ("McMillan") will retire at the AGM and, being eligible, offers itself for re-appointment. The Board proposes the re-appointment of McMillan as auditors of the Company until the conclusion of the next annual general meeting, and authorises the Board to fix the auditors' remuneration for the year ending 31 December 2026.

The estimated audit fee for the consolidated financial statements for the year ending 31 December 2026 is approximately HK\$0.5-0.8 million (exclusive of out-of-pocket expenses). Such fee is determined after arm's length negotiations, taking into account:

- historical audit fees;
- prevailing market rates;
- complexity and business plan of the Group;
- expected audit scope and timetable; and
- auditors' resources required.

LETTER FROM THE BOARD

The estimated fee is based on the assumption that there will be no material changes in operations, accounting policies or regulatory environment, and that the Company will provide timely and sufficient assistance for the audit. Unless there is a material change to the disclosed basis or assumptions, the final audit fee will not deviate materially from the estimated amount.

PROPOSED SHARE CONSOLIDATION

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$20,000,000 divided into 2,000,000,000 Existing Shares with par value of HK\$0.01 each, of which 1,010,605,000 Existing Shares have been issued and are fully paid or credited as fully paid. The Board proposes to implement the Share Consolidation on the basis that every twenty (20) issued and unissued Existing Shares of par value of HK\$0.01 each be consolidated into one (1) Consolidated Share of HK\$0.2 each.

Effect of the Share Consolidation

Immediately after the Share Consolidation becomes effective but before the Capital Reduction and the Share Sub-division become effective, and assuming there will be no change in the number of Existing Shares in issue between the Latest Practicable Date and the effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$20,000,000 divided into 100,000,000 Consolidated Shares with par value of HK\$0.2 each, of which 50,530,250 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled.

LETTER FROM THE BOARD

Adjustments in relation to other securities of the Company

According to the rules of the Share Option Scheme, in the event of any alteration in the capital structure of the Company whilst any Share Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of our Company (other than an issue of Shares as consideration in respect of a transaction to which any member of our Group is a party), such corresponding adjustments (if any) shall be made in the number of Shares subject to the option so far as unexercised; and/or the subscription prices, as the auditors of or independent financial adviser to our Company shall certify or confirm in writing (as the case may be) to the Board to be in their opinion fair and reasonable in compliance with the relevant provisions of the GEM Listing Rules, or any guideline or supplemental guideline issued by the Stock Exchange from time to time (no such certification is required in case of adjustment made on a capitalisation issue), provided that any alteration shall give a grantee the same proportion of the issued share capital of our Company as that to which he was previously entitled, but no adjustment shall be made to the effect of which would be to enable a Share to be issued at less than its nominal value. The Share Option Scheme was expired on 1 August 2024 and the Company does not have share scheme which is currently in force.

As at the Latest Practicable Date, there are a total of 6,200,000 outstanding Share Options granted under the Share Option Scheme entitling the holders thereof to subscribe for up to an aggregate of 6,200,000 Existing Shares. The 6,200,000 outstanding Share Options were granted on 14 June 2016 and are valid until 14 June 2026. As the expected effective date of the Capital Reorganisation is 9 July 2026, which falls after the expiry date of the outstanding Share Options, no adjustment will be made in accordance with the rules of the Share Option Scheme.

Save as disclosed above, as at the Latest Practicable Date, the Company has no outstanding options, derivatives, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

LETTER FROM THE BOARD

Reasons for the Share Consolidation

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in June 2024 has further stated that (i) market price of the share at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and (ii) taking into account that the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

Based on the closing price of HK\$0.034 per Existing Share as at the Latest Practicable Date and the current board lot size of 5,000 Existing Shares, the value per current board lot of 5,000 Existing Shares is HK\$170, which is less than HK\$2,000. The Directors consider that the Share Consolidation will bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. Based on the closing price of HK\$0.034 per Existing Share (equivalent to the theoretical closing price of HK\$0.68 per New Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the expected market value of each board lot of 5,000 New Shares, assuming the Share Consolidation have become effective, would be HK\$3,400, which is greater than HK\$2,000 and therefore complies with the requirement as set out in the Guide.

Furthermore, the Share Consolidation is intended to make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus help to further broaden the shareholder base of the Company.

As at the Latest Practicable Date, the Company has no plan to carry out any future corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Share Consolidation.

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group nor result in a change in the relative rights of the Shareholders.

LETTER FROM THE BOARD

PROPOSED CAPITAL REDUCTION AND SHARE SUB-DIVISION

The Board further proposes that immediately after the Share Consolidation becomes effective, the Capital Reduction and the Sub-division be implemented in the following manner:

- (i) the issued share capital of the Company will be reduced by cancelling the paid-up capital to the extent of HK\$0.19 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.2 to HK\$0.01; and
- (ii) immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares of par value of HK\$0.2 each be sub-divided into twenty (20) New Shares of par value of HK\$0.01 each.

Each of the New Shares arising from the Capital Reduction and the Share Sub-division shall rank *pari passu* in all respects with each other each in accordance with the Articles of Association and have rights and privileges and be subject to the restrictions as contained in the Articles of Association.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon the following conditions:

- (i) the passing of a special resolution by the Shareholders at the AGM to approve the Capital Reorganisation;
- (ii) the Directors shall have made a Solvency Statement in relation to the Capital Reduction no more than 30 days before the date on which the special resolution for the Capital Reduction is passed at the AGM;
- (iii) the filing of a copy of the Solvency Statement and the minute stating certain information as required by the Companies Act with respect to the Capital Reduction with the Cayman Registrar within 15 days after the passing of the special resolution for the Capital Reduction is passed at the AGM;
- (iv) the Cayman Registrar issuing a certificate stating that the Solvency Statement made under the Companies Act and the minute have been registered;

LETTER FROM THE BOARD

- (v) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares upon the Capital Reduction and the Share Sub-division becoming effective; and
- (vi) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Capital Reorganisation.

The Capital Reorganisation will become effective when the conditions mentioned above are fulfilled. None of the above conditions can be waived. Upon the approval by the Shareholders of Capital Reorganisation at the AGM, the registered office provider of the Company will arrange for the filing with the Cayman Registrar.

The Cayman Registrar, on receipt of the copy of the Solvency Statement and the minute shall register the Solvency Statement and the minute, and issue to the Company a certificate stating that the Solvency Statement and the minute have been registered.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

Effect of the Capital Reduction and Share Sub-division

Immediately upon the Share Consolidation, the Capital Reduction and the Share Sub-division becoming effective and assuming no further Shares or (as the case may be) Consolidated Shares will be issued or repurchased from the Latest Practicable Date up to and including the date of which the Capital Reduction and the Share Sub-division shall become effective, the authorised share capital of the Company shall be HK\$20,000,000 divided into 2,000,000,000 New Shares with par value of HK\$0.01 each, of which 50,530,250 New Shares will be in issue and fully paid or credited as fully paid.

Based on the 1,010,605,000 Existing Shares in issue as at the Latest Practicable Date or (as the case may be) 50,530,250 Consolidated Shares in issue as at the date of which the Share Consolidation becoming effective, and assuming no further Shares or (as the case may be) Consolidated Shares will be issued or repurchased prior to the date of which the Capital Reduction and the Share Sub-division shall become effective, a credit amounting to HK\$9,600,747.5 will arise as a result of the Capital Reduction. It is proposed that the credit arising from the Capital Reduction will be credited to the distributable reserve account of the Company, which will be utilised by the Company in such manner as the Board may deem fit and permitted under all applicable laws and the Articles of Association.

LETTER FROM THE BOARD

Assuming that there is no change in the number of issued Shares from the Latest Practicable Date up to and including the date on which the Share Consolidation, the Capital Reduction and the Share Sub-division becoming effective, the share capital structure of the Company will be as follows:

	As at the Latest Practicable Date	Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective	Immediately Upon the Capital Reduction and the Share Sub-division becoming effective
Par Value	HK\$0.01 per Existing Share	HK\$0.2 per Consolidated Share	HK\$0.01 per New Share
Number of authorised Shares issued by the Company	2,000,000,000 Existing Shares	100,000,000 Consolidated Shares	2,000,000,000 New Shares
Amount of authorised share capital of the Company	HK\$20,000,000	HK\$20,000,000	HK\$20,000,000
Number of issued Shares issued by the Company	1,010,605,000 Existing Shares	50,530,250 Consolidated Shares	50,530,250 New Shares
Amount of the issued share capital of the Company	HK\$10,106,050	HK\$10,106,050	HK\$505,302.5

All New Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

LETTER FROM THE BOARD

Other than the expenses to be incurred in relation to the Capital Reduction and Share Sub-division, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional New Shares will not be allocated to the Shareholders who may otherwise be entitled. The Directors are of the view that the Capital Reduction and the Share Sub-division will not have any material adverse effect on the financial position of the Group and are in the interest of the Company and the Shareholders as a whole.

Reasons for the Capital Reduction and Share Sub-division

Pursuant to the Articles of Association, the Company may not issue shares at a discount to the nominal value of such shares. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and the Share Sub-division, the nominal value of the Consolidated Shares will be HK\$0.2 per Consolidated Share. The Capital Reduction and the Share Sub-division will keep the nominal value of the New Shares at a lower level of HK\$0.01 per New Share, which allows greater flexibility in the pricing for any issue of new Shares in the future.

The Board considers that the Capital Reduction and the Share Sub-division is beneficial to and in the interests of the Company and the Shareholders as a whole.

Application for listing of the New Shares

An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the New Shares upon the Capital Reorganisation becoming effective.

Subject to the granting of listing of, and permission to deal in, the New Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the securities (being equity or debt) are listed or dealt in any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becoming effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

Fractional entitlement to the New Shares

Fractional New Shares arising from the Capital Recognition, if any, will be disregarded and will not be allocated to the Shareholders, but will be aggregated and, if possible, sold for the benefit of the Company. Fractional New Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers the possibility of buying or selling the Shares in a number sufficient to make up an entitlement to receive a whole number of New Shares.

Free exchange of share certificates for the New Shares

Subject to the Capital Reorganisation becoming effective, Shareholders may submit their existing share certificates in pink colour for the Existing Shares from Thursday, 9 July 2026 to 4:30 pm on Friday, 14 August 2026 (both days inclusive) to the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at, 2103B, 21/F., 148 Electric Road, North Point, Hong Kong during business hours in exchange for new share certificates in green colour for the New Shares at the expenses of the Company. It is expected that the new share certificates for the New Shares will be available for collection within ten (10) Business Days after submission of the existing share certificates to the Registrar for exchange.

Shareholders should note that after the prescribed time for free exchange of new share certificates for the New Shares, a fee of HK\$2.50 (or such other amount as may be specified by the Stock Exchange from time to time) will be payable by Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the New Shares, whichever the number of certificate(s) cancelled or issued is higher.

The existing share certificates will only be valid for delivery, trading, settlement and registration purposes for the period up to 4:10 p.m. on Wednesday, 12 August 2026, and thereafter will not be accepted for delivery, trading, settlement and registration purposes and trading will only be in New Shares. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of every twenty (20) Existing Shares for one (1) New Share. The new share certificates for the New Shares will be issued in green colour in order to distinguish them from the share certificates for the Existing Shares which are in pink colour.

LETTER FROM THE BOARD

Odd lots arrangements and matching services

In order to facilitate the trading of odd lots (if any) of the New Shares arising from the Capital Reorganisation, the Company has appointed a securities firm, SBI China Capital Financial Services Limited (“SBI”), an independent third party of the Company, as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares from 9:00 a.m. on Thursday, 23 July 2026 to 4:00 p.m. on Wednesday, 12 August 2026 (both days inclusive). Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares should contact Mr. Nick Yip of SBI at 4/F, Henley Building, No. 5 Queen’s Road Central, Hong Kong (telephone number: 2533 5607) during the office hours of such period.

Holders of odd lots of the New Shares should note that the matching of the sale and purchase of odd lots of the New Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

AGM

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as none of the Shareholders or their associates would have any material interest in the matters relating to the resolutions put forward at the AGM, no Shareholder would be required to abstain from voting on the resolutions put forward at the AGM. As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors nor their respective close associates had (i) any business or interest that, which competes or may compete with the businesses of the Group; or (ii) any other conflicts of interest which any such person has or may have with the Group which would be required to be disclosed under the GEM Listing Rules.

A notice convening the AGM to be held at 10:00 a.m. on 26 June 2026 (Friday) at 3/F, OfficePlus@SheungWan, NOs 93-103 Wing Lok Street, Sheung Wan, Hong Kong, is set out in the AGM Notice on pages 29 to 36 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.

LETTER FROM THE BOARD

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from 23 June 2026 (Tuesday) to 26 June 2026 (Friday) (both days inclusive), during which period no transfer of shares in the Company will be registered. In order to qualify for attending the AGM, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, not later than 4:30 p.m. on 22 June 2026 (Monday). Shareholders of the Company whose names appear on the Register of Members on 26 June 2026 (Friday) are entitled to attend and vote at the AGM or any adjourned meetings.

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, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, 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 and the extension of the Issue Mandate, the re-election of the retiring Directors, the re-appointment of auditors, and the Capital Reorganisation 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.

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.

Yours faithfully,
By Order of the Board
Glory Flame Holdings Limited
Zhong Zhiwei
Director

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. NUMBER OF SHARES WHICH MAY BE REPURCHASED

Exercise in full of the Repurchase Mandate, on the basis of 1,010,605,000 Shares in issue as at the Latest Practicable Date, would result in 101,060,500 Shares (representing 10% of the number of issued Shares (excluding any Treasury Shares) as at the date of passing of the resolution) being repurchased by the Company during the period prior to the next annual general meeting of the Company following the passing of the resolution approving the Repurchase Mandate.

The Company may cancel such repurchased Shares or hold them as Treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any Treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as Treasury Shares.

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:

Month	Shares Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2025		
April	0.013	0.013
May	0.015	0.012
June	0.016	0.012
July	0.015	0.012
August	0.016	0.013
September	0.016	0.013
October	0.022	0.013
November	0.047	0.014
December	0.038	0.021
2026		
January	0.050	0.019
February	0.068	0.023
March	0.051	0.028
April	0.037	0.024
May	0.038	0.023
June (up to the Latest Practicable Date)	0.034	0.031

5. CONFIRMATION

The Directors confirm 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.

Neither the explanatory statement nor Repurchase Mandate has any unusual features.

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, to the best knowledge and belief of Directors, Ms. Zhou Jin ("Ms. Zhou"), was interested in 284,500,000 Shares, representing approximately 28.15% of the number of issued Shares. In the event that the Directors exercise the Repurchase Mandate in full and assuming there will be no other change in the issued share capital of the Company, the shareholdings of Ms. Zhou in the Company would increase to approximately 31.28% of the number of issued Shares. Such increase will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code on the part of Ms. Zhou. Moreover, the Directors have no present intention 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. EFFECT OF EXERCISING THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2025) in the event that the Repurchase Mandate is exercised in full at any time during the Relevant Period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels 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 repurchased any of the Shares (whether on GEM or otherwise) in the six months immediately preceding the Latest Practicable Date.

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

RE-ELECTION OF DIRECTORS**Mr. Zhong Zhiwei (“Mr. Zhong”)**

Mr. Zhong Zhiwei (鍾志偉), aged 39, has been appointed as an executive Director and an authorised representative of the Company with effect from 22 March 2024. He has over 10 years of experience working in business consulting services and investment advisory. He was a general manager of Investor Relations Department of HF Financial Group (China) Limited (匯富金融集團(中國)有限公司) from September 2013 to October 2018. He was an executive director of Yingdali Management Consulting (Shenzhen) Co., Ltd (英達利管理諮詢(深圳)有限公司) and Yingdali Culture Communication (Shenzhen) Co., Ltd (英達利文化傳播(深圳)有限公司) from November 2018 to December 2022. He holds a degree of Master of Business Administration issued by Golden Gates University (美國金門大學).

Save as disclosed above, Mr. Zhong does not hold any other 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.

Mr. Zhong does not have any relationship with other Director, senior management, substantial or controlling Shareholder as defined in the GEM Listing Rules.

As at the Latest Practicable Date, Mr. Zhong does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Zhong has entered into a director’s service agreement with the Company for a term of three years commencing on 21 March 2026, subject to rotation and re-election at the first general meetings of the Company after his appointment in accordance with the Articles of Association. The director’s fee of Mr. Zhong is HK\$240,000 per annum, which is determined with reference to his experience, duties and responsibilities within the Company.

Mr. Choi Chi Wai (蔡志偉) (“Mr. Choi”)

Mr. Choi, aged 54, has been appointed as an independent non-executive Director with effect from 9 August 2024. Mr. Choi has more than 25 years of experience in information technology business development and management. Mr. Choi founded Digitalbank Technology Limited, a comprehensive information technology solution provider, in 1999 with partner.

Save as disclosed herein, Mr. Choi did not hold any other directorship in the last three years in other public company the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company and does not hold any position of the Company and other companies within the Group.

As at the Latest Practicable Date, Mr. Choi does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Choi has entered into a director’s service agreement with the Company for a term of two years commencing on 9 September 2024, 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. Choi is HK\$120,000 per annum, which is determined with reference to his experience, duties and responsibilities within the Company.

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

Mr. Lam Pang (“Mr. Lam”),

Mr. Lam, aged 56, has been appointed as an independent non-executive Director with effect from 30 June 2025. He has around 30 years of experiences in trading between China and Hong Kong, and property investment in China. He was the chairman of GOME Electrical Appliances Holding Limited (now known as GOME Retail Holdings Limited), a listed company on the Stock Exchange of Hong Kong Limited (Stock Code: 0493) from December 2000 to April 2002 and an executive director from September 2000 to May 2007. Mr. Lam was an executive director of 山東金泰集團股份有限公司 (Shandong Jintai Group Co., Ltd), a listed company on the Shanghai Stock Exchange (Stock Code: 600385) from July 2007 to June 2013, and a director of Blossomhill Investment Limited (formerly known as Special Fine Investment and Management Limited) from December 2013 to October 2015. Mr. Lam was an independent non-executive director of Mindtell Technology Limited, a listed company on the Stock Exchange of Hong Kong Limited (Stock Code: 8611) from March 2018 to March 2025.

From 2015 to October 2019, Mr. Lam was the general manager of 湖南富恒建設開發有限公司 (Hunan Fu Heng Construction Development Co., Ltd.), which is principally engaged in infrastructure and property development. Mr. Lam currently serves as the consultant of 深圳市傳統文化研究會 (Shenzhen Association of Chinese Traditional Culture Studies), 中國國際經濟技術合作促進會健康科技工作委員會 (Health Science and Technology Work Committee of China Association for Promoting International Economic & Technical Cooperation) and 中國先秦史學會 (China pre-Qin History Society). Mr. Lam graduated from Pui Ying Secondary School in late 1980s.

Save as disclosed herein, Mr. Lam did not hold any other directorship in the last three years in other public company the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company and does not hold any position of the Company and other companies within the Group.

As at the Latest Practicable Date, Mr. Lam does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Lam has entered into a director’s service agreement with the Company for a term of two years commencing on 30 June 2025, 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. Lam is HK\$120,000 per annum, which is determined with reference to his experience, duties and responsibilities within the Company.

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

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 10:00 a.m. on 26 June 2026 (Friday) at 3/F, OfficePlus@SheungWan, NOs 93-103 Wing Lok Street, Sheung Wan, Hong Kong, 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 and the auditors of the Company for the year ended 31 December 2025.
2. To appoint McMillan Woods (Hong Kong) CPA Limited as auditors of the Company and to authorise the board (the “**Board**”) of Directors (the “**Directors**”) of the Company to fix their remuneration.
3.
 - (a) To re-elect Mr. Zhong Zhiwei as an executive Director;
 - (b) To re-elect Mr. Choi Chi Wai as an independent non-executive Director; and
 - (c) To re-elect Mr. Lam Pang as an independent non-executive Director.
4. To authorise the Board to fix the remuneration of the Directors.

NOTICE OF AGM

5. To, as special business, consider and, if thought fit, pass the following resolution (with or without amendment) as ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares of the Company (the “**Shares**”) (including any sale or transfer of treasury shares (which shall have the meaning ascribed to it under the GEM Listing Rules and as amended from time to time, “**Treasury Shares**”) out of treasury) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any 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, shall not exceed the aggregate of:
 - (a) 20% of the number of issued Shares (excluding any Treasury Shares) on the date of the passing of this resolution; and

NOTICE OF AGM

- (b) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the number of issued Shares (excluding any Treasury Shares) on the date of the passing of resolution no. 6),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Act or any other applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong); and

NOTICE OF AGM

- (e) any reference to an allotment, issue, grant, offer or disposal of shares of the Company shall include the sale or transfer of Treasury Shares out of the treasury of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, warrants, options or similar rights to subscribe for shares in the Company) to the extent permitted by, and subject to the provisions of, the GEM Listing Rules and applicable laws and regulations.”

- 6. To, as special business, consider and, if thought fit, pass the following resolution (with or without amendment) as ordinary resolution:

“THAT:

- (f) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act (Revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (g) the aggregate number of Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the number of issued Shares (excluding any Treasury Shares) as at the date of the passing of this resolution, and the authority shall be limited accordingly; and
- (h) for the purposes of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Act (Revised) of the Cayman Islands or any other applicable laws of the Cayman Islands to be held; and

NOTICE OF AGM

- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

- 7. To, as special business, consider and, if thought fit, pass the following resolution (with or without amendment) as ordinary resolution:

“**THAT:**

the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 5 above in respect of the number of Shares referred to in sub-paragraph (b) of paragraph (c) of such resolution.”

SPECIAL RESOLUTION

- 8. To, as special business, consider and, if thought fit, pass the following resolution (with or without amendment) as special resolution:

“**THAT**, AS A SPECIAL RESOLUTION, subject to and conditional upon, among other things, the GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval for the listing of, and permission to deal in, the New Shares (as defined below), and the compliance with the relevant procedures and requirements under the Cayman Islands laws, the memorandum and articles of association adopted by the Company (the “**Articles**”) and the Rules Governing the Listing of Securities on GEM to effect the Capital Reorganisation (as defined below), after the date on which this resolution is passed by the shareholders of the Company (the “**Shareholders**”) or the above conditions are fulfilled (whichever is later):

- (a) every twenty (20) issued and unissued ordinary shares of par value of HK\$0.01 each (each an “**Existing Share**”) in the share capital of the Company be consolidated into one (1) ordinary share (each a “**Consolidated Share**”) of par value of HK\$0.2 (the “**Share Consolidation**”), with all fractional New Shares arising from the Share Consolidation, if any, be disregarded and not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the Directors may think fit; such that the authorised share capital of the Company be changed from HK\$20,000,000 divided into 2,000,000,000 ordinary shares of par value HK\$0.01 each to HK\$20,000,000 divided into 100,000,000 Consolidated Shares of par value HK\$0.2 each;

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- (b) immediately following the Share Consolidation becoming effective,
 - (i) the issued share capital of the Company be reduced from HK\$10,106,050 divided into 50,530,250 Consolidated Shares of par value HK\$0.2 each (all of which are fully paid up or credited as fully paid up) by HK\$9,600,747.5 to HK\$1 divided into 50,530,250 New Shares of par value HK\$0.01 each by cancelling the paid-up capital of the Company to the extent of HK\$0.19 on each issued Consolidated Share (the “**Capital Reduction**”), so that the par value of each issued Consolidated Share will be reduced from HK\$0.2 to HK\$0.01 (the “**New Share(s)**”);
 - (ii) the credit arising from the Capital Reduction be transferred to a distributable reserve account of the Company which may be applied by the directors of the Company in any manner permitted under all applicable laws and the memorandum and articles of association of the Company, including without limitation offsetting any accumulated losses of the Company from time to time; and
 - (iii) each authorised but unissued Consolidated Share of par value of HK\$0.2 be sub-divided into twenty (20) unissued New Shares of par value of HK\$0.01 each (the “**Share Sub-division**”, together with the Share Consolidation and the Capital Reduction, the “**Capital Reorganisation**”), so that immediately following the Capital Reorganisation, the authorised share capital of the Company be changed from HK\$20,000,000 divided into 100,000,000 Consolidated Shares of par value HK\$0.01 each to HK\$20,000,000 divided into 2,000,000,000 New Shares of par value HK\$0.01 each;
- (c) each of the New Shares arising from the Capital Reorganisation shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the memorandum of association of the Company and the Articles; and

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- (d) any one or more of the Directors, the registered office provider of the Company and/or the company secretary of the Company be and is/are hereby authorised to do all such acts and things and execute and deliver on behalf of the Company all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Capital Reorganisation.”

By Order of the Board
Glory Flame Holdings Limited
Zhong Zhiwei
Director

Hong Kong, 5 June 2026

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 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 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, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
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. 6 above is set out in Appendix I to this circular.

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7. In relation to resolution No. 3, Mr. Zhong Zhiwei, Mr. Choi Chi Wai and Mr. Lam Pang will retire from office at the Meeting in accordance with the Articles of Association and, being eligible, will offer themselves for re-election as Directors. 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 23 June 2026 (Tuesday) to 26 June 2026 (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, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on 22 June 2026 (Monday).
9. A form of proxy for use by shareholders at the Meeting is enclosed.
10. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 12:00 noon on the date of the meeting and/or the Hong Kong Observatory has announced at or before 12:00 noon on the date of the meeting that either of the above mentioned warnings is to be issued within the next two hours, the meeting will be adjourned. The Company will publish an announcement to notify Shareholders of the date, time and place of the adjourned meeting.