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GLORY FLAME HOLDINGS LIMITED

朝威控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8059)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS AND CHIEF EXECUTIVE OFFICER AND CHANGE OF COMPOSITION OF BOARD COMMITTEES

The Board is pleased to announce that with effect from 19 July 2019:

- (1) Mr. Lai Xiaoliang has been appointed as the Chief Executive Officer;
- (2) Mr. Chan Chi Pan has been appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee; and
- (3) Mr. Li Kar Fai Peter has been appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee.

The board (the “**Board**”) of directors (the “**Directors**”) of Glory Flame Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that (i) Mr. Lai Xiaoliang (“**Mr. Lai**”) has been appointed as the chief executive officer of the Company (the “**Chief Executive Officer**”), (ii) Mr. Chan Chi Pan (“**Mr. Chan**”) has been appointed as an independent non-executive Director, the chairman of the nomination committee of the Company (the “**Nomination Committee**”) and a member of each of the audit committee of the Company (the “**Audit Committee**”) and the remuneration committee of the Company (the “**Remuneration Committee**”); and (iii) Mr. Li Kar Fai Peter (“**Mr. Li**”) has been appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee, with effect from 19 July 2019.

The biographical details of Mr. Lai are set out as follows:

Mr. Lai, aged 44, obtained a Bachelor's Degree in English and a professional certificate in international finance from Guangdong University of Foreign Studies in 1998. He was the head of overseas agricultural technology cooperation project of 中國廣東國際合作集團 (China Guangdong International Cooperation Group*). Mr. Lai was also the general manager of a foreign headhunting company in the South China region and a senior consultant of a real estate strategy consulting agency. Mr. Lai is currently a director of 新天地控股(深圳)有限公司 (New World Holdings (Shenzhen) Co., Ltd*) and chairman of 湖北凱瑞百穀農業科技股份有限公司 (Hubei Bio-great Agricultural Technology Co., Ltd*).

The Company has entered into a service agreement with Mr. Lai for a term of two years commencing from 19 July 2019, which may be terminated by either party giving to the other not less than one month's prior notice in writing. Mr. Lai is entitled to a monthly salary of HK\$80,000 on a twelfth months' basis with discretionary bonus which was determined by the Board with recommendation of the Remuneration Committee after considering a range of factors including his experience, his duties and responsibilities in the Group, the remuneration structure of the Group and levels of remuneration for peers in the market.

The biographical details of Mr. Chan are set out as follows:

Mr. Chan, aged 35, obtained a Bachelor of Business Administration in China Business from City University of Hong Kong in July 2009. He holds an estate agency salesperson's licence granted by the Estate Agents Authority in April 2018 and an insurance agent licence. Mr. Chan is now currently serving as a deputy director at an immigration consultancy company in Hong Kong. He has also joined a Hong Kong financial services company in 2017 and is mainly responsible for selling insurance products to customers.

Under the service agreement entered into between Mr. Chan and the Company, the appointment will take effect from 19 July 2019 for a term of two years provided that his employment may be terminated at any time on expiry of not less than one month's written notice given by any party. His directorship in the Company is subject to retirement and re-election at general meetings of the Company in accordance with the articles of association of the Company (the "**Articles**").

Mr. Chan is entitled to receive a remuneration of HK\$10,000 per month. His remuneration package was determined by the Board with recommendation of the Remuneration Committee after considering a range of factors including his experience, his duties and responsibilities in the Group, the remuneration structure of the Group and levels of remuneration for peers in the market.

The biographical details of Mr. Li are set out as follows:

Mr. Li, aged 54, obtained a Bachelor of Arts degree in Accountancy from the City Polytechnic of Hong Kong in November 1992, and has become an associate member of The Hong Kong Institute of Certified Public Accountants since September 1997. Mr. Li has been an executive director and company secretary of Golden Faith Group Holdings Limited (stock code: 2863) (“**Golden Faith**”), a company of which its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), and the group chief financial officer of Golden Faith and its subsidiaries, since November 2016. He was an independent non-executive director of Asia Coal Limited (stock code: 835), a company of which its shares are listed on the Main Board of the Stock Exchange, from March 2006 to August 2018. Mr. Li was also an independent non-executive director of Rui Feng Group Holdings Company limited (stock code: 8312), a company of which its shares are listed on GEM of the Stock Exchange, from November 2010 to May 2016, and Super Strong Holdings Limited (stock code: 8262), a company of which its shares are listed on GEM of the Stock Exchange, from March 2016 to April 2017.

Under the service agreement entered into between Mr. Li and the Company, the appointment will take effect from 19 July 2019 for a term of two years provided that his employment may be terminated at any time on expiry of not less than one month’s written notice given by any party. His directorship in the Company is subject to retirement and re-election at general meetings of the Company in accordance with the Articles.

Mr. Li is entitled to receive a remuneration of HK\$10,000 per month. His remuneration package was determined by the Board with recommendation of the Remuneration Committee after considering a range of factors including his experience, his duties and responsibilities in the Group, the remuneration structure of the Group and levels of remuneration for peers in the market.

Save as disclosed herein, each of Mr. Lai, Mr. Chan and Mr. Li 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 date of this announcement, each of Mr. Lai, Mr. Chan and Mr. Li does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Each of Mr. Chan and Mr. Li has confirmed that he has met the independence criteria as set out in Rule 5.09 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”). Save as disclosed in this announcement, each of Mr. Lai, Mr. Chan and Mr. Li confirmed that there is no other information which requires to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules nor is there any other matter regarding his appointment that need to be brought to the attention of the shareholders of the Company.

Following the appointment of Mr. Chan and Mr. Li, the Company (i) has two executive Directors and three independent non-executive Directors and therefore the Company will comply with the requirements under Rules 5.05(1) and 5.05A of the GEM Listing Rules; (ii) has an Audit Committee comprising of three members and therefore the Company will comply with the requirement under Rule 5.28 of the GEM Listing Rules; and (iii) has a Nomination Committee chaired by an independent non-executive Director and comprising a majority of independent non-executive directors and therefore the Company will comply with the requirements under code provision A.5.1 of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules. Following the appointment of Mr. Li, the Company will comply with the requirements under Rule 5.05(2) of the GEM Listing Rules as Mr. Li has appropriate professional qualifications or accounting or related financial management expertise.

The Board would like to take this opportunity to express its warmest welcome to Mr. Lai for joining the Company and Mr. Chan and Mr. Li for joining the Board.

By order of the Board
Glory Flame Holdings Limited
Liu Yingjie
Chairman

Hong Kong, 19 July 2019

As at the date of this announcement, the executive Directors are Mr. Liu Yingjie and Ms. Zhou Jin; and the independent non-executive Directors are Mr. Cao Hongmin, Mr. Chan Chi Pan and Mr. Li Kar Fai Peter.

This announcement, 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of The Stock Exchange of Hong Kong Limited’s website at www.hkexnews.hk for at least seven days from the date of its posting. This announcement will also be posted on the Company’s website at www.gf-holdings.com.

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