

## GRAND POWER LOGISTICS REPORTS FINANCIAL RESULTS FOR Q3 2011

Calgary, Alberta and Hong Kong, China – November 29, 2011 – Grand Power Logistics Group Inc. (TSXV: GPW), a leading international logistics provider based in Hong Kong and with operations in China, today announced its consolidated financial results for the three month and nine month periods ended September 30, 2011. All amounts are expressed in American currency except where noted.

### Selected Q3 Financial Highlights

(in thousands except share or % data)	Sept. 30, 2011	Sept. 30, 2010	Change
Revenue	\$11,274	\$18,227	-38.1%
Gross profits	\$839	\$1,451	-42.1%
Gross margins	7.45%	7.96%	-0.51%
Net (loss) income (owners of Corporation)	(\$191)	(\$63)	-203%
Earnings (loss) per share	(\$0.003)	(\$0.001)	-\$0.002
	June 30, 2011	Dec. 31, 2010	Change
Total assets	\$23,605	\$28,517	-17.2%
Working capital	\$5,218	\$7,600	-31.3%
Total liabilities	\$11,542	\$15,988	-27.3%
Shareholders' Equity (owners of Corporation)	\$11,889	\$12,077	-1.55%

“During the third quarter, the logistics sector continued to experience many challenges as did the company as a result of the continual weakness of the world economy,” said Mr. Ricky Chiu, President and CEO of Grand Power Logistics Group. “However, during the quarter the company did accomplish another milestone by having its 70% owned subsidiary, Grand Power Logistics Development Ltd. (“GPLD”), engaging J. P. Morgan, Securities (Asia Pacific) Limited to act exclusively as its financial advisor in its pursuit in the development of Yangshan International Container Transit Logistics Park, a the deep sea port project near Shanghai, China.”

### Q2 2011 Financial Operational Highlights

- On July 9, 2011, the Corporation has redeemed \$2,001,000 convertible debentures.
- On September 6, 2011, the Corporation announced that J.P. Morgan Securities (Asia Pacific) Limited (“J.P. Morgan”) has been exclusively engaged by the Company’s 70% owned subsidiary, Grand Power Logistics Development Ltd (“GPLD”), to act as its financial advisor. GPLD has established a WOFE (Wholly Owned Foreign Enterprise) in Zhejiang, China to facilitate the development of Yangshan International Container Transit Logistics Park (“Yangshan Logistics Park”). J.P. Morgan will provide financial advisory services in connection to the investment in Yangshan Logistics Park with a total investment estimated to be in the range of US\$360 million.
- During the third quarter, the share capital of GPLD has been increased to HK\$36 million. Grand Power has further injected HK\$4.8 million to hold 36.67% ownership in GPLD after the full share capital of HK\$36 million has been contributed. The remaining ownership of GPLD is controlled by a group of private investors, including Ricky Chiu, Grand Power's President and CEO.

### **Q3 2011 Financial Results**

Sales revenue for the three months ended September 30, 2011 decreased by \$6,952,828 (38.1%) to \$11,273,930 from \$18,226,758 in 2010. The decrease in sales revenue for the year reflected the transformation of the subsidiary, Beijing Jinfeng International Logistics Ltd., in becoming a minority owned subsidiary during the fourth quarter of 2010 as a result of the dilution due to the increase of the share capital of this Beijing subsidiary, and the general weakness in the world economy. In addition, the restructuring of the Corporation's operations in China since 2009 to focus more on high margin business had also led to the decrease in the Corporation's revenue.

Gross profit for the three months ended September 30, 2011 decreased by 42.1% to \$839,348 compared to \$1,450,691 in 2010, and gross profit margin decreased to 7.45% compared to 7.96% for 2010. The decrease in gross profit in the third quarter of 2011 compared to that in the corresponding quarter in 2010 is mainly due to a decrease in revenue.

The net loss attributable to the owners of the Corporation for the three months ended September 30, 2011 was \$190,666 compared to a net loss of \$62,851 in 2010. Operating expenses for the three months ended September 30, 2011 decreased by 15.4% to \$1,219,822 compared to \$1,441,975 in 2010. This decrease of expenses was primarily as a result of the Corporation's restructuring program initiated in 2008 and having Beijing Jinfeng International Logistics Ltd. becoming a minority owned subsidiary.

Sales revenue for the nine months ended September 30, 2011 decreased by \$18,718,629 (34.4%) to \$35,728,369 from \$54,446,998 in 2010. Gross profit for the nine months ended September 30, 2011 decreased by 41.0% to \$2,575,609 compared to \$4,365,027 in 2010, gross profit margin decreased to 7.21% compared to 8.02% for 2010. The net loss attributable to the owners of the Corporation for the nine months ended September 30, 2011 was \$695,127 compared to a net loss of \$ in 2010. Operating expenses for the nine months ended September 30, 2011 decreased by 25.36% to \$3,555,466 compared to \$4,763,750 in 2010.

### **Outlook**

"In the coming quarters, we will continue to focus in the development of the Yangshan International Container Transit Logistics Park Project. In addition, we will look for ways to position ourselves where necessary in anticipation for the revival of the logistics sector once the world economy improves." said Ricky Chiu, President and CEO of Grand Power Logistics Group.

### **About Grand Power Logistics Group Inc.**

Grand Power Logistics Group Inc. operates principally through its wholly owned Hong Kong based subsidiary, Grand Power Express International Limited (GP Express), and provides air-freight forwarding and sea-freight services, customs brokerage, logistics, warehousing and distribution, as well as other value added services. GP Express has established operations in various regions, particularly in the Greater Pearl River Delta (GPRD), China's largest economic region. GP Express' Subsidiaries or Branch Offices in this region are located in Macau, Shenzhen and Guangzhou. GP Express also operates in other regions through Subsidiaries and Branch Offices or Supporting Offices in Shanghai, Beijing, Tianjin and Xiamen. For more information, please visit <http://www.grandpowerlogistics.com>

### **Forward-looking Information**

Statements included in this press release that are not historical facts may be considered "forward looking statements". All estimates and statements that describe the Company's objectives, goals or future plans are forward looking statements. Forward-looking statements involve inherent risks and uncertainties where actual results could differ materially from those currently anticipated.



Suite 2806  
505 6th Street S.W.  
Calgary, AB, Canada T2P 1X5  
Telephone: (403) 237-8211  
Facsimile: (403) 228-3013

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**Contact Information:**

Alan Chan, CFO  
Grand Power Logistics  
(403) 237-8211  
alanchan@grandpowerlogistics.com

Scott Koyich, President  
Brisco Capital Partners  
(403) 262-9888  
skoyich@briscocapital.com

Graeme Dick, BMgmt  
Brisco Capital Partners  
(403) 561-8989  
graeme@briscocapital.com