

GRAND POWER REPORTS FINANCIAL RESULTS FOR FY 2010

Calgary, Alberta and Hong Kong, China – May 2, 2011 – Grand Power Logistics Group Inc. (TSX-V: GPW), a leading Hong Kong-based international logistics provider, today reported its consolidated financial results for the 12-month periods ended December 31, 2010. All amounts are expressed in US currency.

Selected 2010 Financial Highlights

(in thousands US\$ except per share or % data)	FY 2010	FY 2009	Change
Revenue	\$68,297	\$98,570	- 30.7%
Gross profits	\$5,154	\$8,296	-37.9%
Gross margins	7.5%	8.4%	-10.7%
Net (loss) income	\$(566)	\$(1,071)	+\$504
Cash flow provided (used) by operations	\$38	\$517	-\$479
Earnings (loss) per share	\$(0.010)	\$(0.024)	+\$0.014
Cash and cash equivalents	\$4,466	\$6,062	-26.3%
Working capital	\$7,600	\$9,927	-23.4%
Total liabilities	\$15,988	\$27,716	-42.3%

“The company’s operating results have improved significantly during the year as the world economy continues to recover from the severe economic conditions of 2008 and 2009. The company had a net loss of \$566,441, an improvement of \$504,784 compared to a net loss of \$1,071,225 in 2009, and a significant decline in general and administrative expenses from \$7,672,213 in 2009 to \$4,655,863 in 2010. The large decrease of our general and administrative expenses comes as a result of our cost-cutting program initiated two years ago,” said Mr. Ricky Chiu, President and CEO. “During the year we continued to pursue our strategy of focusing more on the direct sales business and advancing the development of the Yangshan deep-sea port container terminal project. We should be able to see significant advancement in the development of the Yangshan project in 2011.”

2010 Operational Highlights

- Signed a memorandum of understanding to develop Yangshan International Container Transit Logistics Park. The Logistics Park will facilitate the trans-shipment of containers arriving into and departing from the Yangshan Deep-Sea Port, located near Shanghai, to their final destination points throughout inland China and Asia region.
- Signed an agency agreement with a leading international ocean carrier in which Grand Power will act as a broker for the carrier selling directly to China-based exporters of manufactured goods.
- Closed a private placement on March 31, 2010, of 6,666,833 units priced at \$0.30 per Unit, for gross proceeds to Grand Power of Cdn\$2 million. Each Unit is comprised of one common share of the Company (each a “Common Share”) and one-half of one common share purchase warrant (each whole Common Share purchase warrant, a “Warrant”) of the Company. Each Warrant entitles the holder thereof to subscribe for one additional common share of the Company (each a “Warrant Share”) at an exercise price of \$0.42 per Warrant Share at any time prior to the day that is 24 months from the closing date.
- Closed a private placement on October 29, 2010, of 16,666,667 common shares of the Company at a price of \$0.12 per share for gross proceeds of Cdn\$2 million.

Highlights Subsequent to Year-End

- Received approval to set up a Wholly Owned Foreign Enterprise (“WOFE”) in China to facilitate development of the Yangshan International Container Transit Logistics Park.
- Signed a subscription agreement pursuant to which the Yangshan project subsidiary, Harvest Alliance holdings Ltd., had agreed to issue a convertible note (“Note”) to Star Galaxy Capital Ltd. The principal amount of the Note is approximately US\$15 million, of which an initial payment of approximately US\$3 million has been received prior to the end of February, 2011 and the balance payment of approximately US\$12.3 million to be received on or prior to June 30, 2011.
- Completed the registration of its subsidiary, Grand Power Logistics Development Co. Ltd. (“GPLD”) as a Wholly Owned Foreign Enterprise (“WOFE”) for its Logistics Park project. The initial amount of US\$3 million as announced in the March 31, 2011 news release, which represents 20% of the US\$15 million in registered capital of GPLD, has been funded.

2010 Financial Results

Grand Power Logistics reported consolidated revenue of \$68.3 million for FY 2010, down 30.7% from \$98.5 million for FY 2009. The decrease in sales revenue for the year reflected the divestiture of the Corporation’s subsidiary, BSI Logistics Limited, which was completed on January 1, 2010 and the transformation of another one of the Company’s subsidiaries, Beijing Jinfeng International Logistics Ltd., in becoming an associate company during the year as a result of the dilution due to the increase of the share capital of this Beijing subsidiary. In addition, the restructuring of the Corporation’s operations in China since 2009 to focus on high margin business had also contributed to the decrease in the Corporation’s sales revenue during the year.

Gross profit and gross margins were \$5.1 million and 7.5%, respectively, for 2010 in comparison to the 2009 figures of \$83 million and 8.4%, respectively. The decrease in both gross profit and gross profit margins in 2010 from 2009 was mainly due to an increase in airline surcharges which were assumed by the Company without having passed on to the customers with markup. In spite of the decrease, the Corporation generated a higher gross profit margin per tonne during the year ended 2010. Gross profit margin per tonne increased by 14% to \$183 compared to US\$160 in 2009. The rise in gross profit margin per tonne is primarily due to the increase in direct sales business.

The Company implemented a number of cost-cutting measures to reduce its operating expenses in 2008 and 2009. As a result of these efforts, operating expenses decreased by \$3.7 million or 38.1% to \$6.1 million in 2010 from \$9.8 million in 2009. In particular, the general and administrative expenses were reduced by 38.3% to \$4.6 million from \$7.6 million.

The Company reported a net loss from operations for 2010 of \$566 thousand or \$0.01 per share, representing an improvement of \$504 thousand when compared to the net loss of \$1.071 million or \$0.024 per share, in 2008.

Although the Company had an operating loss for 2010, it continued to generate a positive cash flow of \$38 thousand from operations in comparison to the \$517 thousand generated in 2009.

As at December 31, 2010, the Company had cash and cash equivalents of \$4.4 million and working capital of \$7.6 million. In 2009, reported figures were \$6.0 million and \$9.9 million, respectively.

During the year, the Company completed private placements, which generated gross proceeds of approximately \$4 million.

Outlook

“We are very pleased with our operating performance in 2010. During the year, we continued to make improvements on our bottom line and managed to significantly reduce our operating expenses, particularly in general and administration expenses. We are also very pleased that we made substantial advancements in the development of the Yangshan container terminal project,” said Mr. Chiu. “In the coming year, we look forward to the continued improvement in the profitability of our operations by pursuing more direct sales and ocean freight businesses as well as to continue in reducing our operating expenses where possible. We also look forward to further advancing the Yangshan container terminal project.”

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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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