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GRAND POWER LOGISTICS GROUP LIMITED

裕程物流集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8489)

PROFIT WARNING

This announcement is made by Grand Power Logistics Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of The Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on the information currently available to the Board and a preliminary assessment of the financial performance of the Group for the year ended 31 December 2022 (“**FY2022**”), the Group is expected to record (i) a revenue of approximately HK\$674.4 million for FY2022, as compared to a revenue of approximately HK\$892.5 million for the year ended 31 December 2021 (“**FY2021**”); (ii) a gross profit of approximately HK\$27.2 million for FY2022, as compared to a gross profit of approximately HK\$82.9 million for FY2021; and (iii) a net loss ranging from approximately HK\$26.0 million to approximately HK\$30.0 million for FY2022, as compared to a net profit of approximately HK\$23.0 million for FY2021.

The expected substantial decrease in revenue and gross profit and the turning from net profit to net loss were mainly attributable to (i) the widened year-on-year contraction of the economy in Hong Kong during FY2022; (ii) the overall decrease in demand for the freight services of the Group which was affected by the decrease in volume of Hong Kong’s total exports of goods in the face of the difficult economic environment; and (iii) the continuous high freight costs despite the easing in supply chain disruptions that were built up over the pandemic and the reduced port congestion level in FY2022, and the inability of the Group to transfer the surging logistics costs to its customers.

The Company is still in the process of finalising its audited annual results for FY2022. The information contained in this announcement is only a preliminary assessment by the Board based on the figures and information currently available, and has not been audited or reviewed by the Company's auditor or the audit committee of the Company. Further details of the Group's audited financial results for FY2022 will be announced in due course.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Grand Power Logistics Group Limited
Chiu Ricky Tong
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 10 March 2023

As at the date of this announcement, the executive Directors are Mr. Chiu Ricky Tong and Mr. Tse Chi Kwan Decky; the non-executive Directors are Ms. Wong Sheng Ning Candace and Mr. Heung Wai Keung; and the independent non-executive Directors are Mr. Tam Ka Hei Raymond, Mr. Ng Hung Fai Myron and Mr. Yeung Kwong Wai.

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 Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for a minimum period of 7 days from the date of its publication and on the Company's website at www.grandpowerexpress.com.