

**FOR IMMEDIATE RELEASE**

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**Global Sources reports third quarter 2015 results**

– Reported third quarter revenue of \$23.5 million –  
– Updates guidance for second half of 2015 –

**NEW YORK, Nov. 30, 2015** – [Global Sources Ltd.](http://www.globalsources.com) (NASDAQ: GSOL) reported financial results for the third quarter ended Sept. 30, 2015.

Global Sources' executive chairman, Merle A. Hinrich, said: "The third quarter revenue reflects our decisions to focus on our core business of cross border B2B trade and on our Hong Kong trade shows. Supporting this effort, we completed the sale of our eMedia subsidiary in the second quarter and discontinued several overseas trade shows held in the prior year's third quarter. Our strategy is to focus on the markets and products that offer us the greatest opportunities for growth.

"In October, we held the world's largest electronics sourcing show, *Global Sources Electronics*, in Hong Kong. Held in two phases featuring more than 5,800 booths of the latest in electronics, we had solid overall growth in booth sales and attendance. China is the world's largest electronics manufacturing hub and we are excited about additional growth opportunities. Also for our overall business, we continue to develop unique, integrated show and online services for our respective buyer and supplier communities."

**Financial highlights – Third quarter: 2015 compared to 2014**

- Revenue from continuing operations was \$23.5 million, as compared to \$31.7 million.
  - Online revenue was \$15.9 million, as compared to \$18.7 million.
  - Exhibitions revenue was \$4.1 million, as compared to \$9.5 million.
  - Print revenue was \$1.3 million, as compared to \$1.6 million.
- IFRS net loss was \$4.6 million, or \$0.17 per diluted share, as compared to IFRS net income of \$1.9 million, or \$0.06 per diluted share.

- Non-IFRS net loss was \$4.3 million, or \$0.16 per diluted share, as compared to Non-IFRS net income of \$2.6 million, or \$0.08 per diluted share, for the third quarter of 2014.
- Adjusted EBITDA was negative \$1.9 million, as compared to positive adjusted EBITDA of \$7.4 million for the third quarter of 2014.
- Total deferred income and customer prepayments were \$102.5 million as at Sept. 30, 2015, as compared to \$106.8 million as at Sept. 30, 2014.

Global Sources' CFO, Connie Lai, said: "In support of our focus on our Hong Kong shows, we did not hold any overseas export shows in the third quarter of 2015, which negatively impacted our revenue as compared to the prior year's quarter. We continue to maintain an efficient cost structure and our balance sheet remains strong with no short- or long-term debt."

#### **Financial highlights – Nine months ended Sept. 30: 2015 compared to 2014**

- Revenue from continuing operations was \$109.4 million, as compared to \$119.2 million.
- IFRS net income was \$9.9 million, or \$0.33 per diluted share, as compared to \$9.0 million, or \$0.26 per diluted share.
- Non-IFRS net income was \$5.8 million, or \$0.19 per diluted share, as compared to \$12.6 million, or \$0.37 per diluted share, for the nine months ended Sept. 30, 2014.
- Adjusted EBITDA was \$15.5 million, as compared to \$25.2 million for the nine months ended Sept. 30, 2014.

#### **Updated financial expectations for the second half of 2015 under IFRS**

"While our trade shows have been strong, we are reducing guidance due to lower than expected performance from our online business," Lai stated.

- For the second half of 2015 ending Dec. 31, 2015:
  - Revenue from continuing operations is expected to be in the range of \$83.0 million to \$84.0 million, as compared to \$91.8 million for the second half of 2014.
  - IFRS EPS from continuing operations is expected to be in the range of \$0.46 to \$0.49, as compared to \$0.32 per diluted share in the second half of 2014. SBC and the amortization of intangibles as it relates to certain equity compensation plans and gain on sale of investment property, net of transaction costs and related tax expenses, are estimated to be a credit of \$0.25 per diluted share for the second half of 2015.
  - Non-IFRS EPS is expected to be in the range of \$0.21 to \$0.24, as compared to \$0.36 per diluted share for the same period in 2014.
  - Adjusted EBITDA from continuing operations is expected to be between \$10.8 million and \$11.4 million, as compared to \$15.8 million in the second half of 2014.

## **Recent Corporate Highlights**

- Organized its series of fall shows with more than 8,000 booths in October at Hong Kong's AsiaWorld-Expo. Sourcing teams attending from very large buying organizations included Amazon, Best Buy, Burberry, Samsung and Sears. Total attendance exceeded 84,600 and included buyers from more than 150 countries and territories.
  - Held *Global Sources Electronics*, the world's largest electronics sourcing show in two phases; *Mobile Electronics* was the second phase.
- Launched three new industry specialized websites: *Drones & Robotics*, *Machinery & Parts* and *Auto Parts & Accessories*.
- Completed its cash tender offer on July 31, 2015, purchasing a total of 6,666,666 shares at \$7.50 per share.
- Entered into a letter of intent on July 6, 2015, and subsequently entered into formal sale and purchase agreements, to sell its investment property on the 50<sup>th</sup> floor of the Shenzhen International Chamber of Commerce Tower in Shenzhen, China for approximately \$21.7 million. The transaction is anticipated to close by the end of 2015.
- The 15<sup>th</sup> *China International Fashion Brand Fair – Shenzhen (FashionSZshow)* was held in Shenzhen in July.

## **Conference call for Global Sources third quarter 2015 earnings**

Executive chairman Merle A. Hinrich and CFO Connie Lai are scheduled to conduct a conference call at 8:00 a.m. ET on Nov. 30, 2015 (9:00 p.m. on Nov. 30, 2015 in Hong Kong) to review these results in more detail. Investors in the United States may participate in the call by dialing (888) 277-7112, and non-Hong Kong international participants may dial (1-913) 312-1442. Investors in Hong Kong may participate by dialing (852) 3008-0382. The conference ID is 9894503 and participants are encouraged to dial 10 minutes prior to the call to prevent a delay in joining. A live webcast of the conference call is scheduled to be available on Global Sources' corporate site at <http://www.investor.globalsources.com>.

For those who cannot listen to the live broadcast, a webcast replay of the call is scheduled to be available on the company's corporate site for 30 days. A telephone replay of the call is also scheduled to be available through Dec. 7, 2015. To listen to the telephone replay dial (888) 203-1112 or dial (1-719) 457-0820 outside the United States, and enter pass code 9894503. For those in the Hong Kong area, the replay dial-in number is (800) 901-108, and the pass code is 9894503.

## **About Global Sources**

Global Sources is a leading business-to-business media company and a primary facilitator of trade with Greater China.

The core business facilitates trade between Asia and the world using English-language media such as online marketplaces ([GlobalSources.com](http://GlobalSources.com)), magazines, apps, private sourcing events, and trade shows.

More than 1 million international buyers, including 95 of the world's top 100 retailers, use these services to obtain product and company information to help them source more profitably from overseas supply markets. These services also provide suppliers with integrated marketing solutions to build corporate image, generate sales leads and win orders from buyers in more than 240 countries and territories.

Now in its fifth decade, Global Sources has been publicly listed on the NASDAQ since 2000.

### **Global Sources' non-IFRS metrics**

Management believes non-IFRS metrics are useful measures of operations and provides IFRS to non-IFRS reconciliation tables at the end of this press release. Global Sources defines non-IFRS net income as net income excluding non-cash, SBC expense or credit, amortization of intangibles as it relates to certain equity compensation plans, profits or losses on acquisitions, investments and disposal net of transaction costs and related tax expenses, and/or impairment charges net of related taxes, for all historical and future references to non-IFRS metrics. Non-IFRS EPS is defined as non-IFRS net income divided by the weighted average of diluted common shares outstanding. Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation, impairment of goodwill and intangible assets, and profits or losses on acquisitions, investments and disposal net of transaction costs and related tax expenses.

### **Safe Harbor Statement**

This news release contains forward-looking statements within the meaning of Section 27-A of the Securities Act of 1933, as amended and Section 21-E of the Securities Exchange Act of 1934, as amended. The company's actual results could differ materially from those set forth in the forward-looking statements as a result of the risks associated with the company's business, changes in general economic conditions, and changes in the assumptions used in making such forward-looking statements.

– Tables Follow –

**GLOBAL SOURCES LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

	As at September 30, 2015 (Unaudited)	As at December 31, 2014
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents.....	\$ 53,800	\$ 90,223
Term deposits with banks.....	7,634	4,285
Financial assets, available-for-sale.....	4,092	3,952
Accounts receivables, net.....	939	2,269
Receivables from sales representatives.....	9,667	7,900
Inventories.....	149	154
Prepaid expenses and other current assets.....	24,414	17,027
Assets classified as held for sale.....	10,821	-
	<b>111,516</b>	<b>125,810</b>
<b>Non-current assets</b>		
Property and equipment.....	59,996	63,519
Investment properties.....	71,402	85,546
Intangible assets.....	28,729	37,732
Long term investment.....	100	100
Deferred income tax assets.....	289	196
Other non-current assets.....	2,511	1,108
	163,027	188,201
<b>Total assets.....</b>	<b>\$ 274,543</b>	<b>\$ 314,011</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable.....	\$ 11,161	\$ 9,418
Deferred income and customer prepayments.....	95,843	84,869
Accrued liabilities.....	15,393	19,100
Income tax liabilities.....	3,377	3,848
	<b>125,774</b>	<b>117,235</b>
<b>Non-current liabilities</b>		
Accounts payable.....	291	889
Deferred income and customer prepayments.....	6,629	3,971
Deferred income tax liabilities.....	5,069	6,842
	11,989	11,702
<b>Total liabilities.....</b>	<b>137,763</b>	<b>128,937</b>
<b>Equity attributable to Company's shareholders</b>		
Common shares.....	533	529
Treasury shares.....	(250,089)	(200,089)
Other reserves.....	160,090	161,242
Retained earnings.....	219,795	209,924
<b>Total Company shareholders' equity.....</b>	<b>130,329</b>	<b>171,606</b>
Non-controlling interests.....	6,451	13,468
<b>Total equity.....</b>	<b>\$ 136,780</b>	<b>\$ 185,074</b>
<b>Total liabilities and equity.....</b>	<b>\$ 274,543</b>	<b>\$ 314,011</b>

**GLOBAL SOURCES LTD. AND SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENTS**  
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

	Three months ended September 30,		Nine months ended September 30,	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
<b>Revenue:</b>				
Online and other media services (Note 2).....	\$ 17,217	\$ 20,311	\$ 52,947	\$ 62,692
Exhibitions .....	4,054	9,512	50,225	50,784
Miscellaneous .....	2,221	1,888	6,236	5,701
	<b>23,492</b>	<b>31,711</b>	<b>109,408</b>	<b>119,177</b>
<b>Operating Expenses:</b>				
Sales (Note 3) .....	7,640	9,683	32,333	36,189
Event production.....	1,438	2,840	13,662	13,582
Community and content (Note 3).....	4,453	5,179	14,656	15,514
General and administrative (Note 3 & 4).....	11,320	10,397	32,072	36,401
Information and technology (Note 3).....	3,401	3,039	9,853	9,051
<b>Total Operating Expenses.....</b>	<b>28,252</b>	<b>31,138</b>	<b>102,576</b>	<b>110,737</b>
<b>Profit/(loss) from Operations .....</b>	<b>(4,760)</b>	<b>573</b>	<b>6,832</b>	<b>8,440</b>
Interest income.....	123	272	689	979
Gain on sale of available-for-sale securities .....	13	1	149	11
Interest expenses .....	(12)	(47)	(71)	(139)
<b>Profit/(loss) before Income Taxes .....</b>	<b>(4,636)</b>	<b>799</b>	<b>7,599</b>	<b>9,291</b>
Income tax expense.....	(234)	(282)	(2,422)	(1,112)
<b>Net Profit/(loss) from continuing operations .....</b>	<b>\$ (4,870)</b>	<b>\$ 517</b>	<b>\$ 5,177</b>	<b>\$ 8,179</b>
<b>Net Profit/(loss) from discontinued operations, net of income tax (Note 5) .....</b>	<b>223</b>	<b>2,721</b>	<b>5,629</b>	<b>2,022</b>
<b>Net profit/(loss) .....</b>	<b>\$ (4,647)</b>	<b>\$ 3,238</b>	<b>\$ 10,806</b>	<b>\$ 10,201</b>
Net (profit)/loss attributable to non-controlling interests from:				
Continuing operations .....	23	291	(1,199)	49
Discontinued operations .....	-	(1,612)	264	(1,201)
<b>Total.....</b>	<b>23</b>	<b>(1,321)</b>	<b>(935)</b>	<b>(1,152)</b>
<b>Net profit/(loss) attributable to the Company's shareholders from:</b>				
<b>Continuing operations.....</b>	<b>\$ (4,847)</b>	<b>\$ 808</b>	<b>\$ 3,978</b>	<b>\$ 8,228</b>
<b>Discontinued operations .....</b>	<b>223</b>	<b>1,109</b>	<b>5,893</b>	<b>821</b>
<b>Total.....</b>	<b>\$ (4,624)</b>	<b>\$ 1,917</b>	<b>\$ 9,871</b>	<b>\$ 9,049</b>
<b>Diluted net profit/(loss) per share attributable to the Company's shareholders from:</b>				
<b>Continuing operations.....</b>	<b>\$ (0.18)</b>	<b>\$ 0.02</b>	<b>\$ 0.13</b>	<b>\$ 0.24</b>
<b>Discontinued operations.....</b>	<b>0.01</b>	<b>0.04</b>	<b>0.20</b>	<b>0.02</b>
<b>Total.....</b>	<b>\$ (0.17)</b>	<b>\$ 0.06</b>	<b>\$ 0.33</b>	<b>\$ 0.26</b>
<b>Shares used in diluted net profit/(loss) per share calculations.....</b>	<b>27,359,011</b>	<b>31,487,766</b>	<b>30,088,869</b>	<b>34,166,224</b>

**GLOBAL SOURCES LTD. AND SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENTS**  
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

Note: 1. Total revenue from both the continuing operations and discontinued operations during the three months and nine months ended September 30, 2015 and 2014 was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Continuing operations.....	\$ 23,492	\$ 31,711	\$ 109,408	\$ 119,177
Discontinued operations.....	-	10,827	4,776	16,168
	<b>\$ 23,492</b>	<b>\$ 42,538</b>	<b>\$ 114,184</b>	<b>\$ 135,345</b>

Note: 2. Online and other media services consists of:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Online services.....	\$ 15,924	\$ 18,712	\$ 49,125	\$ 57,912
Print services.....	1,293	1,599	3,822	4,780
	<b>\$ 17,217</b>	<b>\$ 20,311</b>	<b>\$ 52,947</b>	<b>\$ 62,692</b>

Note: 3. Non-cash compensation expenses associated with the several equity compensation plans and Global Sources Directors Share Grant Award Plan included under various categories of expenses are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales.....	\$ 124	\$ 140	\$ 302	\$ 286
Community and content.....	24	27	65	(5)
General and administrative.....	334	366	1,102	896
Information and technology.....	48	52	181	172
	<b>\$ 530</b>	<b>\$ 585</b>	<b>\$ 1,650</b>	<b>\$ 1,349</b>

Note: 4. General and administrative expenses consist of:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
General and administrative expenses before amortization of intangible assets, impairment charge on intangible assets and foreign exchange losses (gains).....	\$ 9,095	\$ 9,306	\$ 27,400	\$ 26,998
Amortization of intangible assets.....	957	1,220	3,064	5,879
Impairment charge on intangible assets.....	-	-	-	2,238
Foreign exchange losses (gains).....	1,268	(129)	1,608	1,286
	<b>\$ 11,320</b>	<b>\$ 10,397</b>	<b>\$ 32,072</b>	<b>\$ 36,401</b>

Note: 5. Net Profit from discontinued operations, net of income tax consist of:

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit on sale of subsidiary.....	\$ 223	\$ -	\$ 6,382	\$ -
Income tax expense.....	-	-	(361)	-
Profit on sale of subsidiary, net of income tax.....	223	-	6,021	-
Profit/(loss) from discontinued operations, net of income tax.....	-	2,721	(392)	2,022
	<b>\$ 223</b>	<b>\$ 2,721</b>	<b>\$ 5,629</b>	<b>\$ 2,022</b>

**GLOBAL SOURCES LTD. AND SUBSIDIARIES**  
**ACTUAL IFRS to NON-IFRS RECONCILIATION**  
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
<b>IFRS diluted net profit/(loss) per share</b>	<b>\$ (0.17)</b>	<b>\$ 0.06</b>	<b>\$ 0.33</b>	<b>\$ 0.26</b>
IFRS Net Profit/(Loss)	\$ (4,624)	\$ 1,917	\$ 9,871	\$ 9,049
Non-cash stock based compensation expense (Note 1)	530	585	1,650	1,349
Amortization of intangibles (Note 2)	54	104	347	508
Impairment of goodwill and intangibles (Note 3)	-	-	-	1,678
Profit on sale of subsidiary (Note 4)	(223)	-	(6,021)	-
<b>Non-IFRS Net Profit/(Loss)</b>	<b>\$ (4,263)</b>	<b>\$ 2,606</b>	<b>\$ 5,847</b>	<b>\$ 12,584</b>
<b>Non-IFRS diluted net profit/(loss) per share</b>	<b>\$ (0.16)</b>	<b>\$ 0.08</b>	<b>\$ 0.19</b>	<b>\$ 0.37</b>
Total shares used in non-IFRS diluted net profit/(loss) per share calculations	27,359,011	31,487,766	30,088,869	34,166,224

**Notes:**

- (1) Actual SBC is calculated based on actual share price on date of the awards.
- (2) Amortization of intangible assets relating to certain non-compete agreements.
- (3) Impairment of intangibles are net of related taxes.
- (4) Profit on sale of subsidiary is net of related tax.

**GLOBAL SOURCES LTD. AND SUBSIDIARIES**  
**ADJUSTED EBITDA RECONCILIATION**  
(In U.S. Dollars Thousands)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
IFRS profit/(loss) from operations including discontinued operations	\$ (4,760)	\$ 4,065	\$ 6,164	\$ 11,126
Depreciation and amortization including discontinued operations	2,338	2,782	7,703	10,447
<b>EBITDA</b>	<b>(2,422)</b>	<b>6,847</b>	<b>13,867</b>	<b>21,573</b>
Non-cash stock based compensation expense	530	585	1,650	1,349
Impairment of goodwill and intangibles	-	-	-	2,238
<b>Adjusted EBITDA including discontinued operations</b>	<b>\$ (1,892)</b>	<b>\$ 7,432</b>	<b>\$ 15,517</b>	<b>\$ 25,160</b>



**GLOBAL SOURCES LTD. AND SUBSIDIARIES**  
**GUIDANCE IFRS to NON-IFRS RECONCILIATION**  
(In U.S. Dollars Million, Except Number of Shares and Per Share Data)

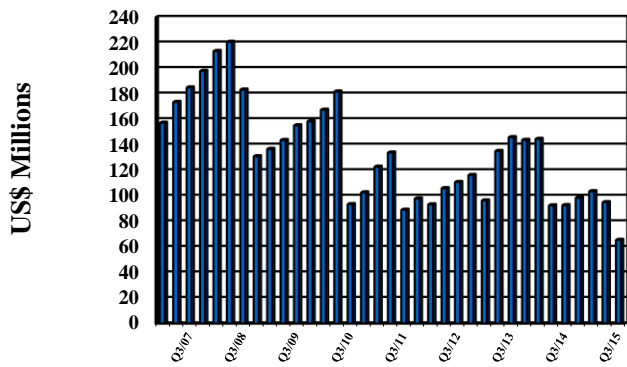
	<b>GUIDANCE</b>		<b>ACTUAL</b>
	Six months ended December 31, 2015	to	Six months ended December 31, 2014
Revenue	\$83.0	to	\$84.0
			\$91.8
IFRS EPS	\$0.46	to	\$0.49
			\$0.32
Non-cash stock based compensation expense (Note 1)	\$0.04		\$0.04
			\$0.03
Amortization of intangibles (Note 2)	\$0.01		\$0.01
			\$0.01
Gain on sale of investment property, net of transaction costs & related tax expenses	(0.30)		(0.30)
			-
<b>Non-IFRS diluted net income per share</b>	<b>\$0.21</b>	to	<b>\$0.24</b>
			<b>\$0.36</b>
Total shares used in non-IFRS diluted net income per share calculations	26,283,705		26,283,705
			31,490,737

**Notes:**

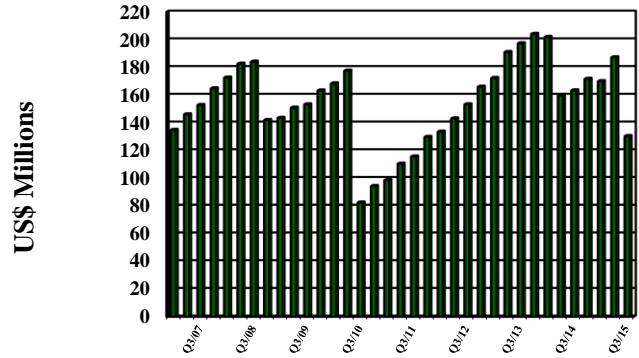
- (1) Actual SBC is calculated based on actual share price on date of the awards.
- (2) Amortization of intangible assets relating to certain non-compete agreements.

GLOBAL SOURCES LTD. AND SUBSIDIARIES

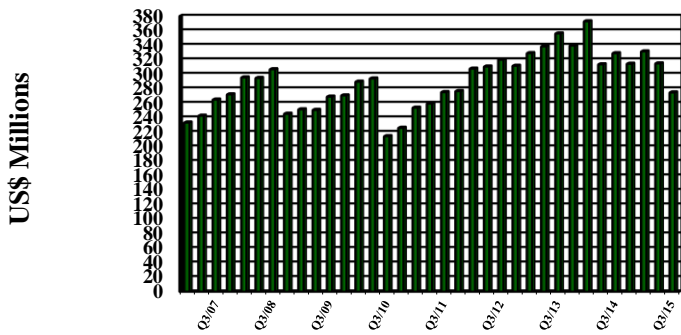
Total Cash and Securities



Total Shareholders' Equity



Total Assets



Total Deferred Income  
Customer Prepayments

