

Driving Profitable Trade

An overview of Global Sources' products, services and key advantages



global  sources

45
YEARS

www.globalsources.com

A statement of purpose

Asian Sources

FEBRUARY, 1971

A Statement of Purpose

With equal measures of pride, hope and confidence, we hereby introduce the first issue of *Asian Sources*, a monthly magazine that will serve businessmen active in the trade of consumer products made in Asia for export to Western markets.

We realize that we are launching an enterprise at a time when The Trade is suffering from the effects of a down-turn in demand in the prime outlet market, the United States, and from economic uncertainty in general. But we are convinced that conditions for greater than ever growth exist. We have faith in the future largely because we have faith in the capabilities of people on both the source and buying ends of the business.

Thus assured, we are presenting this publication as our contribution to The Trade, and we pledge our best efforts to make *Asian Sources* a stimulant to its stable, long term and profitable growth.

To accomplish this objective, we intend to advance the marketing potential of sources of Asian-made product lines, and the many firms that service the ancillary needs of importers, through compelling, professionally prepared advertising messages. In our editorial content,

we intend to eliminate as much as possible the uncertainty and complexities of international and cross-cultural commerce. We will gather facts, analyze developments and anticipate trends in the Asian supply scene for Western merchandisers responsible for making procurement, distribution and marketing decisions.

Our purpose for being has much broader significance as well. We believe that the cause for world peace through freedom from want is advanced by the establishment of long-lasting and mutually beneficial trade relations between private businessmen in the East and the West. We are firm enough in this conviction to speak out as we see fit against those elements we judge harmful to these relationships and to this cause, no matter what their association with this magazine. Among the already identifiable targets for admonition are protectionism and other restrictions on free market competition, self-serving bureaucracies, and opportunistic or tunnel-visioned businessmen.

But at this juncture, as we begin our mission of serving all those involved in The Trade, negative aspects must be put aside. There is simply too much ahead to be positive about.

Letter from the Executive Chairman



International trade is vital to today's global economy.

Trade today presents buyers and suppliers with substantial opportunities and significant challenges. The rapid development of science and technology gives rise to personalized consumption, which in turn drives sourcing requirements for quicker delivery of smaller orders with more customized and innovative designs.

China manufacturers now need more effective channels to find the right buyers who can partner and share market intelligence, helping suppliers to build more valuable products. Selling imitation purely on the basis of price can no longer secure success.

For 45 years, Global Sources has committed itself to facilitating global trade by building the most effective platform where buyers and suppliers can meet and trade profitably. This platform constantly evolves and now connects buyers and suppliers online and offline:

GlobalSources.com

The vertical-specific online marketplace features Verified Suppliers, a comprehensive range of innovative products, and in-depth industry intelligence on market and product trends as well as trade show highlights.

Global Sources Exhibitions

This face-to-face sourcing platform connects quality buyers and suppliers worldwide and features cutting-edge product designs in electronics and other consumer product industries.

In addition to our integrated online and offline B2B platform, Global Sources offers a suite of mobile apps to help buyers and suppliers trade effectively.

Whether you are a buyer, supplier, investor or team member, we welcome your participation in Global Sources' dynamic international trade community.

A handwritten signature in black ink, appearing to read 'Merle A. Hinrich'.

Merle A. Hinrich

Executive Chairman
Global Sources

Our mission

To connect global buyers and suppliers
by providing the right information, at the
right time, in the right format.

Buyers

- Global product & supplier discovery
- Faster evaluation
- Higher ROI
- Supplier & market intelligence

Team members

- Stability
- Personal growth
- Career opportunity
- Stimulating environment
- Company leadership





Suppliers

- Global marketing & sales opportunities
- Faster time-to-market
- Higher ROI
- Buyer & market intelligence

Investors

- Proven business model
- Strong management
- Recognized brand
- Track record of profitability

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Verticalized O2O trade platform

For 45 years, Global Sources has been serving the B2B industry with information that is highly trusted by buyers and suppliers.

Exclusive quality buyer community

An exclusive quality community of more than 1.4 million international buyers relies on Global Sources to source efficiently. These include 95 of world's top 100 retailers as well as rising e-tailers. We qualify our buyer community in two ways:

- Active Buyers are those who have registered to use one or more of our sourcing services within the last 12 months including Global Sources Exhibitions, GlobalSources.com, trade magazines and Product Alert.
- Verified Buyers are a subset of the Active Buyer community who have been qualified face-to-face when they attend a sourcing show hosted by Global Sources.

Global Sources acquires buyers through various channels including search engine marketing, direct marketing, social media marketing, and third-party trade shows. The buyer community is

also strengthened by Global Sources' proprietary databases of trade show pre-registrants and attendees and Global Sources print and e-Magazine subscribers.

Unique verified supplier community

Our unique "Verified Supplier" system helps suppliers build a professional and reliable corporate image to quickly win buyers' trust.

- Verified Suppliers: suppliers and exhibitors whose business registration details have been verified by independent third parties.
- Verified Manufactures: Verified Suppliers whose business scope, as licensed by relevant government departments, allows them to manufacture goods.
- Supplier Capability Assessment: In partnership with global leading certification and audit authorities, we enable buyers to audit suppliers across several key areas, including production facilities, capabilities and product quality.

Integrated online and offline marketing solutions

E-commerce removes boundaries of time and space from international trade. However, the massive volume of trade information on the Internet increases the risk for online fraud. Today, an increasing number of buyers and suppliers choose to trade through a combination of online and offline channels as a way to mitigate risk.

Dedicated to the B2B industry, Global Sources launched Asia's first B2B online platform and has been organizing specialized trade shows for 14 years. This enables the company to offer a seamless trade platform connecting buyers and suppliers online and offline.

**1970**

Global Trade Events

1960s-1970s Containerization revolutionizes trade / Emergence of the Asian Tigers

Global Sources Milestones

1970 Merle Hinrich founds Asian Sources Ltd. in Hong Kong

88% of the buyers go online to search for products before visiting a trade show

80% of trade show buyers use GlobalSources.com at least several times per week



54% of buyers place orders within show month

* Source: Global Sources Exhibitions buyer survey

Verticalization

Information overload impedes buyers' ability to find the right suppliers. Suppliers must demonstrate unique strengths to stand out from among a vast number of competitors. Buyers, on the other hand, must efficiently screen out the wrong suppliers from a huge volume of potential partners.

By focusing on 16 verticals, Global Sources' online and trade show platforms provide industry-specific information to help buyers and suppliers meet and trade efficiently using integrated online and offline channels.



Global Sources offers a range of information channels to facilitate trade between buyers and suppliers.

GlobalSources.com

The website features detailed product and supplier information including product prices and minimum order quantity to help buyers quickly find suppliers who meet their sourcing needs.

Search results are displayed in numerous ways to ensure that each supplier gets an opportunity to appear in the top position. This maximizes their brand visibility and improves return on investment.

Industry-specialized content on our vertical sites is updated daily, along with exclusive third-party market research and trade show coverage.

Global Sources Exhibitions

Sourcing shows are held in April and October each year in Hong Kong, enabling buyers and suppliers to build successful relationships through face-to-face negotiation. Since inception, more than 1.96 million buyers have attended Global Sources Exhibitions.

The shows feature a range of special pavilions for drones, robots, and other innovative products, helping buyers and suppliers gain insight into the latest market trends.

Global Sources trade magazines

Global Sources magazines feature well-researched reports on new products and thousands of informative advertisements that highlight suppliers' unique value and effectively attract buyer attention.

Serving startup community

Introduced in 2015, Startup Launchpad offers excellent opportunities for emerging hardware manufacturers to reach international buyers and top retailers. It helps them promote their brand and expand their distribution channels in overseas markets.

Startup Launchpad is a tradeshow plus conference and workshop event that runs simultaneously with Global Sources Exhibitions. It brings together thought leaders, manufacturers and overseas distributors to accelerate the growth of China's emerging startups.

Value-added services

Apart from the website, trade shows and magazines, Global Sources offers a series of value-added services to facilitate successful trade.

- **Message Center**
A leading export inquiry management software, and its mobile app version, are the only inquiry management tools in the B2B media industry to feature cloud storage and auto synchronization. This enables buyers and suppliers to easily manage inquiries and communicate anytime, anywhere.
- **RFQ (Request For Quotation)**
Global Sources' quality buyer community also uses Message Center to post specific purchasing requirements for relevant export suppliers to bid on. Buyers can post RFQs directly online or from the show floor at Global Sources Exhibitions.
- **Product Alert**
After suppliers post new products online, a Product Alert is sent to buyers who have subscribed to the relevant product category.

1980

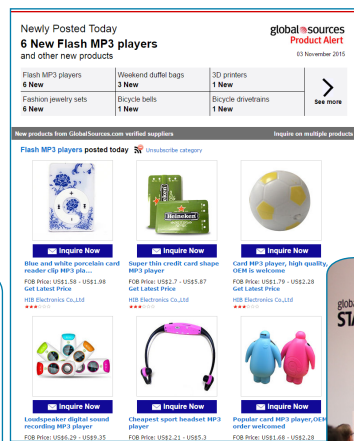
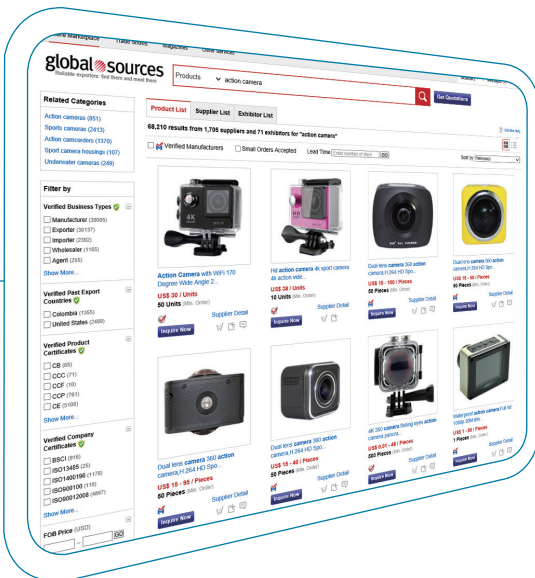
Global Trade Events

Early 1980s PC industry emerges

1980s Air cargo boosts trade

Global Sources Milestones

1980 *China Sources* magazine launched to cover the China supply market



1980-1983 Global Recession

1981 Acquisition of *The Importer* magazine

1986 First circulation audit by ABC

1990

Leading management practices

In 1992, Global Sources launched *Chief Executive China* (CEC), the first Chinese-language monthly magazine on modern management for the People's Republic of China. Dedicated to the mission of “excellent management practices for China’s business leaders”, CEC collects the world’s latest management ideas and combines them with successful case studies within the China business context.

The voice of Made-in-China

The majority of CEC readers are in the business of manufacturing, the industry driving China’s economic development. CEC offers readers rich content on management with professional survey research, management strategy analysis, and expert interviews on the latest trends in manufacturing.

CEC utilizes multiple media platforms including print, online, offline events, mobile editions and social media, to interact with over 4 million business executives across China. This year, CEC celebrates its 25th anniversary.

Training programs for business elites

Management challenges facing China executives vary constantly with the changing market environment. Bringing together CEC’s rich content and diverse media channels with Global Sources’ unique footprint in the export industry, CEC is able to provide China’s business elite with pragmatic guidance and support:

- **Global Export Strategy forums:**
Covering export and manufacturing issues, over 30 forums are held each year across China’s developed cities and regions.
- **Export workshops:**
Offered in more than 30 cities in China, export executives are able to strengthen their sales skills.
- **High-end customized management training:**
In partnership with well-known training organizations, CEC organizes a series of personalized training programs for China’s manufacturing elite.

**1990**

Global Trade Events

1990-1993 Global Recession

1993 European Union established

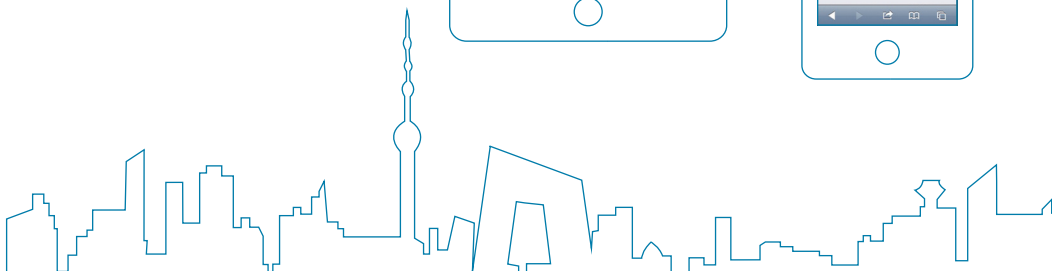
Mid-1990s Internet begins to revolutionize trade

Global Sources Milestones

1992 *Chief Executive China* launched

1993 Shanghai office opened

for China's export executives



1995 WTO established

1997 Transfer of Hong Kong to China / Asian currency crisis

Late 1990s Spectacular rise of B2B online marketplace

2000

1995 Launch of Asian Sources Online, first International trade marketplace

1999 Asian Sources becomes Global Sources

Domestic China business

WHAT'S YOURS? 你的态度!

My-Fashion-Attitude 我·时尚·态度

In 2012, Global Sources acquired China International Fashion Brand Fair-Shenzhen (FashionSZshow) to promote the development of China's fashion brands.

Today, the show has become one of the largest and most influential fashion exhibitions in Asia. The annual event features more than 1,000 fashion brands, original designers, OEMs and ODMs from China as well as from over 20 other countries including Britain, France, Italy, Germany, the US, and South Korea.

The show aims to extend its reach to a wide range of fashion-related industries, generate new creative concepts and build a fashion ecosystem to integrate industry resources. By featuring personalized brands, original designers and

fashion technologies, the show leads in offering new lifestyles, fresh consumer experiences and unique fashion attitudes.

深圳机械展 SIMM

In 2013, Global Sources entered into an agreement to acquire an ownership interest in the Shenzhen International Machinery Manufacturing Industry Exhibition and its related shows.

China's machinery manufacturing industry has become a critical component of the government's "Made in China 2025" strategy, making it a huge and fast-growing market segment. Global Sources' ownership interest in SIMM positions the Company in the center of China's ongoing economic transformation.

Today, the SIMM show occupies over 110,000 square meters and boasts over 1,100 exhibitors and 72,800 visitors each year.



2000

Global Trade Events

2000 Dot-com bubble bursts

2001 China joins the WTO / Massive shift of sourcing to China

2001-2003 Global Recession

Global Sources Milestones

2000 Listed on NASDAQ

2003 First China Sourcing Fairs

Testimonials

Buyer testimonials

“ The number of participants here is very huge and the arrangements made by Global Sources are very good. We use your website about five times a month. It is very informative and we can search a lot of products and find them easily. Your buyer app is also a good platform because even when on the move, we can easily search for products that we need. ”



Rajesh Kulkarni
Managing director,
Keetronics, India

“ The Global Sources trade show is very impressive. This is where you see what new products are coming into the market, know what the new trends are, and discover what competitors are buying so we can keep up with them. I use your website every week and read your trade magazines; their content is very relevant. ”



Jeremy Moffat
Buyer,
The Phone Surgeon, Australia

Supplier testimonials

“ We have been working with Global Sources – both online and offline – for the last seven years and this is our 11th time at the show. Global Sources is our exclusive channel for overseas promotion, which brings us quality clients, including major buyers from potential markets. These platforms create opportunities for us to sell to new regions. ”



Johnson Zhuang
CEO,
Leagoo International Co. Ltd, China

“ We can directly promote our products to buyers at the Global Sources trade show and keep in touch with them all year round through Globalsources.com. The GS Supplier app is a convenient tool to collect buyer profiles and browse through their inquiry history. It will work best to combine the advantages of online and offline platforms. ”



Andy Lao
General manager,
Wujiang Do Textile Co. Ltd, China



Awards & accolades



Gold Award for Corporate Governance & Investor Relations

2014-2016

The Asset

Gold Award for Management & Corporate Governance
2013



Gold Award for Social Responsibility & Investor Relations

The Asset

2011-2012



Titanium Award for Corporate Governance & Investor Relations

The Asset

2009-2010



Best Investor Relations Website

IRGR

2006-2011



Best Corporate Governance

IRGR

2008-2010



Forbes Asia's 200 'Best Under a Billion'

Forbes Asia

2007



Top 50 Most Powerful B2B Media

BtoB Magazine

2006



Best of the Web

Forbes.com

2004



Best of the Web

Forbes.com

2003



200 Companies for 2002

Forbes Global

2002



200 Best Small Companies

Forbes Global

2001



Best B2B Site

Revolution Magazine

2001



Fittest 50 Award

Darwin Magazine

2001



Best B2B Internet Site

Internet World Asia Industry Awards

2001



Enterprise Award

DHL / SCMP Hong Kong Business Awards

2000



Gold Award, e-Futurist Award

Standard Chartered Bank's e-nnovator of the Year Awards

2000

2010

Global Trade Events

2010 Recovery from Great Recession

2013 The wave of industry 4.0 in Germany accelerates the upgrade of manufacturing industry

Global Sources Milestones

2011 Verified Buyers initiative announced

2012 Acquisition of FashionSZshow

2013 Launch of new Chinese corporate logo / Acquisition of SIMM

Management



Merle A. Hinrich, Executive Chairman

Merle A. Hinrich is Executive Chairman of Global Sources (NASDAQ-GS: GSOL), Asia's leading business-to-business media company focused on global trade. He co-founded the company in 1970 with the firm conviction that free and mutually beneficial trade between east and west would help drive global economic prosperity, and ultimately, world peace. Mr. Hinrich graduated from the University of Nebraska with a Bachelor of Arts degree in Business Administration and Mathematics, and then gained a Graduate degree in International Trade at Thunderbird School of Global Management. In 1996, the University of Nebraska awarded Mr. Hinrich an Honorary Doctorate Degree, and in 2010, the Thunderbird School of Global Management conferred upon Mr. Hinrich the honorary degree of Doctor of International Law, in recognition of his global mindset and his role as a true global entrepreneur.



Craig Pepples, Chief Executive Officer

Mr. Pepples is Global Sources' Chief Executive Officer effective 1 January 2017. He has served as Global Sources' Deputy CEO since October 2016. Mr. Pepples joined the Global Sources team in 1986 and has been with the company for more than three decades. During his career, he has moved up the ranks to become manager of the Company's China sales operations from 1989 to 1992, serving as the China Country Manager from 1992 to 1999, then as the Chief Operating Officer from 1999 to 2010. Most recently, he has worked as Global Sources' President of Corporate Affairs and Publisher of Chief Executive China. Mr. Pepples has extensive B2B media experience and deep industry knowledge of Greater China and other markets where the Company operates. He is widely respected for his B2B industry expertise and leadership skills. Mr. Pepples graduated with a B.A. in Linguistics from Yale University and speaks fluent Chinese.



Brent Barnes, Chief Operating Officer

Mr. Barnes was appointed as our Chief Operating Officer in January 2012. He is responsible for the Company's world-wide operations, including community development, content development, trade show operations, and a special brief covering all buyer-facing services. Mr. Barnes began his career at a lobbyist firm in Austin, Texas, and then worked for two years in the executive training business in Mexico City. Upon completion of his MBA, Mr. Barnes worked as a Market Analyst for Global Sources in Arizona before relocating to Hong Kong to become Executive Assistant to the Chairman & CEO in 2000. From 2003 he spent time managing each of the core operational departments and assumed the role of General Manager of Content & Community Development in January 2010. Mr. Barnes holds a Bachelor of Arts degree from the University of Texas at Austin and an MBA from Thunderbird School of Global Management.



Connie Lai, Chief Financial Officer

Connie Lai was appointed Global Sources' Chief Financial Officer on 1 August 2010. Ms. Lai joined Global Sources in June 2007 as Financial Controller, Hong Kong & China. Prior to joining Global Sources, she was Chief Financial Officer and an Executive Director of HC International, Inc., a Hong Kong listed company. Earlier in her career, she spent over four years with PricewaterhouseCoopers Hong Kong. Ms. Lai graduated from the Chinese University of Hong Kong with a bachelor's degree in professional accountancy. She is also a Fellow Member of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants in the United Kingdom.



Peter Zapf, Chief Information Officer

Peter Zapf is Global Sources' Chief Information Officer effective from 1 January 2012. Mr. Zapf began his career in software project management with the United States Air Force. He then joined Global Sources in Phoenix, Arizona, working on the development, sales and marketing of the company's early software and e-commerce products. Later, he worked as a Research Analyst at Bear Stearns in New York, focusing on the B2B market, after which he joined Hong Kong-based AsiaCommerce, a startup incubator, as Chief Executive Officer. He rejoined Global Sources in 2001 as Vice President of eCommerce. Mr. Zapf holds a BS in Electrical Engineering and Engineering and Public Policy from Carnegie Mellon University, an MS in Computer Science from Troy State University, and an MBA from the Thunderbird School of Global Management.



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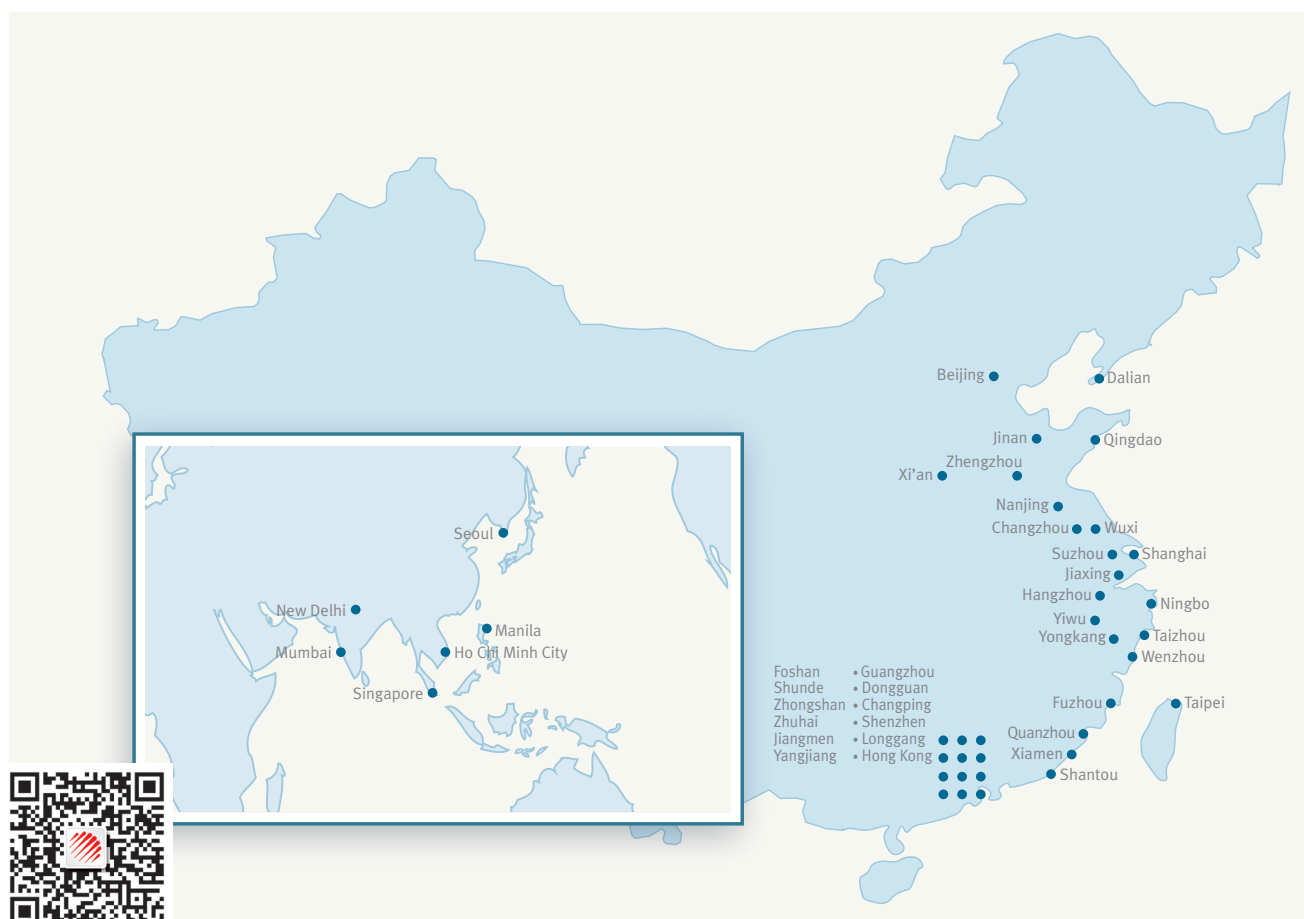
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