

## AUDITORS' REPORT

To the management of **Global Sources**:

We have audited the assertions (Assertions 1 to 6) of the management of Global Sources, described in Appendix A entitled Report by the Management of Global Sources on the Computation of the Number of Active Community Membership ("Management's Report"), that Global Sources as of 30 September 2009 established and maintained effective controls with respect to the computation of the number of active community membership. These assertions are the responsibility of Global Sources' management. Our responsibility is to express an opinion on these assertions based on our audit.

We conducted our audit in accordance with the Singapore Standard on Assurance Engagements (SSAE) 3000 established by the Institute of Certified Public Accountants of Singapore ("ICPAS"). Those standards require that we plan and perform an audit to obtain reasonable assurance as a basis for our opinion. Our audit included examining, on a test basis, evidence supporting the assertions and such other procedures that we considered necessary under the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Because of the inherent limitations of internal controls, errors or fraud may occur and not be detected. Furthermore, the projections of any conclusions, based on our findings, to future periods is subject to the risk that (1) changes made to the system or controls, (2) changes in the processing requirements, (3) changes required because of the passage of time, or (4) degree of compliance with the policies or procedures may alter the validity of such conclusions.

Based on the above, in our opinion, the assertions (Assertions 1 to 6) described in Management's Report that Global Sources, as of 30 September 2009, had established and maintained effective controls with respect to the computation of the number of active community membership, are fairly stated, in all material respects, in accordance with the underlying criteria specified in Management's Report.

The Ernst & Young CyberProcess Seal of assurance on the effectiveness of Global Sources' controls with respect to the computation of the number of active community membership constitutes a symbolic representation of the contents of this report and is not intended, nor should it be construed, to update this report or provide any additional assurance.



This report does not include any representation as to the quality of Global Sources' goods or services nor their suitability for any customer's intended purposes.

Ernst & Young LLP  
Public Accountants and  
Certified Public Accountants  
Singapore

15 October 2009



**Report by the Management of Global Sources on the Computation of the Number of Active Community Membership as of 30 September 2009**

The management of Global Sources declares the following and is responsible for establishing and maintaining effective controls with respect to our computation of the number of active community membership as of 30 September 2009, which are intended to provide reasonable assurance that:

1. The relevant computerized environment, where the PubPlus, GSOL, TSC and iSystem Sun Solaris servers and the Data Mining and LDAP (hkldap1 and hkldap2) Linux servers reside, are secured against unauthorized physical access and environmental factors.
2. There are no unauthorized program changes to the PubPlus, GSOL, TSC and iSystem Sun Solaris servers and the Data Mining and LDAP (hkldap1 and hkldap2) Linux servers.
3. Logical access to the PubPlus, GSOL, TSC and iSystem Sun Solaris servers and the Data Mining and LDAP (hkldap1 and hkldap2) Linux servers within the relevant systems are granted to authorized personnel on a need-to-use basis.
4. Duplicate entries for the existing subscribers and interactive web-site visitor databases (the "databases") are eliminated from the computation of community membership.
5. Active community and vertical community members from the databases are extracted for the computation of community membership.
6. Invalid community members are excluded from the computation of community membership.

Trade Media is a wholly-owned subsidiary of Global Sources Limited. and is the publisher of various Global Sources sourcing magazines and the Global Sources Online website. The China Sourcing Fairs and the India Sourcing Fairs are brands of and/or are organized by various other subsidiaries of Global Sources Ltd. Global Sources Ltd. and its subsidiaries (collectively, the "Global Sources Group") operate under the business name of "Global Sources".

The descriptions of the control procedures set forth in the following section are fairly described and are suitably designed to achieve the specific Assertions.

**Criteria Underlying the Assertions**

Assertion 1: We have established controls intended to provide reasonable assurance that the relevant computerized environment, where the PubPlus, GSOL, TSC and iSystem Sun Solaris servers, and the Data Mining and LDAP (hkldap1 and hkldap2) Linux servers that house the community membership's databases reside, are secured against unauthorized physical access and environmental factors.

Underlying Criteria:

- (a) Physical access to the data centre and operation of the computer, network, and related processing equipment and storage media are restricted to authorized personnel.
- (b) Measures are in place and maintained for the protection of computer equipment from environmental factors, such as fire, water, excessive heat, and loss of powers.

Assertion 2: We have established controls intended to provide reasonable assurance that there are no unauthorized program changes to the PubPlus, GSOL, TSC and iSystem Sun Solaris servers, and the Data Mining and LDAP (hkldap1 and hkldap2) Linux servers.

Underlying Criteria:

- (a) The organisational structure provides an appropriate division of responsibilities to effectively separate the function and duties of personnel authorizing, testing, approving and implementing program changes.
- (b) Changes to existing system software and implementations of new system software are authorized, tested, approved, implemented, and documented.

Assertion 3: We have established controls intended to provide reasonable assurance that logical access to the PubPlus, GSOL, TSC and iSystem Sun Solaris servers and the Data Mining and LDAP (hkldap1 and hkldap2) Linux servers within the relevant systems are granted to authorized personnel on a need-to-use basis only.

Underlying Criteria:

- (a) Logical access to the production programs and data files on the PubPlus, GSOL, TSC, and iSystem Sun Solaris servers, and the Data Mining and LDAP (hkldap1 and hkldap2) Linux servers is restricted to authorized system/database administrators and programs.
- (b) Procedures are in place to prevent unauthorized users from accessing the system and databases.
- (c) Monitoring procedures are in place, intended to ensure that these controls are effective and, if needed, that corrective measures are taken.

Assertion 4: We have established controls intended to provide reasonable assurance that duplicate entries for the existing subscribers and interactive web-site visitor databases (the “databases”) are eliminated from the computation of community membership.

Underlying Criteria:

- (a) Duplicate subscribers and interactive web-site visitor records are eliminated by comparing the country code, organisation name, first name, and last name fields of the records for duplicates.
- (b) The comparisons of the four fields of the records for duplicates are applied to all records captured within the period in review.

Assertion 5: We have established controls intended to provide reasonable assurance that active community and vertical community members from the databases are extracted for the computation of community membership.

Underlying Criteria:

- (a) Procedures are in place to ensure that only unique buyers who meets any of the following criteria for period ending 30 September 2009 are extracted from the databases:
- Received a Global Sources print or digital magazine within the last 12 month period;
  - Made an inquiry through the Global Sources web-site ([www.globalsources.com](http://www.globalsources.com)) within the last 12 month period;
  - Attended a China Sourcing Fair or India Sourcing fair within the last 12 month period;
  - Who have registered and double opted-in to receive product alert emails as of the period ending the applicable certification date.

Assertion 6: We have established controls intended to provide reasonable assurance that invalid community members are excluded from the computation of community membership.

Underlying Criteria:

- (a) Procedures are in place to ensure that inquirers to the Global Sources web-site who do not provide an email address are not accepted as valid community members for the computation of community membership.
- (b) Monitoring procedures are in place to ensure that GSOL product alert subscribers with invalid email addresses are not accepted as valid community members for the computation of community membership. Invalid email addresses are those where product alert emails that were sent to them by Global Sources were returned back to the sender for a total of 18 times or more in a week.
- (c) Procedures are in place to ensure that subscribers of Global Sources' digital magazines who received an email with link(s) to download/view digital magazine or clicked on a link in online website to download/view digital magazine are accepted as valid community members for the computation of community membership
- (d) Procedures are in place to ensure that subscribers of Global Sources' print magazines with invalid mailing addresses or subscribers of Global Sources' digital magazines with invalid email addresses are not accepted as valid community members for the computation of community membership.

Management

Global Sources

15 October 2009