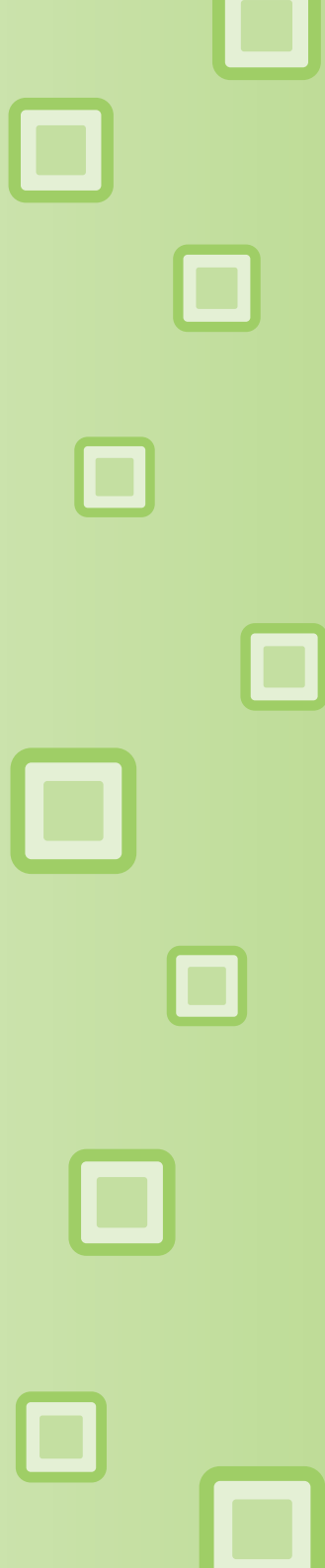


ACROSS ASIA LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8061)

First Quarterly Report 2011



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This report, for which the Directors of AcrossAsia Limited (the “Company”) (namely, executive Director: Mr. Marshall Wallace COOPER; and independent non-executive Directors: Mr. Albert Saychuan CHEOK, Dr. Boh Soon LIM and Mr. Thomas Yee Man LAW) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 report 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 report misleading.

FIRST QUARTERLY REPORT 2011

For the three months ended 31st March 2011

HIGHLIGHTS

- AcrossAsia Group recorded an increase in revenue of 21.4% to HK\$199.5 million compared to HK\$164.4 million for the same period in 2010 due to continuous growth in number of Internet service subscribers and demand for data communication service.
- AcrossAsia Group's gross profit increased by 29.1% to HK\$158.0 million from HK\$122.4 million for the same period in 2010 mainly attributable to additional demand for services as well as reduction in Internet bandwidth fee.
- Gross profit margin increased to 79.2% from 74.5% for the same period in 2010.
- AcrossAsia Group recorded a profit from operations of HK\$21.3 million compared to HK\$26.8 million for the same period in 2010.
- The continuous expansion of the businesses of the Group resulted in increase in staff, promotion and rental costs and hence, total operating expenses (excluding other income and expenses) increased to HK\$155.3 million from HK\$116.7 million for the same period in 2010.
- AcrossAsia Group recorded a loss attributable to owners of the Company of HK\$16.4 million compared to HK\$1.2 million for the same period in 2010.

FIRST QUARTERLY RESULTS (UNAUDITED)

The Directors of AcrossAsia Limited (the “Company”) announce the unaudited consolidated income statement and consolidated statement of comprehensive income of the Company and its subsidiaries (collectively “AcrossAsia Group”) for the three months ended 31st March 2011 (the “Three-month Period”) together with comparative figures for the corresponding period ended 31st March 2010 as follows:

CONSOLIDATED INCOME STATEMENT

		Three months ended 31st March	
		2011	2010
	<i>Note</i>	HK\$'000	<i>HK\$'000</i>
Turnover	2	199,547	164,435
Cost of services rendered		(41,514)	(41,993)
Gross profit		158,033	122,442
Other income		1,202	177
Net exchange gain		17,386	20,826
Selling and distribution expenses		(17,596)	(11,322)
General and administrative expenses		(137,744)	(105,362)
Profit from operations		21,281	26,761
Finance costs		(28,756)	(20,344)
(Loss)/profit before tax		(7,475)	6,417
Income tax expense	3	(5,197)	(4,488)
(Loss)/profit for the period		(12,672)	1,929
(Loss)/profit attributable to:			
Owners of the Company	4	(16,434)	(1,195)
Non-controlling interests		3,762	3,124
		(12,672)	1,929
Loss per share attributable to owners of the Company			
Basic (HK cents)	4	(0.32)	(0.02)
Diluted (HK cents)	4	N/A	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31st March	
	2011 <i>HK\$'000</i>	2010 <i>HK\$'000</i>
(Loss)/profit for the period	(12,672)	1,929
Other comprehensive income:		
Currency translation differences	12,735	5,997
Total comprehensive income for the period	63	7,926
Total comprehensive income attributable to:		
Owners of the Company	(12,748)	1,607
Non-controlling interests	12,811	6,319
	63	7,926

Notes:

1. Principal accounting policies

The unaudited consolidated results have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) and International Accounting Standards (“IASs”) issued by the International Accounting Standards Board and the applicable disclosures required by the GEM Listing Rules and the Hong Kong Companies Ordinance. AcrossAsia Group has adopted certain new/revised IFRSs and IASs and these adoptions have no material impact on the accounting policies of AcrossAsia Group and the methods of computation of AcrossAsia Group’s consolidated results. The audit committee has reviewed the unaudited consolidated results of AcrossAsia Group for the Three-month Period.

2. Segment information

(a) Operating segments

Information about reportable operating segment profit or loss for the Three-month Period and the corresponding period in 2010 is as follows:

Information about reportable segment profit or loss:

	<i>HK\$’000</i>
For Three-month Period	
Revenue from external customers	199,547
Segment profit	43,969
The corresponding period in 2010	
Revenue from external customers	164,435
Segment profit	1,933

Reconciliations of reportable segment revenue and profit or loss:

	Three months ended	
	31st March	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue		
Total revenue of reportable segments	199,547	164,435
Profit or loss		
Total profit or loss of reportable segment	43,969	1,933
Unallocated amounts:		
Interest revenue	366	57
Interest expense	(28,756)	20,344
Depreciation and amortisation	(37,394)	(31,529)
Income tax expense	(5,197)	(4,488)
Net foreign exchange gain	17,386	20,826
Fair value loss on derivative financial instruments	(207)	—
Gain on disposal of property, plant and equipment	834	—
Other corporate expenses	(3,673)	(5,214)
Consolidated (loss)/profit for the period	(12,672)	1,929

(b) Geographical segments

Over 90% of AcrossAsia Group's revenue is derived from customers and operations based in Indonesia and accordingly, no further analysis of AcrossAsia Group's geographical segments is disclosed.

3. Income tax expense

	Three months ended	
	31st March	
	2011	2010
	HK\$'000	HK\$'000
Current tax – overseas	4,808	49
Deferred tax	389	4,439
	5,197	4,488

No provision for Hong Kong Profits Tax is required since AcrossAsia Group's income is derived from overseas sources which is not liable to Hong Kong Profits Tax (2010: Nil).

Taxes charged on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which AcrossAsia Group operates, based on existing legislation, interpretation and practices in respect thereof.

The Company's subsidiaries incorporated and operating in Indonesia are subject to Indonesian income tax at a maximum rate of 28% of the individual entities' respective assessable profits in accordance with Indonesian income tax law.

4. Loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss attributable to owners of the Company for the Three-month Period of HK\$16,434,000 (2010: HK\$1,195,000) and 5,064,615,385 ordinary shares in issue for the Three-month Period and the corresponding period in 2010.

No diluted loss per share are presented as the Company did not have any dilutive potential ordinary share for the Three-month Period and the corresponding period in 2010.

5. Consolidated Statement of Changes in Equity

For the Three-month Period

	Attributable to owners of the Company					Non-controlling interests	Total equity
	Issued capital	Share premium	Translation reserve	Accumulated losses	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
At 1st January 2010	506,462	414,318	798	(982,942)	(61,364)	86,852	25,488
Capital reduction	(455,816)	—	—	455,816	—	—	—
Total comprehensive income for the period	—	—	2,802	(1,195)	1,607	6,319	7,926
At 31st March 2010	50,646	414,318	3,600	(528,321)	(59,757)	93,171	33,414
At 1st January 2011	50,646	414,318	2,885	(560,271)	(92,422)	282,340	189,918
Total comprehensive income for the period	—	—	3,686	(16,434)	(12,748)	12,811	63
At 31st March 2011	50,646	414,318	6,571	(576,705)	(105,170)	295,151	189,981

6. Comparative figures

Certain comparative figures have been reclassified to conform to the current period's presentation.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Three-month Period (2010: Nil).

FINANCIAL REVIEW

AcrossAsia Group's results for the Three-month Period were analysed as follows:

Turnover

AcrossAsia Group recorded an increase in revenue of 21.4% to HK\$199.5 million compared to HK\$164.4 million for the same period in 2010 due to continuous growth in number of Internet service subscribers and demand for data communication service.

Gross Profit

AcrossAsia Group's gross profit increased by 29.1% to HK\$158.0 million from HK\$122.4 million for the same period in 2010 mainly attributable to additional demand for services as well as reduction in Internet bandwidth fee. The gross profit margin increased to 79.2% from 74.5% for the same period in 2010.

Profit from Operations

AcrossAsia Group recorded a profit from operations of HK\$21.3 million compared to HK\$26.8 million for the same period in 2010. It was mainly due to (i) recognition of a relatively smaller net foreign exchange gain of HK\$17.6 million compared to HK\$20.8 million for the corresponding period in 2010 and (ii) an increase of total operating expenses (excluding other income and expenses) of HK\$155.3 million from HK\$116.7 million for the same period in 2010 largely as a result of increase in salaries of HK\$10.5 million, promotion costs of HK\$3.9 million and rental charges of HK\$7.0 million incurred for the purpose of the continuous expansion of the businesses of the Group.

Loss attributable to Owners

AcrossAsia Group recorded a loss attributable to owners of the Company of HK\$16.4 million compared to HK\$1.2 million for the same period in 2010.

BUSINESS REVIEW

AcrossAsia Group through PT First Media Tbk (“First Media”, a subsidiary of the Company listed on the Indonesia Stock Exchange in which the Company has a 55.1% interest) and its subsidiaries (collectively the “First Media Group”) recorded growth in their services. The First Media Group is the only multimedia service provider in Indonesia to offer broadband Internet and digital-quality cable TV services through a two-way HFC (Hybrid Fibre Coaxial) network, and the first pay-TV network in Indonesia to offer High-Definition TV programmes. With its Triple-play services, namely FastNet, HomeCable and DataComm, the First Media Group offers a new edutainment and lifestyle of experience and high speed, 24/7 broadband Internet connectivity as well as digital quality pay-TV access to its valuable residential and business customers in Indonesia.

FastNet is an unlimited high-speed Internet access service offering a variety of connection speeds with smart values and best deals. Packages offered range from 1 Mbps to 20 Mbps with subscription fees starting from Rp195,000/month. With 20Mbps of unlimited access, the First Media Group offers the fastest broadband Internet service in Indonesia. It has the unique opportunity to sell premium products to price insensitive customers by leveraging its exclusive access to high-end customer segments. The First Media Group also takes care of children’s Internet access needs by providing innovative and content-protected FastNet KIDS package.

HomeCable offers a total of 96 standard definition channels of local and international TV plus 5 HD (high definition) channels (including HBO and ESPN) covering news, education, movies, lifestyle, entertainment, sports, music and kids channels. Packages offered include HomeCable Family, HomeCable Family Plus, HomeCable Ultimate, Sport Channels and attractive selection packs/add-ons with subscription fees starting from Rp60,000 per month, depending on the number of channels/selections. The First Media Group was the first cable TV operator in Indonesia to offer HD programmes.

DataComm services provide excellent connectivity and availability for decision making process and business continuity. DataComm serves the demand from corporate customers for high reliability connection using the latest technology of fibre optic cable. The Metro Ethernet technology applied in the network backbone gives the corporate customers the very simple and flexibility technology to adapt. Through its DataComm business, the First Media Group is presently the market leading provider of high capacity and high speed data communications solutions to its commercial subscribers with edge in coverage of key commercial office buildings and hotels in Jakarta region. DataComm has been the sole network provider to Indonesia Stock Exchange for its JATS-Remote Trading for nine years now.

During the three-month Period, the First Media Group continued to focus on improvement of its services and customer satisfaction in order to grow its customer base. The First Media Group has implemented more aggressive marketing campaign to promote its service offerings and introduced more channels and packages to meet market needs.

The First Media Group has been expanding into the most advanced wireless broadband operation after successful soft launch of its new, high speed 4G WiMAX service "Sitra". 153 Base Transceiver Stations have been deployed up to 31st March 2011 and more infrastructure work and deployment of WiMAX facilities are ongoing. The network already covers some prominent areas in West and South Jakarta. The First Media Group plans to make a grand launch of Sitra WiMAX in 2011.

During the Three-month Period, the First Media Group continued its second phase network coverage expansions. It has added over 12,000 homes pass to its HFC network. As of 31st March 2011, its fibre optic cable reached over 4,000 km whilst its coaxial cable network reached approximately 4,900 km, passing more than 518,000 homes. This HFC network covers major residential and central business districts in Greater Metropolitan Jakarta and other prime cities in Indonesia such as Surabaya and Bali. By the end of March 2011, Cable TV subscribers and broadband Internet subscribers increased to approximately 180,000 and over 177,000 respectively.

On 21st March 2011, First Media and its wholly-owned subsidiaries, PT Link Net ("Link Net"), PT First Media Television ("FMTV"), and Asia Link Holdings Limited ("Asia Link", a subsidiary of the world-class fund, CVC) entered into

certain agreements whereby, inter alia, Asia Link will subscribe for minority equity interests in Link Net and FMTV and a bond to be issued by First Media for an aggregate price of approximately HK\$2 billion, and will be granted an option to subscribe for additional equity interest in Link Net, subject to certain conditions precedent therein and full completion. On the same date, First Media, Link Net and FMTV also entered into a reorganisation agreement whereby, inter alia, First Media will, subject to certain conditions precedent therein, transfer to Link Net certain assets, liabilities, contracts, employees and undertakings on or prior to completion in order for Link Net to carry on network business, ISP (Internet service provider) business and Pay-TV business. The aforesaid proposed transactions (the "Proposed Transactions") taken together offer the best way forward to achieve the growth ambitions of AcrossAsia Group and assist in meeting the funding requirements of First Media, Link Net and FMTV for their future expansion and growth. The Proposed Transactions, by marking the aforesaid businesses with a substantially higher price compared to the net assets value of Link Net and FMTV, will unlock the inherent value of the First Media Group and crystallise the value of the Company to its shareholders. Details of the Proposed Transactions were set out in the circular of the Company dated 9th May 2011 despatched to the shareholders of the Company. The Board of Directors (the "Board") believes that the Proposed Transactions are and will be in the best interests of AcrossAsia Group and the shareholders of the Company as a whole.

PROSPECTS

Indonesia has been one of the fastest growing economies in the world in recent years with GDP growth in the first quarter of 2011 attaining 6.5% year-on-year, as driven by strong household consumption and investment. There are strong demands for better and faster broadband Internet access, better quality cable TV in variety and content and better communication services. It is predicted that following the grand launch of Sitra WiMAX later in 2011, it will become a strong revenue contributor for the Group in coming years due to market needs and First Media is poised to become the dominant Quadruple-play services provider in Indonesia. The First Media Group's services are right at the centre of such demands and hence necessitate implementation of lucrative, yet capital intensive business expansion plans. The Proposed Transactions, once materialised, will certainly enrich the First Media Group with substantial additional financial resources to roll out such plans and reap the benefits.

AcrossAsia Group will continue to look for expansion and funding opportunities for its businesses with a view to maintaining their growth and market leading positions as well as to create value for and enhance investment return to the shareholders of Company.

DISCLOSURE OF INTERESTS IN SECURITIES

Directors and Chief Executive

As at 31st March 2011, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares (in respect of positions held pursuant to equity derivatives) and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as notified to the Company and the Stock Exchange under Rule 5.46 of the GEM Listing Rules or as otherwise required by Rule 23.07 of the GEM Listing Rules were as follows:

Long Position in Shares and Debentures of the Company and Associated Corporations

Mr. Albert Saychuan CHEOK was interested in 1,000,000 shares of the Company (representing approximately 0.02% of the issued share capital thereof).

Save as disclosed herein, none of the Directors or the chief executive of the Company were interested in any long position in the shares or debentures of the Company or any of its associated corporations.

Long Position in Underlying Shares of the Company and Associated Corporations

(i) Physically settled equity derivatives

None of the Directors or the chief executive of the Company were interested in any physically settled equity derivatives of the Company or any of its associated corporations.

(ii) Cash settled and other equity derivatives

None of the Directors or the chief executive of the Company were interested in any long position in cash settled or other equity derivatives of the Company or any of its associated corporations.

Short Position in Shares, Underlying Shares and Debentures of the Company and Associated Corporations

None of the Directors or the chief executive of the Company were interested in any short position in the shares, underlying shares or debentures of the Company or any of its associated corporations.

Substantial Shareholders

As at 31st March 2011, the interests and short positions of the substantial shareholders of the Company in the shares and underlying shares (in respect of positions held pursuant to equity derivatives) of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long Position in Shares of the Company

Name	Number of shares	Percentage of issued share capital
Grandhill Asia Limited	500,000,000	9.87
Lippo Cayman Limited	3,669,576,788	72.45
Lanius Limited	3,669,576,788	72.45
Dr. Mochtar RIADY (“Dr. Riady”)	3,669,576,788	72.45
Madam Lidya SURYAWATY (“Madam Suryawaty”)	3,669,576,788	72.45

Notes:

The shares of the Company were held by direct and indirect wholly-owned subsidiaries (including Cyport Limited and its wholly-owned subsidiary, Grandhill Asia Limited) of Lippo Cayman Limited (“Lippo Cayman”) and Mideast Pacific Strategic Holdings Limited in which Lippo Cayman controlled a 30% interest. Lanius Limited (“Lanius”) was the registered shareholder of the entire issued share capital of Lippo Cayman. Lanius is the trustee of a discretionary trust, which was founded by Dr. Riady who does not have any interest in the shares of Lanius. The beneficiaries of the trust include his family members.

Dr. Riady and his wife, Madam Suryawaty, are taken to be interested in the shares of the Company under the provisions of the SFO.

Long Position in Underlying Shares of the Company

None of the substantial shareholders of the Company were interested in any long position in the underlying shares of the Company.

Short Position in Shares and Underlying Shares of the Company

None of the substantial shareholders of the Company were interested in any short position in the shares or underlying shares of the Company.

Other Persons

As at 31st March 2011, no other persons had any interests or short positions in the shares or underlying shares (in respect of positions held pursuant to equity derivatives) of the Company according to the registers required to be kept by the Company under the SFO.

SHARE OPTIONS

The Company has a share option scheme adopted on 14th May 2002 (the "2002 Scheme") under which employees of AcrossAsia Group (including the Directors of the Company) and other persons may be granted on or after 15th May 2002 options to subscribe for shares of the Company subject to the terms and conditions stipulated in the 2002 Scheme. No options had been granted under the 2002 Scheme as at 31st March 2011.

COMPETING INTERESTS

The Lippo Group (a general reference to the companies (including Lippo Cayman) in which Dr. Riady and his family have a direct or indirect interest; the Lippo Group is not a legal entity and does not operate as one; each of the companies in the Lippo Group operates within its own legal, corporate and financial framework) might have had or developed interests in businesses in Hong Kong and other parts in Asia similar to those of AcrossAsia Group during the Three-month Period. There was a chance that such businesses might have competed with AcrossAsia Group during the Three-month Period.

Save as disclosed herein, the Directors are not aware of any business or interest of the Directors, the management shareholders and their respective associates (as defined under the GEM Listing Rules) that have competed or may compete with the business of AcrossAsia Group and any other conflicts of interests which any such person had or may have with AcrossAsia Group.

AUDIT COMMITTEE

The Board established an audit committee (the "Audit Committee") on 23rd June 2000 with written terms of reference in accordance with Rules 5.28 and 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee are, inter alia, to review and monitor the financial reporting and audit matters as well as the financial control, internal control and risk management systems of AcrossAsia Group. The Audit Committee has met twice this year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the Three-month Period, there was no purchase, sale or redemption of the shares of the Company by the Company or any of its subsidiaries.

By Order of the Board
Marshall Wallace COOPER
Director and Chief Executive Officer

Hong Kong, 9th May 2011