Annual Report 2010

AcrossAsia Limited

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

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this Annual Report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Annual Report.

This Annual 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 Annual 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 Annual Report misleading.

Contents

Corporate Information

DIRECTORS

Executive Director

Marshall Wallace COOPER
(Chief Executive Officer)

Independent non-executive Directors

Albert Saychuan CHEOK
(Chairman of the Board)
Dr. Boh Soon LIM
Thomas Yee Man LAW

COMPANY SECRETARY

Kelsch Woon Kun WONG, FCIS, FCS

COMPLIANCE OFFICER

Marshall Wallace COOPER

AUDIT COMMITTEE

Albert Saychuan CHEOK
(Chairman of the Audit Committee)
Dr. Boh Soon LIM
Thomas Yee Man LAW

REMUNERATION COMMITTEE

Albert Saychuan CHEOK
(Chairman of the Remuneration Committee)
Dr. Boh Soon LIM

AUTHORISED REPRESENTATIVES

Marshall Wallace COOPER
Kelsch Woon Kun WONG

AUTHORISED PERSON TO ACCEPT SERVICE OF PROCESS AND NOTICES

Kelsch Woon Kun WONG

REGISTERED OFFICE

P.O. Box 309GT, Ugland House
George Town, Grand Cayman
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Lippo Centre, 89 Queensway
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
P.O. Box 705, Butterfield House
Fort Street, George Town
Grand Cayman
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

LEGAL ADVISERS TO THE COMPANY

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Hong Kong

As to Cayman Islands Law:

Maples and Calder Asia
Suite 1504, One International Finance Centre
1 Harbour View Street, Central
Hong Kong

AUDITOR

RSM Nelson Wheeler
Certified Public Accountants
29th Floor, Caroline Centre
Lee Gardens Two
28 Yun Ping Road
Hong Kong

PRINCIPAL BANKER

CITIC Bank International Limited
Lippo Centre, 89 Queensway
Hong Kong

STOCK CODE

8061

WEBSITES OF THE COMPANY AND MAJOR SUBSIDIARIES

www.across-asia.com
www.firstmedia.com
www.link.net.id

Chairman's Statement

On behalf of the Board of Directors (the "Board") of the Company, I am pleased to present to our shareholders the annual report of the Company and its subsidiaries (collectively "AcrossAsia Group") for the year ended 31st December 2010 ("2010").

Continuing the strong growth momentum from recent years, the GDP (Gross Domestic Product) growth of Indonesia in 2010 reached 6.1%, one of the highest in Asia, and that for the first quarter of 2011 is forecast to be 6.4% year-on-year. The trend has facilitated a rapid growth of the middle class population in Indonesia. Another phenomenon is its young population with the majority of the 240 million people being below 30 years of age. As a result, there is huge growing demand for quality living and corporate needs which undoubtedly entail broadband Internet access, quality cable TV and data communication services as well as other information and communication technology services and devices.

AcrossAsia Group will obviously benefit from the above positive trends and phenomena through its leading Broadband Services rendered via its subsidiary, PT First Media Tbk ("First Media"). I therefore wish to report that for 2010, AcrossAsia Group achieved a remarkable turnover of HK$709.0 million, an increase of 32% over the HK$537.1 million in 2009.

First Media has positioned itself as the premier Megamedia service provider in Indonesia and is determined to maintain that position in the coming years. To tap the rising demand for its services, First Media is strengthening its Triple-play services namely, FastNet, HomeCable and DataComm, by undergoing and focusing on network expansion and utilisation, increase in bandwidth and penetration rate, customer satisfaction and offering of new packages such as HD (high definition) cable TV programmes. In addition, First Media plans to make commercial launch of the latest high speed 4G broadband services, Sitra WiMAX, following its successful trial run in 2010 and the introduction of video-on-demand application in 2011. It is predicted that Sitra WiMAX will become one of the major revenue contributors for the AcrossAsia Group in coming years. With Sitra WiMAX, First Media is poised to become the dominant Quadruple-play provider in Indonesia.

AcrossAsia Group is determined to create value for and enhance return to its shareholders. It will look for new investment opportunities that can add recurrent income. At the same time, it will continue to rationalise and unleash the market value and potential of its operating businesses and will pursue expansion and funding alternatives for such businesses.

In March 2011, First Media, PT Link Net ("Link Net") and PT First Media Television ("First Media TV") of AcrossAsia Group entered into a transaction which constitutes a very substantial disposal (as defined under the GEM Listing Rules) of the Company. The Board believes that the transaction will have a positive effect on AcrossAsia Group as a whole. At the time of writing, an announcement has yet to be released by the Company.

I would like to convey on behalf of the Board our gratitude to all the staff, customers and business partners who have contributed towards the development and achievements of AcrossAsia Group. My thanks are also extended to all shareholders of the Company and fellow Board members for their continuing trust and support.

Albert Saychuan CHEOK
Chairman
Hong Kong, 24th March 2011

Financial Summary

A summary of the consolidated results and the consolidated assets and liabilities of AcrossAsia Group for the last five financial years is set out below:

	2010	2009	2008	2007	2006
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
CONSOLIDATED RESULTS					
Continuing operations					
Turnover*	**708,984**	537,147	428,548	9,194,939	8,084,146
Gross profit*	**554,464**	320,247	222,441	2,508,476	2,209,491
(Loss)/profit for the year from continuing operations*	**(17,720)**	137,922	(137,087)	454,485	107,860
Discontinued operations					
(Loss)/profit for the year from discontinued operations	**–**	159,515	(88,271)	–	–
(Loss)/profit after tax but before non-controlling interests	**(17,720)**	297,437	(225,358)	454,485	107,860
(Loss)/profit attributable to owners of the Company	**(33,145)**	162,234	(119,656)	63,337	11,652
CONSOLIDATED ASSETS & LIABILITIES					
Owners' equity	**(92,422)**	(61,364)	419,225	631,571	618,577
Non-current assets	**1,261,363**	1,191,146	4,616,954	4,399,395	4,197,636
Current assets	**232,187**	191,472	4,235,610	4,609,871	3,075,112
Current liabilities	**801,938**	761,348	3,914,189	2,917,756	2,851,454
Non-current liabilities	**501,694**	595,782	2,614,898	3,002,792	2,173,656

* Turnover and results of Retail and IT Solutions are remained as items under continuing operations for 2006 and 2007.

Management Review

FINANCIAL REVIEW

AcrossAsia Group's results for 2010 were analysed based on the continuing operations namely Broadband Services.

Continuing Operations

Turnover

AcrossAsia Group's turnover substantially increased by 32.0% to HK$709.0 million compared to HK$537.1 million in 2009 mainly attributable to a rapid growth of Internet service subscribers and demand for data communication services.

Gross Profit

AcrossAsia Group's gross profit increased by 73.1% to HK$554.5 million from HK$320.2 million in 2009 mainly attributable to additional demand for services as well as reduction in Cable TV programme fees by HK$50.0 million and bandwidth and internet access fees by HK$16.0 million. The profit margin rose to 78.2% from 59.6% in 2009. The existing broadband infrastructure and capacity enables nearly all the revenue generated from new Internet service subscribers as a gross profit.

Profit from Operations

AcrossAsia Group recorded a profit from operations of HK$75.9 million compared to HK$225.1 million in 2009. The difference was mainly due to a gain from waiver of other payables of HK$135.4 million in 2009.

Total operating expenses (excluding other income and expenses) increased to HK$508.2 million from HK$312.2 million in 2009 mainly as a result of amortisation of up front WiMAX licence fee of HK$10.9 million (2009: HK$1.1 million), recognition of yearly licence fee of HK$87.5 million (2009: HK$ 11.7 million), depreciation charges of HK$122.9 million (2009 : HK$94.7 million) and staff salaries and benefits of HK$120.0 million (2009 : HK$77.8 million) resulting from recruitment of additional staff to support the WiMAX business and rapid growth of other Broadband Services. Finance costs increased to HK$73.2 million from HK$65.5 million in 2009.

Profit Attributable to Owners

AcrossAsia Group recorded a loss from continuing operations attributable to owners of the Company of HK$33.1 million (2009 : profit of HK$129.0 million).

Finance Resources and Capital Structure

AcrossAsia Group primarily financed its operations with internally generated cash flows and borrowings during 2010. As at 31st December 2010, AcrossAsia Group had bank and cash balances of HK$67.1 million. The total borrowings amounted to HK$1,073.1 million compared to HK$1,128.0 million as at 31st December 2009. Borrowings were mainly denominated in Indonesian Rupiah and United States Dollar with interest generally chargeable at market rates, and had maturity dates ranging from less than a year to 5 years. Part of the borrowings was secured by certain current assets of AcrossAsia Group.

During the year, AcrossAsia Group implemented and is continuing to implement the following management plan to further improve its financial position: restructuring of current liabilities into non-current liabilities; improvement of operational efficiency; procurement of long term debt/equity financing; identification and securing of strategic investors as business partners; upgrading of the broadband network and increase of the penetration of the broadband services.

AcrossAsia Group's gearing ratio, representing total borrowings divided by share capital, was 21 times as at 31st December 2010. Because of significant operations in Indonesia, AcrossAsia Group has foreign currency exposure mainly in transaction and conversion risks. AcrossAsia Group will continue to take measures to minimise its foreign exchange exposure.

BUSINESS REVIEW

AcrossAsia Group through First Media (a subsidiary of the Company listed on the Indonesia Stock Exchange in which the Company has a 55.1% interest) enjoyed a robust growth in its Broadband Services . First Media 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, First Media 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, First Media offers the fastest broadband Internet service in Indonesia. It has the unique opportunity to up-sell premium products to price insensitive customers by leveraging its exclusive access to high-end customer segments. First Media also takes care of children's Internet access needs by providing innovative and content-protected FastNet KIDS package.

HomeCable offers a total of 98 local and international TV channels 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.

DataComm services provide good connectivity and availability for decision making process and business continuity. DataComm serves demanding 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, First Media 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.

In 2010, First Media focused on improvement of its services and customer satisfaction as well as adoption of advance technology. This resulted in a healthy growth of its customer base, a key and critical factor behind the success of any subscriber-based business model, strengthening of the dominance of the Triple-play Megamedia services, as well as achievement of satisfactory operating results for 2010. First Media has implemented more aggressive marketing campaign to promote its service offerings and introduced more channels and packages to meet market needs.

In June 2010, First Media soft launched its new WiMAX service "Sitra". 125 Base Transceiver Stations (BTS) have been deployed up to 31st December 2010 and more infrastructure work and deployment of WiMAX facilities are ongoing. The network already covers some prominent areas in West and South Jakarta. Until the end of 2010, more than 2,000 users have tested the 3 Mbps WiMAX speed connection. At the same time, First Media started to develop Video on Demand (VOD) applications. This new trend technology will provide more freedom to subscribers to choose their personal program lineups and more opportunity for contents development.

First Media has also undergone a successful trial run for broadcasting HD (high definition) TV programmes through its HFC network since August 2010. In November 2010, it became the first cable TV operator in Indonesia to offer HD programmes by introducing two HD channels, HBO and ESPN, in its cable TV packages. First Media's DataComm has been the sole network provider to Indonesia Stock Exchange for its JATS-Remote Trading for eight years now.

In November 2010, First Media started its second phase network coverage expansions. As of 31st December 2010, First Media's fibre optic cable reached over 4,000 km whilst its coaxial cable network reached approximately 4,900 km, passing more than 506,000 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. At the end of 2010, Cable TV subscribers and broadband Internet subscribers reached approximately 173,000 and over 172,000 respectively.

In 2010, First Media was awarded The Best Contact Center in Indonesia by Indonesia Contact Center Association as an evidence of First Media's commitment to customer satisfaction and also SWA Word of Mouth Awards for HR Excellence in training and developing its employees.

In March 2010, the Company completed its capital reduction, share sub-division and change in board lot size of its shares. In May 2010, First Media successfully completed its rights issue raising a total of approximately HK$381.8 million for enhancing its capital structure as well as working capital or business development. In June 2010, First Media transferred certain assets to its wholly-owned subsidiary, Link Net, as part of its continuing reorganisation and rationalisation exercises.

PROSPECTS

Indonesia continues to post strong economic growth with GDP growth for the first quarter of 2011 and foreign direct investment forecast to reach 6.4% and 42% respectively year-on-year according to its central bank in the light of optimism towards the country. With more than half of the population of 240 million people below 30 years of age, and a rapidly growing middle class, Indonesia offers highly lucrative market growth opportunities as evidenced by the continuing growth of Internet users in Indonesia (estimated to have reached 57.8 million people in 2010). By capitalising on the above positive factors, First Media, backed by its HFC network, will focus on penetration of its core businesses via the Triple-play services and pursue new potential and lucrative areas of network expansion. First Media plans to offer more HD TV channels and make commercial launch of its WiMAX service in 2011. It expects to attract a sizeable number of WiMAX subscribers within its first operational year with an objective of significant growth in the next few years from 2011 by investing wisely in the WiMAX service to transform First Media into a Quadruple-Play service provider.

In March 2011, First Media, Link Net and First Media TV of AcrossAsia Group entered into a transaction which constitutes a very substantial disposal (as defined under the GEM Listing Rules) of the Company. The Board believes that the transaction will have a positive effect on AcrossAsia Group as a whole. As at 24th March 2011, an announcement has yet to be released by the Company. AcrossAsia Group will continue to explore expansion and funding opportunities for its businesses with an aim to fostering its leading operating position in Indonesia. On the back of the Quardruple-play platform, AcrossAsia Group will seek investment opportunities in new areas so as to broaden its revenue base and enhance value for its shareholders.

EMPLOYEES

As at 31st December 2010, AcrossAsia Group had approximately 630 employees (2009: 560. Their remuneration, promotion and salary review are assessed based on job responsibilities, work performance, professional experiences and the prevailing industry practices. AcrossAsia Group's employees in Hong Kong joined the Mandatory Provident Fund Scheme. Other benefits include share options granted or to be granted under the share option scheme, incentive bonus and training schemes.

Directors and Senior Management

EXECUTIVE DIRECTOR

Mr. Marshall Wallace COOPER, aged 51, has been an executive Director of the Company since May 2002 and the Chief Executive Officer ("CEO") of the Company since May 2006. He was the Chief Financial Officer of the Company, and the CEO, a director and a commissioner of First Media, a commissioner of PT Multipolar Tbk, and a director of Asia Now Resources Corp. listed on TSX Venture Exchange. He joined AcrossAsia Group in April 1999. He has over 20 years' experience in Asia. Prior to joining AcrossAsia Group, he served as Asia Pacific controller for an oil and gas service company and as regional controller for a mining company. He holds a diploma from Perth Institute of Technology, Australia.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Albert Saychuan CHEOK, aged 60, joined the Board as an independent non-executive director in February 2006 and was appointed the Chairman of the Board in October 2008. He is also the Chairman of the Audit Committee and Remuneration Committee of the Company. Mr Cheok graduated from the University of Adelaide with First Class Honours in Economics. Mr Cheok is also a Fellow of CPA Australia. He is a banker with over 30 years experience in banking in the Asia-Pacific region.

Between May 1979 and February 1982, Mr Cheok was an adviser to the Australian Government Inquiry into the Australian financial system which introduced comprehensive reforms to the Australian banking system. He was Chief Manager at the Reserve Bank of Australia from October 1988 to September 1989 before becoming the Deputy Commissioner of Banking of Hong Kong for about three and a half years. He was subsequently appointed the Executive Director in charge of Banking Supervision at the Hong Kong Monetary Authority from April 1993 to May 1995.

From September 1995 to November 2005, Mr Cheok was the Chairman of Bangkok Bank Berhad in Malaysia, a wholly-owned subsidiary of Bangkok Bank of Thailand. Mr Cheok also served as the Deputy Chairman of Asia Life (M) Berhad, a major life insurer in Malaysia from January 1999 to June 2008.

He is currently the Chairman of Auric Pacific Group Limited ("Auric"), a diversified food group listed on the Singapore Exchange Securities Trading Limited (the "Singapore Exchange") with operations in Singapore, China and Malaysia. He is also the Vice Chairman of the Export and Industry Bank of the Philippines.

Mr Cheok is also the Chairman of the managers of two listed trusts and another listed company in Singapore. These are Bowsprit Capital Corporation Limited, the manager of First Real Estate Investment Trust; Lippo-Mapletree Indonesia Retail Trust Management Limited, the manager of Lippo-Mapletree Indonesia Retail Trust; and Amplefield Limited, a components manufacturer.

In Malaysia, Mr Cheok is a non-executive director of the following listed companies: Eoncap Islamic Bank Berhad; MIMB Investment Bank Berhad; Metal Reclamation Limited, a lead refinery; and Oriental Capital Assurance Berhad, a general insurance company.

Mr Cheok is also a member of the Board of Governors of the Malaysian Institute of Corporate Governance.

Mr Cheok is also the independent non-executive director of Hongkong Chinese Limited, a company listed on the Stock Exchange.

Dr. Boh Soon LIM, aged 55, has been an independent non-executive Director of the Company since May 2006. He is an independent non-executive director of Auric and CSE Global Limited, both of which are listed on the Singapore Exchange. He was the recent CEO of Kuwait Finance House (Singapore) Pte. Ltd., and was the former CEO of Vietcombank Fund Management Company in Vietnam. Prior to that, he was a Partner of UBS Capital Asia Pacific (S) Limited in which he co-headed the private equity arm of UBS AG in Asia. He graduated from the University of Strathclyde (formerly The Royal College of Science & Technology) in United Kingdom with a Bachelor of Science degree (First Class Honours) and a PhD degree in Mechanical Engineering, and was a winner of Professor Mellanby Prize. He also holds a Graduate Diploma in Marketing Management from the Singapore Institute of Management and a Diploma in Marketing from the Chartered Institute of Management in United Kingdom.

Mr. Thomas Yee Man LAW, aged 54, has been an independent non-executive Director of the Company since May 2010. He was the Managing Director of Hunter Douglas China/Hong Kong Limited and had been a director of various Hunter Douglas companies over a 20-year period in Singapore and Shanghai, Beijing, Shenzhen and Xiamen in the People's Republic of China. Prior to that, he was the deputy general manager of a subsidiary of K.Wah Stones Group in Hong Kong. He graduated from the University of Melbourne in Australia with a Bachelor of Architecture degree, and from the University of Warwick in the United Kingdom with a Master of Science degree in Engineering Business. He is an associate member of the Royal Australian Institute of Architects.

SENIOR MANAGEMENT

Mr. Hengkie LIWANTO, aged 46, joined First Media in 2009 as the CEO and is the President Director of First Media. His professional 22-year career includes 11 years with Citibank Indonesia where he was a Senior Vice President. During his tenure with the bank, he held senior positions for card business management, strategic partnership, sales and distribution, installment business and merchant acquiring business, and spearheaded key market leadership initiatives like EazyPay card-installment and 1-Bill utility payment. He gained rich business management and consumer products marketing experience from a number of non-financial companies: PT Oke Multiguna (a telco distribution company), Christmas Island Resort (resort), PT New Red & White (manufacturing) and PT Wicaksana Overseas International Tbk (FMCG & distribution). He graduated with a Bachelor of Science degree in Industrial and System Engineering from The Ohio State University, U.S.A. in 1987.

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company has implemented measures to meet the Code on Corporate Governance Practices set out in Appendix 15 of the GEM Listing Rules (the "CG Code"). To the knowledge of the Directors, they consider that the Company has applied the principles of the CG Code and to a certain extent, of the recommended best practices thereof and are not aware of any non-compliance with the CG Code during 2010 save as disclosed herein.

The chairman of the Board who is also the chairman of the audit committee (the "Audit Committee") and the remuneration committee (the "Remuneration Committee") of the Board could not attend the annual general meeting of the Company held on 10th May 2010. Also, following the resignation of Mr. Kwong Yiu MAK ("Mr. Mak") as an independent non-executive Director with effect from 24th May 2010 and prior to the appointment of Mr. Thomas Yee Man LAW ("Mr. Law") as an independent non-executive Director and a member of the Audit Committee with effect from 28th May 2010, the Board only included two independent non-executive Directors and the Audit Committee only comprised two members. Following such appointment of Mr. Law, the Company has complied with the requirements pursuant to Rule 5.05 and Rule 5.28 of the GEM Listing Rules.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company, having made specific enquiry of all the Directors, was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during 2010.

BOARD OF DIRECTORS

The composition of the Board and biographical details of the Directors are set out in the Report of the Directors and the Directors and Senior Management section in the Annual Report respectively.

During 2010, the Board held 8 physical meetings and the attendance of the Directors is as follows:

Name of Director	Number of Attendance in person or by proxy	Percentage of Attendance
Mr. Albert Saychuan CHEOK ("Mr. Cheok")	8/8	100%
Mr. Marshall Wallace COOPER ("Mr. Cooper")	8/8	100%
Dr. Boh Soon LIM ("Dr. Lim")	7/8	87.5%
Mr. Mak *(Note 1)*	5/5	100%
Mr. Law *(Note 2)*	3/3	100%

Notes:

1. *Mr. Mak resigned as an independent non-executive Director with effect from 24th May 2010.*

2. *Mr. Law was appointed as an independent non-executive Director with effect from 28th May 2010.*

BOARD OF DIRECTORS (Continued)

In addition to the physical meetings of the full Board, the Board also approved matters by resolutions in writing of all the Directors and by meetings of Board Committees.

The Board is responsible for the overall management of the Company in accordance with the Articles of Association of the Company (the "Articles") and is entitled to delegate its powers to any executive Director, committees of the Board and the management team. The Board is primarily responsible for approval and monitoring of AcrossAsia Group's major corporate matters, evaluation of the performance of AcrossAsia Group and oversight of the management.

The Company has received the annual confirmation of independence from all the independent non-executive Directors pursuant to Rule 5.09 of the GEM Listing Rules and considered them to be independent.

To the knowledge of the Directors, the Board members have no financial, business, family or other material/relevant relationships with each other.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company has two different persons for the posts of the Chairman of the Board and Chief Executive Officer. The Chairman of the Board, Mr. Cheok, is an independent non-executive Director and generally chairs all the Board meetings and general meetings. The Chief Executive Officer, Mr. Cooper, is an executive Director and responsible for the day-to-day management of the Company and for carrying out the decisions of the Board with the assistance of other staff.

NON-EXECUTIVE DIRECTORS

The term of office of Mr. Cheok was extended for two years from 22nd February 2010 pursuant to a letter dated 18th February 2010.

The term of office of Dr. Lim was extended for two years from 2nd May 2010 pursuant to a letter dated 1st May 2010.

Mr. Law was appointed as an independent non-executive Director pursuant to a letter of appointment dated 28th May 2010 for a term of two years from 28th May 2010.

REMUNERATION OF DIRECTORS

The Board established the Remuneration Committee which currently comprises two independent non-executive Directors, namely, Mr. Cheok (being the Chairman of the Remuneration Committee) and Dr. Lim. The primary duties of the Remuneration Committee are, inter alia, to make necessary recommendations to the Board on, and review and approve remuneration matters of the Directors and the Senior Management and to administer the share option plan and scheme of the Company. During 2010, the Remuneration Committee approved certain remuneration matter by resolution in writing instead of a meeting. Also, the relevant matters were considered by the Board and/or administered in accordance with previously signed service contracts, letters of appointment and/or set policies.

NOMINATION OF DIRECTORS

The Board has the power to appoint Director(s) pursuant to the Articles. In May 2010, the Board appointed Mr. Law as an independent non-executive Director after referral and consideration by reference to his experience, expertise and professional qualifications as well as the GEM Listing Rules' requirements.

AUDITOR'S REMUNERATION

The remuneration of the audit services rendered by the auditor of the Company was mutually agreed in view of the scope of services in the total amount of HK$550,000. During 2010, the auditor of the Company also provided non-audit services to the Company in the total sum of HK$100,000.

AUDIT COMMITTEE

The Board established 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. Mr. Mak ceased as a member of the Audit Committee with effect from 24th May 2010 and Mr. Law was appointed on 28th May 2010. Since then, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Cheok (being the Chairman of the Audit Committee), Dr. Lim and Mr. Law. 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 four times during 2010 and the attendance of the members is as follows:

Name of Member	Number of Attendance	Percentage of Attendance
Mr. Cheok	4/4	100%
Dr. Lim	4/4	100%
Mr. Mak *(Note)*	2/2	100%
Mr. Law	2/2	100%

Note: Mr. Mak ceased as a member of the Audit Committee with effect from 24th May 2010.

During 2010, the Audit Committee discharged its duties by reviewing the financial matters, quarterly, half-year and annual financial reports and financial statements as well as audit matters of AcrossAsia Group, discussing with executive Director, management and the auditor of the Company, and making recommendations to the Board.

INTERNAL CONTROLS

The Audit Committee is responsible for the Company's system of internal control and for reviewing the effectiveness of the system. The Audit Committee enquires of the management and AcrossAsia Group's audit officers and/or the external auditor about significant risks or exposures facing AcrossAsia Group.

Based on identified risks, the Audit Committee assesses the effectiveness of the system of internal controls including activities and actions, supported by policies and procedures aimed to reduce these risks. The organization structure and delegations of authority and responsibility to individual employees are key aspects of the internal control system. Internal controls are the process designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

However, internal controls can provide only reasonable assurance regarding the achievement of these objectives. As the Company operates as a holding company, the monitoring of internal control system also extend to those of its subsidiaries. To monitor the effectiveness of the internal control system, the Audit Committee and audit officers review the adequacy of AcrossAsia Group's internal controls and understand how these controls will be tested during the year.

The audit officers prepare long term strategic audit plans, providing for the review of significant operations based on assessment of risks pertaining to the achievement of AcrossAsia Group's objectives with more weight given to areas with higher risks. The internal control system-based audit approach used by the audit officers includes documentation of systems, identification and evaluation of controls and the reporting of recommendations for internal controls improvements.

The Audit Committee reviews and reports on the monitoring and testing of AcrossAsia Group's internal controls to the Board and updates any required changes to internal controls.

The Board assesses the effectiveness of internal controls by considering reviews conducted by internal and external auditors as well as those by the Audit Committee and senior management.

The period of the review of the system of internal controls covers 2010 and the Board is of the view that save as noted below, there is no significant area of concern which may suggest material deficiencies in the effectiveness of AcrossAsia Group's internal control system.

The Board also reviews with the management and the external auditor the Company's Annual Report and resolves any serious difficulties or disputes encountered during the audit including the need to introduce additional internal controls.

PREPARATION OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of AcrossAsia Group 2010 (the "Financial Statements") and the auditor of the Company also sets out its reporting responsibilities on the Financial Statements in its Independent Auditor's Report in the Annual Report.

AcrossAsia Group incurred a loss attributable to owners of the Company of approximately HK$33,145,000 for the year ended 31st December 2010 and had net current liabilities and net liabilities attributable to owners of the Company of approximately HK$569,751,000 and HK$92,422,000 respectively as at 31st December 2010. These conditions indicate the existence of a material uncertainty concerning AcrossAsia Group's operations going forward as a going concern. Further details are set out in the aforesaid Independent Auditor's Report and note 2 to the Financial Statements.

COMMUNICATION WITH SHAREHOLDERS

The rights of Shareholders and the procedure for demanding a poll on resolutions at general meetings are contained in the Company's Articles. Pursuant to the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. In addition, an announcement on the poll vote results will be made by the Company following the relevant general meeting.

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board.

Report of the Directors

The Directors are pleased to present their report together with the Financial Statements.

PRINCIPAL ACTIVITIES

AcrossAsia Group is engaged principally in the provision of Cable TV, broadband network, broadband Internet access and WiMAX services.

An analysis of AcrossAsia Group's business segments is set out in Note 8 to the Financial Statements.

CUSTOMERS AND SUPPLIERS

For 2010, the five largest customers of AcrossAsia Group accounted for approximately 3.02% of AcrossAsia Group's total turnover (2009: 3.4%), while the five largest suppliers of AcrossAsia Group accounted for approximately 44.07% (2009: 12.8%) of AcrossAsia Group's total purchases. The largest customer of AcrossAsia Group accounted for 2.05% (2009: 1.2%) of AcrossAsia Group's total turnover while the largest supplier accounted for 16.4% (2009: 5.6%) of AcrossAsia Group's total purchases.

None of the Directors, their associates (as defined under the GEM Listing Rules) or any Shareholders (which, to the knowledge of the Directors, owned 5% or more of the Company's share capital) had a beneficial interest in the five largest customers and suppliers of AcrossAsia Group.

RESULTS AND APPROPRIATIONS

Details of AcrossAsia Group's results for 2010 are set out in the Consolidated Income Statement on page 24 of the Annual Report.

The Directors do not recommend the payment of a final dividend in respect of 2010.

PENSION COSTS

Particulars of pension costs for 2010 are set out in Note 13 to the Financial Statements.

SHARE CAPITAL

Details of share capital are set out in Note 28 to the Financial Statements.

RESERVES

Movements in reserves and accumulated losses of AcrossAsia Group during 2010 are set out in the Consolidated Statement of Changes in Equity on page 29 of the Annual Report.

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events after the reporting period of AcrossAsia Group are set out in Note 44 to the Financial Statements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During 2010, there was no purchase, sale or redemption of shares of the Company by the Company or any of its subsidiaries.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles and no statutory provisions for the pre-emptive rights under the laws of the Cayman Islands.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 19 to the Financial Statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment during 2010 are set out in Note 18 to the Financial Statements.

INTEREST-BEARING BORROWINGS AND NOTES PAYABLE

Particulars of interest-bearing borrowings and notes payable as at 31st December 2010 are set out in Notes 32 and 33 respectively to the Financial Statements.

RELATED PARTY TRANSACTIONS

The related party transactions are set out in Note 42 to the Financial Statements.

DIRECTORS

The Directors who held office during 2010 and up to the date of this report were:

Executive Director
Mr. Marshall Wallace COOPER

Independent non-executive Directors
Mr. Albert Saychuan CHEOK
Dr. Boh Soon LIM
Mr. Kwong Yiu MAK (resigned on 24th May 2010)
Mr. Thomas Yee Man LAW (appointed on 28th May 2010)

In accordance with Article 116 of the Articles, Mr. Cooper and Dr. Lim will retire by rotation and being eligible, offer themselves for re-election at the forthcoming annual general meeting. In accordance with Article 99 of the Articles, Mr. Law will retire and being eligible, offers himself for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

Mr. Cooper entered into a service contract dated 2nd May 2010 with the Company for a term of two years from 2nd May 2010 which shall be continuing thereafter unless terminated by either party by not less than three calendar months' prior notice in writing or in accordance with other relevant terms of the service contract.

The term of office of Mr. Cheok was extended for two years from 22nd February 2010 pursuant to a letter dated 18th February 2010.

The term of office of Dr. Lim was extended for two years from 2nd May 2010 pursuant to a letter dated 1st May 2010.

Mr. Law was appointed pursuant to a letter of appointment dated 28th May 2010 for a term of two years from 28th May 2010.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in Note 10 to the Financial Statements, no contracts of significance in relation to AcrossAsia Group's business to which the Company or any of its subsidiaries was a party and in which any of the Company's Directors or members of its management had a material interest, whether directly or indirectly, subsisted at the end of 2010 or at any time during 2010.

DISCLOSURE OF INTERESTS IN SECURITIES

Directors and Chief Executive

As at 31st December 2010, 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. 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.

DISCLOSURE OF INTERESTS IN SECURITIES (Continued)

Long Position in Underlying Shares of the Company and Associated Corporations

(i) *Physically settled equity derivatives*

Pursuant to the Pre-IPO Share Option Plan of the Company (the "Pre-IPO Plan"), the Director (being also the chief executive) of the Company was granted on 23rd June 2000 (the "Grant Date") options to subscribe for shares of the Company at a subscription price of HK$3.28 per share as follows:

	Number of underlying shares			
Name	**Granted**	**Lapsed**	**Outstanding as of 31st December 2010**	**Percentage of enlarged issued share capital**
Mr. Marshall Wallace COOPER	355,000	(355,000)[(Note)]	–	–
Total	355,000	(355,000)	–	–

Note: The exercise period for all such shares ended on 22nd June 2010.

(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 December 2010, 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

SUBSTANTIAL SHAREHOLDERS (Continued)

Long Position in Shares of the Company (Continued)

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 December 2010, 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 Pre-IPO Plan expired during the year. The Company also 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. Details of the share options were set out in Note 36 to the Financial Statements.

Save as disclosed herein, no options to subscribe for shares of the Company have been granted, exercised, lapsed, cancelled or re-issued since the listing of the Company's shares on GEM and up to the date of this report under the Pre-IPO Plan and the 2002 Scheme.

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 2010. There was a chance that such businesses might have competed with AcrossAsia Group during 2010.

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.

AUDITOR

The Financial Statements have been audited by RSM Nelson Wheeler. A resolution for the re-appointment of RSM Nelson Wheeler as the auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board
Albert Saychuan CHEOK
Chairman

Hong Kong, 24th March 2011

Independent Auditor's Report

RSM! Nelson Wheeler
中瑞岳華(香港)會計師事務所
Certified Public Accountants

TO THE SHAREHOLDERS OF
ACROSSASIA LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of AcrossAsia Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 23 to 81, which comprise the consolidated and Company statements of financial position as at 31st December 2010, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair value in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair value in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December 2010, and of the Group's results and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATING TO THE GOING CONCERN BASIS

Without qualifying our opinion, we draw attention to note 2 to the financial statements which mentions that the Group incurred a loss attributable to owners of the Company of approximately HK$33,145,000 for the year ended 31st December 2010 and as at 31st December 2010 the Group had net current liabilities of approximately HK$569,751,000 and net liabilities attributable to owners of the Company of approximately HK$92,422,000. These conditions indicate the existence of a material uncertainty concerning the Group's operations going forward as a going concern. The financial statements have been prepared on a going concern basis, the validity of this depends upon the Group's ability to secure additional credit facilities and other funding measures to enable the Group to meet its financial obligations as and when they fall due in the foreseeable future. The financial statements do not include any adjustments that would result from the failure to obtain such credit facilities and other funding measures. We consider that the material uncertainty has been adequately disclosed in the financial statements.

RSM Nelson Wheeler
Certified Public Accountants
Hong Kong

24th March 2011

Consolidated Income Statement

For the year ended 31st December 2010

	Note	2010 HK$'000	2009 HK$'000
Continuing operations			
Turnover	6	**708,984**	537,147
Cost of services rendered		**(154,520)**	(216,900)
Gross profit		**554,464**	320,247
Other income	7	**5,384**	379
Waiver of other payables		**–**	135,403
Fair value loss on derivative financial instruments		**(502)**	–
Net foreign exchange gains		**24,757**	81,210
Selling and distribution costs		**(44,912)**	(36,759)
General and administrative expenses		**(463,244)**	(275,400)
Profit from operations		**75,947**	225,080
Finance costs	9	**(73,197)**	(65,486)
Profit before tax		**2,750**	159,594
Income tax expense	12	**(20,470)**	(21,672)
(Loss)/profit for the year from continuing operations		**(17,720)**	137,922
Discontinued operations			
Profit for the year from discontinued operations		**–**	159,515
(Loss)/profit for the year	13	**(17,720)**	297,437
Attributable to:			
Owners of the Company	14	**(33,145)**	162,234
Non-controlling interests		**15,425**	135,203
		(17,720)	297,437
(Loss)/earnings per share			
From continuing and discontinued operations			
– basic (HK cents)	16(a)	**(0.65)**	3.20
– diluted (HK cents)	16	**N/A**	N/A
From continuing operations			
– basic (HK cents)	16(b)	**(0.65)**	2.54
– diluted (HK cents)	16	**N/A**	N/A

Consolidated Statement of Comprehensive Income

For the year ended 31st December 2010

	Note	2010 HK$'000	2009 HK$'000
(Loss)/profit for the year		**(17,720)**	297,437
Other comprehensive income:			
Exchange differences on translating foreign operations		**5,445**	36,076
Fair value changes of available-for-sale financial assets		**–**	21,799
Cash flow hedges		**–**	3,069
Other comprehensive income for the year, net of tax	*17*	**5,445**	60,944
Total comprehensive income for the year		**(12,275)**	358,381
Attributable to:			
Owners of the Company		**(31,058)**	186,950
Non-controlling interests		**18,783**	171,431
		(12,275)	358,381

Statements of Financial Position

As at 31st December 2010

		AcrossAsia Group		Company	
		2010	2009	**2010**	2009
	Note	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Non-current assets					
Property, plant and equipment	*18*	**1,030,282**	946,240	**–**	108
Interests in subsidiaries	*19*	**–**	–	**430,849**	431,719
Available-for-sale financial assets	*20*	**4,403**	4,205	**67**	67
Other intangible assets	*21*	**104,733**	104,483	**–**	–
Deferred tax assets	*22*	**12,070**	18,847	**–**	–
Non-current prepayments, deposits and receivables	*23*	**109,875**	117,371	**793**	51,406
		1,261,363	1,191,146	**431,709**	483,300
Current assets					
Trade receivables	*24*	**97,727**	69,738	**–**	–
Financial assets at fair value through profit or loss	*25*	**–**	–	**8,058**	–
Prepayments, deposits and other current assets	*26*	**67,373**	93,143	**50,742**	1,992
Bank and cash balances	*27*	**67,087**	28,591	**1,632**	1,024
		232,187	191,472	**60,432**	3,016
TOTAL ASSETS		**1,493,550**	1,382,618	**492,141**	486,316

Statements of Financial Position

As at 31st December 2010

	Note	AcrossAsia Group		Company	
		2010	2009	**2010**	2009
		HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Capital and reserves					
Share capital	*28*	**50,646**	506,462	**50,646**	506,462
Reserves	*29*	**(143,068)**	(567,826)	**227,115**	(237,237)
Equity attributable to owners of the Company		**(92,422)**	(61,364)	**277,761**	269,225
Non-controlling interests		**282,340**	86,852	**–**	–
Total equity		**189,918**	25,488	**277,761**	269,225
Non-current liabilities					
Provisions	*31*	**17,209**	10,129	**–**	–
Interest-bearing borrowings	*32*	**220,057**	551,163	**202,800**	202,800
Notes payable	*33*	**217,442**	1,929	**–**	–
Finance lease payables	*34*	**21,631**	9,447	**–**	–
Due to related companies	*35*	**25,355**	23,114	**–**	–
		501,694	595,782	**202,800**	202,800
Current liabilities					
Interest-bearing borrowings	*32*	**629,229**	351,295	**–**	–
Notes payable	*33*	**6,338**	223,609	**–**	–
Finance lease payables	*34*	**8,861**	24,329	**–**	–
Due to a related company	*35*	**4,000**	4,000	**4,000**	4,000
Derivative financial instruments	*36*	**509**	–	**–**	–
Trade payables	*37*	**29,895**	76,028	**–**	–
Receipts in advance		**15,950**	19,260	**–**	–
Other payables and accruals		**97,071**	61,602	**7,580**	10,291
Current tax payable		**10,085**	1,225	**–**	–
		801,938	761,348	**11,580**	14,291
Total liabilities		**1,303,632**	1,357,130	**214,380**	217,091
TOTAL EQUITY AND LIABILITIES		**1,493,550**	1,382,618	**492,141**	486,316
Net current (liabilities)/assets		**(569,751)**	(569,876)	**48,852**	(11,275)
Total assets less current liabilities		**691,612**	621,270	**480,561**	472,025

Albert Saychuan CHEOK
Director

Marshall Wallace COOPER
Director

Consolidated Statement of Changes in Equity

For the year ended 31st December 2010

	Attributable to owners of the Company										
	Issued capital	Share premium account	Capital reserve	Equity transactions of associates	Hedging reserve	Investment revaluation reserve	Translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1st January 2009	506,462	32,877	1,464,802	7,659	(6,517)	(20,310)	(736,371)	(829,377)	419,225	1,904,252	2,323,477
Total comprehensive income for the year	–	–	–	–	1,570	5,487	17,659	162,234	186,950	171,431	358,381
Transfer	–	593,039	(631,394)	–	–	–	–	38,355	–	–	–
Effect of distribution in specie	–	(211,598)	(833,408)	(7,659)	4,947	14,823	719,510	(354,154)	(667,539)	(1,988,831)	(2,656,370)
Changes in equity for the year	–	381,441	(1,464,802)	(7,659)	6,517	20,310	737,169	(153,565)	(480,589)	(1,817,400)	(2,297,989)
At 31st December 2009 and 1st January 2010	506,462	414,318	–	–	–	–	798	(982,942)	(61,364)	86,852	25,488
Total comprehensive income for the year	–	–	–	–	–	–	2,087	(33,145)	(31,058)	18,783	(12,275)
Capital reduction *(Note 28(a))*	(455,816)	–	–	–	–	–	–	455,816	–	–	–
Rights issue of a subsidiary *(Note 19(a))*	–	–	–	–	–	–	–	–	–	176,705	176,705
Changes in equity for the year	(455,816)	–	–	–	–	–	2,087	422,671	(31,058)	195,488	164,430
At 31st December 2010	50,646	414,318	–	–	–	–	2,885	(560,271)	(92,422)	282,340	189,918

Consolidated Statement of Cash Flows

For the year ended 31st December 2010

	2010 HK$'000	2009 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**2,750**	375,882
Adjustments for:		
Finance costs	**73,197**	397,154
Share of profits of associates	**–**	(221)
Interest income	**(5,056)**	(134,844)
Amortisation of bonds issuance cost	**–**	1,929
Amortisation of notes issuance cost	**–**	16,025
Depreciation	**122,949**	393,915
Amortisation of other intangible assets	**12,993**	4,540
Unrealised gain on revaluation of financial assets at fair value through profit or loss	**–**	(144,762)
Gain on disposal of financial assets at fair value through profit or loss	**–**	(3,801)
Fair value loss/(gain) on derivative financial instruments	**502**	(97,818)
Waiver of other payables	**–**	(135,403)
(Gain)/loss on disposal of property, plant and equipment	**(327)**	5,778
Increase in provisions	**6,510**	42,431
Operating profit before working capital changes	**213,518**	720,805
Increase in inventories	**–**	(315,379)
(Increase)/decrease in trade receivables	**(27,989)**	44,015
Decrease/(increase) in prepayments, deposits and other current assets	**28,101**	(474,353)
Increase in amounts due to related companies	**1,137**	24,798
(Decrease)/increase in trade payables	**(46,133)**	551,497
Decrease in receipts in advance	**(3,310)**	(15,627)
Increase in other payables and accruals	**35,469**	150,132
Cash generated from operations	**200,793**	685,888
Income taxes paid	**(4,034)**	(9,035)
Net cash generated from operating activities	**196,759**	676,853

Consolidated Statement of Cash Flows

For the year ended 31st December 2010

	2010 *HK$'000*	2009 *HK$'000*
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	**(162,448)**	(271,841)
Purchases of other intangible assets	**(2,879)**	(95,466)
Purchases of financial assets at fair value through profit or loss	**–**	(157,791)
Proceeds from disposal of property, plant and equipment	**22,569**	6,412
Proceeds from disposal of financial assets at fair value through profit or loss	**–**	88,400
Increase in pledged bank deposits	**–**	(68,615)
Interest received	**5,056**	134,844
Net cash used in investing activities	**(137,702)**	(364,057)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of interest-bearing borrowings and notes payable	**(516,349)**	(2,704,981)
New interest-bearing borrowings and notes payable	**418,556**	3,153,711
Issue of bonds payable	**–**	402,309
Repayment of bonds payable	**–**	(342,503)
Repayment of capital element of finance lease payables	**(25,943)**	(26,962)
Interest paid	**(73,197)**	(397,154)
Net cash outflow arising from distribution in specie	**–**	(2,108,257)
Rights issue of a subsidiary (Note 19(a))	**176,705**	–
Net cash used in financing activities	**(20,228)**	(2,023,837)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**38,829**	(1,711,041)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**28,591**	1,611,420
Effect of foreign exchange rate changes	**(333)**	128,212
CASH AND CASH EQUIVALENTS AT END OF YEAR	**67,087**	28,591
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	**67,087**	28,591

Notes to the Financial Statements

For the year ended 31st December 2010

1. ORGANISATION AND OPERATIONS

The Company was incorporated in the Cayman Islands on 6th March 2000 as an exempted company with limited liability under the Companies Law (1998 Revision) of the Cayman Islands. The Company's shares have been listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 13th July 2000. The address of its registered office is P.O. Box 309GT, Ugland House, George Town, Grand Cayman, Cayman Islands. The address of its principal place of business is Room 4302, 43rd Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong.

The Company is an investment holding company. Its subsidiaries were engaged in the provision of cable TV, broadband internet and network services. The Company and its subsidiaries are collectively referred to as "AcrossAsia Group"

In the opinion of the Directors, as at 31st December 2010, Cyport Limited, a company incorporated in the British Virgin Islands, is the immediate parent; Lippo Cayman Limited, a company incorporated in the Cayman Islands, is the ultimate parent of the Company.

2. GOING CONCERN BASIS

AcrossAsia Group incurred a loss attributable to owners of the Company of approximately HK$33,145,000 for the year ended 31st December 2010 and as at 31st December 2010 AcrossAsia Group had net current liabilities of approximately HK$569,751,000 and net liabilities attributable to owners of the Company of approximately HK$92,422,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on AcrossAsia Group's ability to continue as a going concern. Therefore, AcrossAsia Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

These financial statements have been prepared on a going concern basis, the validity of which depends upon AcrossAsia Group's ability to secure additional credit facilities and other funding measures to enable AcrossAsia Group to meet its financial obligations as and when they fall due in the foreseeable future. The Directors have evaluated all the relevant facts available to them and are of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should AcrossAsia Group be unable to continue as a going concern, adjustments would have to be made to the financial statements to adjust the value of AcrossAsia Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, AcrossAsia Group has adopted all the new and revised International Financial Reporting Standards ("IFRSs") that are relevant to its operations and effective for its accounting year beginning on 1st January 2010. IFRSs comprise International Financial Reporting Standards ("IFRS"); International Accounting Standards ("IAS"); and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to AcrossAsia Group's accounting policies, presentation of AcrossAsia Group's financial statements and amounts reported for the current year and prior years.

AcrossAsia Group has not applied the new IFRSs that have been issued but are not yet effective. AcrossAsia Group has already commenced an assessment of the impact of these new IFRSs but is not yet in a position to state whether these new IFRSs would have a material impact on its results of operations and financial position.

4. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with IFRSs and the applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments and derivative financial instruments which are carried at their fair values.

The preparation of financial statements in conformity with IFRSs requires the use of certain key assumptions and estimates. It also requires the Directors to exercise their judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in Note 5 to the financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31st December. Subsidiaries are entities over which AcrossAsia Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether AcrossAsia Group has control.

Subsidiaries are consolidated from the date on which control is transferred to AcrossAsia Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by AcrossAsia Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated income statement and consolidated statement of comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position the investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(b) Business Combination and Goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy (z) below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements of each of AcrossAsia Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(ii) Transactions and Balances in Each Entity's Financial Statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on Consolidation

The results and financial position of all AcrossAsia Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

– assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

– income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– all resulting exchange differences are recognised in the translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the translation reserve. When a foreign operation is sold, such exchange differences are recogised in the consolidated profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to AcrossAsia Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Land use rights and buildings	7%
Building renovations and leasehold improvements	25%
Office furniture, fixtures and equipment	20% to 25%
Distribution network	7%
Equipment for rent	14% to 25%
Vehicles	20% to 25%

The depreciation policy of construction in progress is set out in (e) and (f) below.

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(e) Construction in Progress

Construction in progress consists mainly of distribution network under construction. Expenditures relating to the construction, including direct costs of constructions and interest and other ancillary financing costs incurred on funds borrowed to finance the construction, if any, during the period of construction are capitalised as part of the costs of construction in progress. Capitalisation of interest and other ancillary financing costs cease upon completion or at the end of the prematurity period of a distribution network. The accumulated costs are reclassified to the appropriate category of property, plant and equipment when completed and ready for use or at the end of the prematurity period.

The depreciation policy for the construction in progress of a distribution network is set out in (f) below.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Capitalisation, Revenue and Expense Recognition During the Prematurity Period

The prematurity period is defined as the period in which the distribution network is partially under construction and partially in service. Prematurity period begins when the first subscriber's revenue is earned and ends when the construction of the distribution network is completed, including a reasonable time to provide for installation of subscriber drops and related hardware. AcrossAsia Group determines the length of the prematurity period to be two to five years.

During the prematurity period:

– Costs of the network, including materials, direct labour and construction overheads, are fully capitalised. For projects already earning revenues, depreciation is computed monthly by dividing the project's total estimated capitalised cost at the end of the prematurity period by the estimated useful lives, with the quotient being multiplied by a certain percentage related to the number of subscribers. That certain percentage is calculated by dividing the actual or expected number of subscribers at the end of the month with the expected number of subscribers at the end of the prematurity period.

– Costs related to subscribers and general and administrative expenses are charged to the consolidated income statement.

– Costs of network services incurred based on the actual number of subscribers are charged to the consolidated income statement.

(g) Leases

(i) Operating Leases

Leases that do not substantially transfer to AcrossAsia Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

(ii) Finance Leases

Leases that substantially transfer to AcrossAsia Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated the same as owned assets.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Discontinued Operations

A discontinued operation is a component of AcrossAsia Group, the operations and cash flows of which can be clearly distinguished from the rest of AcrossAsia Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale in accordance with IFRS 5, if earlier. It also occurs when the operation is abandoned.

When an operation is classified as discontinued, a single amount is presented in the income statement, which comprises:

– The post-tax profit or loss of the discontinued operation; and

– The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

(i) Intangible Assets Other Than Goodwill

Intangible assets other than goodwill are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives as follows:

Wireless broadband licence	10 years
Application software licences	4 years

(j) Recognition and Derecognition of Financial Instruments

Financial assets and financial liabilities are recognised in the statement of financial position when AcrossAsia Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; AcrossAsia Group transfers substantially all the risks and rewards of ownership of the assets; or AcrossAsia Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

Investments are classified as either financial assets at fair value through profit or loss or available-for-sale financial assets.

(i) Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss are either investments held for trading or designated as at fair value through profit or loss upon initial recognition. These investments are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in profit or loss.

(ii) Available-For-Sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets not classified as trade and other receivables, held-to-maturity investments or financial assets at fair value through profit or loss. Available-for-sale financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in other comprehensive income, until the investments are disposed of or there is objective evidence that the investments are impaired, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. Interest calculated using the effective interest method is recognised in profit or loss.

Impairment losses recognised in profit or loss for equity investments classified as available-for-sale financial assets are not subsequently reversed through profit or loss. Impairment losses recognised in profit or loss for debt instruments classified as available-for-sale financial assets are subsequently reversed and recognised in profit or loss if an increase in the fair value of the instruments can be objectively related to an event occurring after the recognition of the impairment loss.

The unlisted securities which do not have a quoted market price in an active market and their fair values cannot be reliably measured are stated at cost less any impairment losses.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Trade and Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that AcrossAsia Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(m) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of AcrossAsia Group's cash management are also included as a component of cash and cash equivalents.

(n) Financial Liabilities and Equity Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of AcrossAsia Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(o) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless AcrossAsia Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Financial Guarantee Contract Liabilities

Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of:

– the amount of the obligations under the contracts, as determined in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and

– the amount initially recognised less cumulative amortisation recognised in profit or loss on a straight-line basis over the terms of the guarantee contracts.

(q) Trade and Other Payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(r) Equity Instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(s) Derivative Financial Instruments

Derivatives are initially recognised and subsequently measured at fair value.

Changes in the fair value of derivatives that do not qualify for hedge accounting are recognised in profit or loss as they arise.

(t) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to AcrossAsia Group and the amount of revenue can be measured reliably, on the following basis:

(i) sale of merchandise, when the significant risks and rewards of ownership have been transferred to the buyer;

(ii) consignment sales, when consignment goods are sold to customers;

(iii) sale of power cards (prepaid cards), on the actual usage and expiry of the power cards;

(iv) sale of tokens, upon direct sale to the buyer;

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Revenue Recognition (Continued)

(v) media sales, when the advertisement is placed in the channel;

(vi) subscription fees for cable television programmes, on the time apportionment basis for subscription packages or upon rendering of programmes for pay-per-view programmes;

(vii) converter and fixed line broadband rental income, on a time apportionment basis;

(viii) income from installation, when the installation services have been completed;

(ix) cable television membership joining fees, upon commencement of programme delivery;

(x) subscription fees for fast speed broadband internet, upon rendering of the access to the internet;

(xi) revenue from data communication services, at the time the connection takes place;

(xii) fees for distribution and maintenance of hardware equipment and software packages, and service fees for technology solutions rendered, when the underlying services are rendered;

(xiii) fees from shares' administration services, when the underlying services are rendered;

(xiv) rental income, on a straight-line basis over the lease term of the ongoing lease;

(xv) interest income, on a time proportionment basis taking into account the principal outstanding and at the effective interest rate applicable; and

(xvi) dividend income, when the shareholders' right to receive payment has been established.

(u) Employee Benefits

(i) Employee Leave Entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Employee Benefits (Continued)

(ii) Pension Obligations

AcrossAsia Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by AcrossAsia Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by AcrossAsia Group to the funds.

Post-employment benefits are recognised at a discounted amount when an employee has rendered service to AcrossAsia Group during an accounting period. Liabilities and expenses are measured using actuarial techniques which include constructive obligation that arises from AcrossAsia Group's informal practices. In calculating the liabilities, benefits should be discounted by using projected-unit-credit method.

(iii) Termination Benefits

Termination benefits are recognised when, and only when, AcrossAsia Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(v) Share-based Payments

AcrossAsia Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on AcrossAsia Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

(w) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of AcrossAsia Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Taxation

Income tax expense represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. AcrossAsia Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where AcrossAsia Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of each reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and AcrossAsia Group intends to settle its current tax assets and liabilities on a net basis.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related Parties

A party is related to AcrossAsia Group if:

(i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, AcrossAsia Group; has an interest in AcrossAsia Group that gives it significant influence over AcrossAsia Group; or has joint control over AcrossAsia Group;

(ii) the party is an associate;

(iii) the party is a joint venture;

(iv) the party is a member of the key management personnel of the Company or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of AcrossAsia Group, or of any entity that is a related party of AcrossAsia Group.

(z) Impairment of Assets

At the end of each reporting period, AcrossAsia Group reviews the carrying amounts of its tangible and intangible assets except deferred tax assets, investments, inventories and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, AcrossAsia Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Provisions and Contingent Liabilities

Provisions are recognised for liabilities of uncertain timing or amount when AcrossAsia Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(ab) Events After the Reporting Period

Events after the reporting period that provide additional information about AcrossAsia Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical Judgements in Applying Accounting Policies

In the process of applying the accounting policies, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

(a) Going Concern Basis

These financial statements have been prepared on a going concern basis, the validity of which depends upon AcrossAsia Group's ability to secure additional credit facilities to enable AcrossAsia Group to meet its financial obligations as and when they fall due in the foreseeable future. Details are explained in Note 2 to the financial statements.

(b) Land and Buildings

Under the relevant rules and regulations of Indonesia, AcrossAsia Group can apply for the renewal of its land use rights upon the expiry. Accordingly the entire lease of land and buildings is classified as a finance lease and included under property, plant and equipment.

(c) Available-For-Sale Financial Assets

AcrossAsia Group's investments in unlisted securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, are measured at cost less any impairment losses.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Property, Plant and Equipment and Depreciation

AcrossAsia Group determines the estimated useful lives and related depreciation charges for AcrossAsia Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. AcrossAsia Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

6. TURNOVER

	2010	2009
	HK$'000	*HK$'000*
Retail		
– Store sales	**–**	6,918,276
– Consigned sales	**–**	2,985,003
– Family entertainment center operations	**–**	172,841
– Wholesales	**–**	56,423
Less : sales returns, allowances and discounts	**–**	(2,047,312)
	–	8,085,231
Broadband Services		
– Subscription fees for cable television	**221,793**	190,084
– Subscription fees for fast speed broadband internet	**348,568**	246,565
– Data communications services	**79,826**	49,723
– Media sales	**33,665**	27,619
– Others	**25,132**	23,156
	708,984	537,147
IT Solutions		
– Fees for distribution and maintenance of hardware equipment and software packages and service fees for technology solutions rendered	**–**	291,848
Others		
– Share administration fees	**–**	1,416
	–	8,915,642
Representing:		
Continuing operations	**708,984**	537,147
Discontinued operations	**–**	8,378,495
	708,984	8,915,642

7. OTHER INCOME

	2010 HK$'000	2009 HK$'000
Interest income	**5,056**	134,844
Dividend income from listed investments	**1**	–
Gain on disposal of property, plant and equipment	**327**	–
Rental income	**–**	67,711
Others	**–**	7,268
	5,384	209,823
Representing:		
Continuing operations	**5,384**	379
Discontinued operations	**–**	209,444
	5,384	209,823

8. SEGMENT INFORMATION

Operating Segments

AcrossAsia Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. In the manner consistent with the way in which information is reported internally to AcrossAsia Group's chief operating decision makers for the purposes of resources allocation and performance assessment, AcrossAsia Group has identified the following three reportable segments:

(a) the 'Broadband Services' segment primarily engages in the provision of broadband network services, broadband internet services and cable television services;

(b) the 'Retail' segment primarily engages in retail operations (discontinued operation); and

(c) the 'IT Solutions' segment primarily engages in the provision of IT systems integration and solution services (discontinued operation).

Segment profits or losses do not include corporate income and expenses such as finance costs, interest revenue, unrealised gain/(loss) on revaluation of financial assets at fair value through profit or loss and other items. Segment assets mainly excluded available-for-sale financial assets, deferred tax assets, bank and cash balances for general administrative use and non-current prepayments, deposits and receivables for general administrative use. Segment liabilities mainly excluded amounts due to related companies, derivative financial instruments, current tax payable, corporate interest-bearing borrowings, corporate notes payable and other payables and accruals for general administrative use.

AcrossAsia Group accounts for intersegment sales as if the sales were to third parties, i.e. at current market prices.

8. SEGMENT INFORMATION (Continued)

Information about reportable segment profit or loss, assets and liabilities:

	Broadband Services HK$'000	Discontinued operations: Retail HK$'000	Discontinued operations: IT Solutions HK$'000	Total HK$'000
Year ended 31st December 2010				
Revenue from external customers	**708,984**	**–**	**–**	**708,984**
Segment profit	**199,988**	**–**	**–**	**199,988**
As at 31st December 2010				
Segment assets	**1,417,154**	**–**	**–**	**1,417,154**
Segment liabilities	**(804,190)**	**–**	**–**	**(804,190)**
Year ended 31st December 2009				
Revenue from external customers	537,147	8,085,231	293,264	8,915,642
Intersegment revenue	–	1,465	10,268	11,733
Segment profit	111,835	172,839	85,456	370,130
As at 31st December 2009				
Segment assets	1,304,057	–	–	1,304,057
Segment liabilities	(1,096,651)	–	–	(1,096,651)

8. SEGMENT INFORMATION (Continued)

Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:

	2010 HK$'000	2009 HK$'000
Revenue		
Total revenue of reportable segments	**708,984**	8,927,375
Elimination of intersegment revenue	**–**	(11,733)
Consolidated revenue	**708,984**	8,915,642
Profit or loss		
Total profit or loss of reportable segments	**199,988**	370,130
Unallocated amounts:		
Interest revenue	**5,056**	134,844
Interest expense	**(73,197)**	(397,154)
Depreciation and amortisation	**(135,942)**	(398,455)
Share of profits of associates	**–**	221
Income tax expense	**(20,470)**	(78,445)
Net foreign exchange gains	**24,757**	227,617
Fair value (loss)/gain on derivative financial instruments	**(502)**	97,818
Unrealised gain on revaluation of financial assets at fair value through profit or loss	**–**	144,762
Gain/(loss) on disposal of property, plant and equipment	**327**	(5,778)
Gain on disposal of financial assets at fair value through profit or loss	**–**	3,801
Rental income	**–**	67,711
Waiver of other payables	**–**	135,403
Other corporate expenses	**(17,737)**	(5,038)
Consolidated (loss)/profit for the year	**(17,720)**	297,437
Assets		
Total assets of reportable segments	**1,417,154**	1,304,057
Available-for-sale financial assets	**4,403**	4,205
Deferred tax assets	**12,070**	18,847
Bank and cash balances for general administrative use	**8,171**	2,468
Non-current prepayments, deposits and receivables for general administrative use	**51,752**	53,041
Consolidated total assets	**1,493,550**	1,382,618
Liabilities		
Total liabilities of reportable segments	**804,190**	1,096,651
Due to related companies	**29,355**	27,114
Derivative financial instruments	**509**	–
Interest-bearing borrowings for corporate use	**202,800**	202,800
Notes payable for corporate use	**221,759**	–
Other payables and accruals for general administrative use	**34,934**	29,340
Current tax payable	**10,085**	1,225
Consolidated total liabilities	**1,303,632**	1,357,130

8. SEGMENT INFORMATION (Continued)

Geographical information:

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

Revenue from major customers:

None of AcrossAsia Group's customers contributed 10% or more of AcrossAsia Group's revenues during the years ended 31st December 2009 and 2010 and accordingly, no major customers information is presented.

9. FINANCE COSTS

	2010 *HK$'000*	2009 *HK$'000*
Interest on:		
Bank loans and overdrafts	**26,511**	199,721
Notes payable wholly repayable within five years	**40,075**	130,814
Bonds payable wholly repayable within five years	**–**	48,230
Other borrowings wholly repayable within five years	**4,104**	11,748
Finance lease charges	**2,507**	6,641
	73,197	397,154
Representing:		
Continuing operations	**73,197**	65,486
Discontinued operations	**–**	331,668
	73,197	397,154

10. DIRECTORS' REMUNERATION

The remuneration paid and payable to each Director is as follows:

	Fees		Salaries, allowances and benefits in kind		Total	
	2010 **HK$'000**	2009 HK$'000	**2010** **HK$'000**	2009 HK$'000	**2010** **HK$'000**	2009 HK$'000
Executive Director						
Mr. Marshall Wallace COOPER	**10**	10	**2,003**	1,916	**2,013**	1,926
Independent non-executive Directors						
Mr. Albert Saychuan CHEOK	**180**	197	**–**	–	**180**	197
Dr. Boh Soon LIM	**120**	127	**–**	–	**120**	127
Mr. Thomas Yee Man LAW (1)	**72**	–	**–**	–	**72**	–
Mr. Kwong Yiu MAK (2)	**47**	126	**–**	–	**47**	126
	429	460	**2,003**	1,916	**2,432**	2,376

Notes:

(1) Appointed on 28th May 2010
(2) Appointed on 17th March 2008 and resigned on 24th May 2010

There was no arrangement under which a Director waived or agreed to waive any remuneration during the year ended 31st December 2010 (2009: Nil).

During the year ended 31st December 2010, no remuneration was paid by AcrossAsia Group to any of the Directors as an inducement to join or upon joining AcrossAsia Group or as compensation for loss of office (2009: Nil).

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid individuals in AcrossAsia Group during the year ended 31st December 2010 included a Director whose remuneration is reflected in the analysis presented above. The remuneration of the remaining 4 (2009: 5) individuals are set out below.

	2010	2009
	HK$'000	*HK$'000*
Salaries, allowances and benefits in kind	**7,423**	14,413
Performance related bonuses	**–**	11,901
	7,423	26,314

The remuneration falls within the following bands:

	Number of employees	
	2010	2009
HK$1,500,001 to HK$2,000,000	**4**	–
HK$2,000,001 to HK$2,500,000	**–**	1
HK$3,000,001 to HK$3,500,000	**–**	1
HK$3,500,001 to HK$4,000,000	**–**	1
HK$7,500,001 to HK$8,000,000	**–**	1
HK$9,000,001 to HK$9,500,000	**–**	1
	4	5

During the year ended 31st December 2010, no remuneration was paid by AcrossAsia Group to any of the highest paid employees as an inducement to join or upon joining AcrossAsia Group or as compensation for loss of office (2009: Nil).

12. INCOME TAX EXPENSE

	2010 HK$'000	2009 HK$'000
Current tax – Overseas	**12,894**	9,402
Deferred tax *(Note 22)*	**7,576**	69,043
Income tax expense	**20,470**	78,445
Representing:		
Continuing operations	**20,470**	21,672
Discontinued operations	**–**	56,773
	20,470	78,445

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 (2009: Nil).

Taxes charge 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 25% (2009: 28%) of the individual entities' respective assessable profits in accordance with Indonesian income tax law.

The reconciliation between the Indonesian income tax rate and the effective tax rate is as follows:

	2010 %	2009 %
Indonesian income tax rate	**25**	28
Deferred tax assets not recognised	**9**	–
Non-deductible items	**720**	20
Non-taxable items	**(10)**	(27)
Effective tax rate	**744**	21

13. (LOSS)/PROFIT FOR THE YEAR

Across Asia Group's (loss)/profit for the year is stated after charging/(crediting) the following:

	Continuing operations		Discontinued operations		Total	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Cost of inventories sold	**–**	–	**–**	5,979,751	**–**	5,979,751
Depreciation of property, plant and equipment	**122,949**	98,152	**–**	294,406	**122,949**	392,558
Depreciation of investment properties	**–**	–	**–**	1,357	**–**	1,357
Amortisation of other intangible assets *	**12,993**	1,139	**–**	3,401	**12,993**	4,540
Staff costs, including Directors' remuneration:						
Salaries, allowances and benefits in kind	**119,884**	77,766	**–**	530,048	**119,884**	607,814
Retirement benefit scheme contributions (defined contribution schemes)	**590**	329	**–**	–	**590**	329
Provision for employees' benefits	**6,576**	2,770	**–**	37,864	**6,576**	40,634
	127,050	80,865	**–**	567,912	**127,050**	648,777
Unrealised gain on revaluation of financial assets at fair value through profit or loss	**–**	–	**–**	(144,762)	**–**	(144,762)
Gain on disposal of financial assets at fair value through profit or loss	**–**	–	**–**	(3,801)	**–**	(3,801)
(Gain)/loss on disposal of property, plant and equipment	**(327)**	(290)	**–**	6,068	**(327)**	5,778
Minimum lease payments under operating leases in respect of land and buildings	**957**	2,302	**–**	529,057	**957**	531,359
Bad debts expense/allowance for receivables	**4,329**	4,826	**–**	–	**4,329**	4,826
Provision for customer loyalty program	**–**	–	**–**	22,638	**–**	22,638
Auditors' remuneration	**967**	1,068	**–**	–	**967**	1,068

* Included in "General and administrative expenses" on the face of the consolidated income statement.

14. (LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

The (loss)/profit for the year attributable to owners of the Company included a profit of approximately HK$8,536,000 (2009: HK$54,109,000) which has been dealt with in the financial statements of the Company.

15. DIVIDENDS

	2010 ***HK$'000***	2009 *HK$'000*
Special dividend of HK$Nil (2009: HK$0.04) per ordinary share paid	**–**	211,598

On 24th July 2009, the Company announced a proposed reorganisation of AcrossAsia Group whereby the Company declared a special dividend by way of a distribution in specie (the "Distribution") of all the Company's shareholdings in PT Multipolar Tbk ("Multipolar"). At an extraordinary general meeting of the Company held on 9th September 2009, the Distribution was approved by the shareholders of the Company. As a result, Multipolar and its subsidiaries including PT Matahari Putra Prima Tbk ("Matahari") (collectively "Multipolar Group") ceased to be subsidiaries of the Company in September 2009, and Retail and IT Solutions which have been operated by Multipolar Group became discontinued operations. The results of Multipolar Group ceased to be accounted for in the consolidated results of AcrossAsia Group following the Distribution. The Company recorded a special dividend of approximately HK$211,598,000 for the year ended 31st December 2009.

16. (LOSS)/EARNINGS PER SHARE

(a) From Continuing Operations and Discontinued Operations

The calculation of basic loss (2009: earnings) per share attributable to owners of the Company is based on the loss (2009: profit) for the year attributable to owners of the Company of approximately HK$33,145,000 (2009: HK$162,234,000) and 5,064,615,385 (2009: 5,064,615,385) ordinary shares in issue during the year.

(b) From Continuing Operations

The calculation of basic loss (2009: earnings) per share from continuing operations attributable to owners of the Company is based on the loss (2009: profit) for the year from continuing operations attributable to owners of the Company of approximately HK$33,145,000 (2009: HK$128,969,000) and the denominator used in (a) above.

(c) From Discontinued Operations

Basic earnings per share from discontinued operations for the year ended 31st December 2009 is HK0.66 cent per share, based on the profit for the year from discontinued operations attributable to owners of the Company of approximately HK$33,265,000 and the denominator used in (a) above.

No diluted (loss)/earnings per share are presented as the Company did not have any dilutive potential ordinary share during the years ended 31st December 2010 and 2009.

17. OTHER COMPREHENSIVE INCOME

	2010			2009		
	Amount before tax	**Tax**	**Amount after tax**	Amount before tax	Tax	Amount after tax
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Exchange differences on translating foreign operations	**5,445**	**–**	**5,445**	36,076	–	36,076
Fair value changes of available-for-sale financial assets	**–**	**–**	**–**	30,276	(8,477)	21,799
Cash flow hedges	**–**	**–**	**–**	4,263	(1,194)	3,069
Other comprehensive income	**5,445**	**–**	**5,445**	70,615	(9,671)	60,944

18. PROPERTY, PLANT AND EQUIPMENT

AcrossAsia Group

	Land use rights and buildings	**Building renovations and leasehold improvements**	**Office furniture, fixtures and equipment**	**Distribution network**	**Construction in progress**	**Equipment for rent**	**Vehicles**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost								
At 1st January 2009	718,179	290,237	1,672,005	887,696	21,816	295,241	23,216	3,908,390
Additions	90,219	92,465	262,574	131,589	444	11,209	29,286	617,786
Effect of the Distribution	(864,526)	(373,767)	(1,987,004)	–	(23,743)	(181,741)	(52,594)	(3,483,375)
Disposals	(5,549)	(24,541)	(44,751)	(353)	–	–	(1,228)	(76,422)
Transfers	–	–	–	–	(268)	268	–	–
Translation differences	72,444	32,125	174,104	159,350	1,751	38,431	3,539	481,744
At 31st December 2009 and 1st January 2010	10,767	16,519	76,928	1,178,282	–	163,408	2,219	1,448,123
Additions	–	5,877	7,992	107,893	15,236	46,561	–	183,559
Disposals	–	–	(6,994)	(18,868)	–	(2,453)	(761)	(29,076)
Translation differences	514	867	3,646	57,427	202	8,386	86	71,128
At 31st December 2010	11,281	23,263	81,572	1,324,734	15,438	215,902	1,544	1,673,734

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

AcrossAsia Group (Continued)

	Land use rights and buildings	Building renovations and leasehold improvements	Office furniture, fixtures and equipment	Distribution network	Construction in progress	Equipment for rent	Vehicles	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Accumulated depreciation and impairment losses								
At 1st January 2009	174,653	115,149	986,049	246,010	–	177,891	17,291	1,717,043
Charge for the year	28,399	49,732	185,741	60,109	–	40,481	28,096	392,558
Effect of the Distribution	(211,379)	(141,858)	(1,166,227)	–	–	(166,425)	(45,535)	(1,731,424)
Disposals	(5,548)	(23,765)	(33,791)	(35)	–	–	(1,093)	(64,232)
Translation differences	17,941	13,927	94,806	35,221	–	23,153	2,890	187,938
At 31st December 2009 and 1st January 2010	4,066	13,185	66,578	341,305	–	75,100	1,649	501,883
Charge for the year	1,913	1,303	1,795	76,943	–	40,762	233	122,949
Disposals	–	–	(2,788)	(915)	–	(2,453)	(678)	(6,834)
Translation differences	220	647	3,125	17,302	–	4,094	66	25,454
At 31st December 2010	6,199	15,135	68,710	434,635	–	117,503	1,270	643,452
Carrying amount								
At 31st December 2010	5,082	8,128	12,862	890,099	15,438	98,399	274	1,030,282
At 31st December 2009	6,701	3,334	10,350	836,977	–	88,308	570	946,240

At 31st December 2010, the carrying amount of property, plant and equipment held by AcrossAsia Group under finance leases amounted to approximately HK$53,163,000 (2009: HK$46,307,000).

AcrossAsia Group's land use rights and buildings located in Indonesia at their carrying amounts are analysed as follows:

	2010	2009
	HK$'000	*HK$'000*
Medium term leases	**1,862**	3,626
Freehold	**3,220**	3,075
	5,082	6,701

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

Under the relevant rules and regulations in Indonesia, AcrossAsia Group can apply for the renewal of its land use rights upon their expiry.

Company	**Office furniture, fixtures and equipment** *HK$'000*
Cost	
At 1st January 2009	1,209
Additions	–
At 31st December 2009 and 1st January 2010	1,209
Disposals	(595)
At 31st December 2010	614
Accumulated depreciation	
At 1st January 2009	1,029
Charge for the year	72
At 31st December 2009 and 1st January 2010	1,101
Charge for the year	19
Disposals	(506)
At 31st December 2010	614
Carrying amount	
At 31st December 2010	–
At 31st December 2009	108

19. INTERESTS IN SUBSIDIARIES

	Company	
	2010 *HK$'000*	2009 *HK$'000*
Listed shares, at cost	**430,849**	216,387
Unlisted shares, at cost	**9,862**	9,862
	440,711	226,249
Due from subsidiaries	**–**	215,332
	440,711	441,581
Less: Impairment losses	**(9,862)**	(9,862)
	430,849	431,719
Market value of listed shares	**786,866**	357,723

19. INTERESTS IN SUBSIDIARIES (Continued)

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment but repayment is not expected to be within the next twelve months from the end of the reporting period.

Particulars of the principal subsidiaries as at 31st December 2010 are as follows:

Name	Place of incorporation and operations	Nominal value of issued ordinary share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
PT First Media Tbk (a) ("First Media")	Indonesia	Rp870,947,700,000 (2009: Rp414,737,000,000)	55.1	–	Operation of broadband network and cable television
PT Ayunda Prima Mitra	Indonesia	Rp35,000,000	–	55.1	Investment holding
PT AsiaNet Multimedia	Indonesia	US$1,333,333	95.0	–	Investment holding
PT Natrindo Global Telekomunikasi	Indonesia	Rp25,000,000,000	–	76.0	Operation of wireless VSAT network
PT Inti Mitratama Abadi	Indonesia	Rp60,000,000,000	–	50.7	Investment holding
PT Link Net ("Link Net")	Indonesia	Rp65,000,000,000	–	55.1	Internet service provider
PT Tirta Mandiri Sejahtera	Indonesia	Rp5,000,000	–	76.0	Investment holding
PT First Media News	Indonesia	Rp2,500,000,000	–	55.1	Investment holding
PT First Media Production	Indonesia	Rp2,500,000,000	–	54.6	Film production and v ideo recording
PT First Media Television ("First Media TV")	Indonesia	Rp2,500,000,000	–	55.1	Inactive

The above list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of AcrossAsia Group.

Notes:

(a) First Media is listed on the Indonesian Stock Exchange. On 6th March 2010, First Media announced its proposed rights issue on the basis of 11 new rights shares for every 10 existing shares of First Media held by a qualifying shareholder of First Media at an exercise price of Rp500 (equivalent to approximately HK$0.42) per rights share. The rights issue was completed on 24th May 2010.

(b) None of the subsidiaries had any loan capital in issue at any time during the year ended 31st December 2010 (2009: Nil).

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	AcrossAsia Group		Company	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Equity securities, at fair value				
Listed outside Hong Kong	**67**	67	**67**	67
Unlisted equity securities, at cost	**13,347**	12,739	**–**	–
Less: Impairment losses	**(9,011)**	(8,601)	**–**	–
	4,336	4,138	**–**	–
	4,403	4,205	**67**	67

21. OTHER INTANGIBLE ASSETS

AcrossAsia Group

	Wireless broadband licence	Application software licences	Exclusive marketing and distribution rights	Patents	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost					
At 1st January 2009	–	86,682	1,074	978	88,734
Additions	95,466	–	–	–	95,466
Effect of the Distribution	–	(91,058)	(1,128)	(1,028)	(93,214)
Translation differences	10,280	4,376	54	50	14,760
At 31st December 2009 and 1st January 2010	105,746	–	–	–	105,746
Additions	–	8,044	–	–	8,044
Translation differences	5,048	384	–	–	5,432
At 31st December 2010	110,794	8,428	–	–	119,222

21. OTHER INTANGIBLE ASSETS (Continued)

AcrossAsia Group (Continued)

	Wireless broadband licence HK$'000	Application software licences HK$'000	Exclusive marketing and distribution rights HK$'000	Patents HK$'000	Total HK$'000
Accumulated amortisation and impairment losses					
At 1st January 2009	–	17,010	1,074	976	19,060
Amortisation for the year	1,140	3,399	–	1	4,540
Effect of the Distribution	–	(21,423)	(1,128)	(1,027)	(23,578)
Translation differences	123	1,014	54	50	1,241
At 31st December 2009 and 1st January 2010	1,263	–	–	–	1,263
Amortisation for the year	10,934	2,059	–	–	12,993
Translation differences	206	27	–	–	233
At 31st December 2010	12,403	2,086	–	–	14,489
Carrying amount					
At 31st December 2010	98,391	6,342	–	–	104,733
At 31st December 2009	104,483	–	–	–	104,483

Wireless broadband licence and application software licences are used for AcrossAsia Group's Broadband Services segment. The remaining amortisation period of the wireless broadband licence is 8.9 (2009: 9.9) years. The remaining amortisation period of the application software licences are 3 years.

22. DEFERRED INCOME TAX

The following are the major deferred tax liabilities and assets recognised by AcrossAsia Group:

	Accelerated tax depreciation	Allowance for receivables	Tax losses	Allowance for store restructuring	Unrealised loss on change in fair value of derivative financial instruments and net foreign exchange losses	Others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1st January 2009	(52,139)	24,562	50,895	4,406	104,270	(6,941)	125,053
(Charge)/credit to income statement for the year *(Note 12)*	(9,221)	(625)	(23,952)	10,206	(85,474)	40,023	(69,043)
Charge to equity	–	–	–	–	–	(9,671)	(9,671)
Effect of the Distribution	72,952	(24,142)	(31,563)	(15,413)	(29,506)	(18,462)	(46,134)
Translation differences	(6,531)	3,089	4,620	801	10,710	5,953	18,642
At 31st December 2009 and 1st January 2010	5,061	2,884	–	–	–	10,902	18,847
Credit/(charge) to income statement for the year *(Note 12)*	3,542	(1,910)	–	–	–	(9,208)	(7,576)
Translation differences	289	112	–	–	–	398	799
At 31st December 2010	8,892	1,086	–	–	–	2,092	12,070

Deferred tax assets that are expected to realise in the next accounting year amounted to approximately HK$1,726,000 (2009: HK$317,000).

23. NON-CURRENT PREPAYMENTS, DEPOSITS AND RECEIVABLES

	AcrossAsia Group		Company	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Rental and other deposits	**15,342**	21,258	**–**	–
Prepaid rental for communication system	**50,383**	–	**–**	–
Advance payments for acquisition of property, plant and equipment	**36,529**	23,630	**–**	–
Loans to employees	**279**	539	**–**	–
Prepaid expenses and others	**7,342**	71,944	**793**	51,406
	109,875	117,371	**793**	51,406

The loans to employees are unsecured and interest-free.

At 31st December 2009, prepaid expenses and others of AcrossAsia Group and the Company included an amount due from an independent third party of approximately HK$50,000,000 which was unsecured, interest-free and not repayable within one year. The balance is classified as prepayments, deposits and other current assets as at 31st December 2010.

24. TRADE RECEIVABLES

AcrossAsia Group's trading terms with its customers are mainly on credit. AcrossAsia Group allows an average general credit period of 60 days to its customers, except for certain well-established customers, where the terms are extended beyond 60 days.

AcrossAsia Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The ageing analysis of trade receivables, based on invoice date and net of allowance, is as follows:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Within 1 month	**36,770**	25,960
1 to 2 months	**10,203**	6,852
2 to 3 months	**4,171**	4,364
Over 3 months	**46,583**	32,562
	97,727	69,738

As of 31st December 2010, trade receivables of approximately HK$50,754,000 (2009: HK$36,926,000) were past due but not impaired. These related to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
2 to 3 months	**4,171**	4,364
Over 3 months	**46,583**	32,562
	50,754	36,926

At 31st December 2010, trade receivables of AcrossAsia Group included receivables from certain related companies, which are directly or indirectly owned, controlled or influenced by the principal beneficial shareholder of the Company, totalling approximately HK$9,402,000 (2009: HK$11,197,000). These balances are unsecured, interest-free and are repayable principally in accordance with normal trading terms.

At 31st December 2010, trade receivables with an aggregate carrying value of approximately HK$42,763,000 (2009: HK$68,838,000) were pledged as security for certain banking and other borrowing facilities of AcrossAsia Group.

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Company	
	2010	2009
	HK$'000	*HK$'000*
Listed warrants of a subsidiary, at fair value	**8,058**	–

26. PREPAYMENTS, DEPOSITS AND OTHER CURRENT ASSETS

	AcrossAsia Group		Company	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Deposits	**31**	31	**31**	31
Prepaid operating expenses	**7,899**	91,792	**711**	1,961
Prepaid taxes	**8,347**	371	**–**	–
Advances/deposits to suppliers and contractors	**–**	4	**–**	–
Other receivables	**51,096**	945	**50,000**	–
	67,373	93,143	**50,742**	1,992

Other receivables of AcrossAsia Group and the Company include an amount due from an independent third party of approximately HK$50,000,000 (2009: HK$ Nil) which is unsecured, interest-free and repayable within one year.

27. BANK AND CASH BALANCES

Bank deposits earn interest at floating rates based on prevailing short term deposits rates. Short term bank deposits are made for varying periods, normally with an original maturity of less than one month, depending on the immediate cash requirements of AcrossAsia Group.

At 31st December 2010, the bank and cash balances of AcrossAsia Group denominated in Indonesian Rupiah amounted to approximately HK$62,575,000 (2009: HK$25,498,000).

28. SHARE CAPITAL

	Note	Number of shares	Amount HK$'000
Authorised:			
At 1st January 2009, 31st December 2009 and 1st January 2010 (ordinary shares of HK$0.10 each)		150,000,000,000	15,000,000
Sub-division	*(b)*	1,350,000,000,000	–
At 31st December 2010 (ordinary shares of HK$0.01 each)	*(a)*	1,500,000,000,000	15,000,000
Issued and fully paid:			
At 1st January 2009, 31st December 2009 and 1st January 2010 (ordinary shares of HK$0.10 each)		5,064,615,385	506,462
Capital reduction	*(a)*	–	(455,816)
At 31st December 2010 (ordinary shares of HK$0.01 each)		5,064,615,385	50,646

Notes:

(a) On 24th July 2009, the Company announced a proposed capital reduction (the "Capital Reduction") by reducing the nominal value of all issued shares of the Company from H$0.10 each to HK$0.01 each and cancelling paid up capital of HK$0.09 on each issued shares. The credit arising from such reduction of approximately HK$455,816,000 was applied towards cancelling the accumulated losses of the Company. The amount of issued capital cancelled is made available for issue of new shares of the Company so that the authorised capital of the Company of HK$15,000,000 remains unchanged.

(b) On 17th August 2009, the Company announced that immediately following the Capital Reduction, each of the authorised but unissued shares in the capital of the Company of par value HK$0.10 each be sub-divided into 10 shares of par value HK$0.01 each (the "Sub-Division").

At an extraordinary general meeting of the Company held on 9th September 2009, a special resolution was passed to approve the Capital Reduction and Sub-Division. The Capital Reduction and Sub-Division were completed on 23rd March 2010.

AcrossAsia Group's objectives when managing capital are to safeguard AcrossAsia Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

AcrossAsia Group review the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. AcrossAsia Group will balance its overall capital structure through new share issues, the issue of new debts, redemption of existing debts or selling assets to reduce debts.

The only externally imposed capital requirement is that for AcrossAsia Group to maintain its listing on the Stock Exchange it has to have a public float of at least 15% of the shares. AcrossAsia Group receives reports from the share registrars on substantial share interests showing the non-public float and it demonstrated continuing compliance with the 15% limit throughout the year.

29. RESERVES

(a) AcrossAsia Group

The amounts of AcrossAsia Group's reserves and movements therein are presented in the consolidated statement of comprehensive income and consolidated statement of changes in equity.

(b) Company

	Share premium	Capital reserve	Accumulated losses	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1st January 2009	32,877	631,394	(744,019)	(79,748)
Transfer	593,039	(631,394)	38,355	–
Profit for the year	–	–	54,109	54,109
Special dividend paid	(211,598)	–	–	(211,598)
At 31st December 2009 and 1st January 2010	414,318	–	(651,555)	(237,237)
Capital Reduction *(Note 28(a))*	–	–	455,816	455,816
Profit for the year	–	–	8,536	8,536
At 31st December 2010	414,318	–	(187,203)	227,115

(c) Nature and Purpose of Reserves

(i) Share Premium Account

Under the Companies Law (1998 Revision) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Translation Reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 4(c) to the financial statements.

30. SHARE OPTION SCHEMES

The Company adopted the Pre-IPO Plan and the 2002 Scheme under which the participants (including the Directors) were or may be granted options to subscribe for shares of the Company subject to the terms and conditions stipulated in the respective plan and scheme.

(a) Pre-IPO Plan

The Pre-IPO Plan was adopted on 22nd June 2000. The purpose of the Pre-IPO Plan is to recognise the contribution of participants to the growth of AcrossAsia Group and/or to the listing of the Company's shares on GEM. The participants of the Pre-IPO Plan include full-time and part-time employees (including executive and non-executive Directors), consultants and advisers of AcrossAsia Group and its associates. The subscription price for the shares under the Pre-IPO Plan is equal to the offer price of HK$3.28 per share in connection with the listing of the Company's shares on GEM.

A summary of the principal terms of the Pre-IPO Plan and details of the options granted under the Pre-IPO Plan are set out in the prospectus of the Company dated 6th July 2000.

The following options were outstanding under the Pre-IPO Plan during the year ended 31st December 2010:

	Number of underlying shares		
Participants	**As at 1st January 2010**	**Lapsed during the year**	**As at 31st December 2010**
Directors (including a resigned Director)	355,000	(355,000)	–
Others	11,584,000	(11,584,000)	–
Total	11,939,000	(11,939,000)	–

No options under the Pre-IPO Plan were exercised or cancelled during the year ended 31st December 2010. The exercise period for all such shares ended on 22nd June 2010 following the expiry of the Pre-IPO Plan.

(b) 2002 Scheme

The purpose of the 2002 Scheme is to reward the participants who have contributed or may contribute to AcrossAsia Group. The participants of the 2002 Scheme are employees of AcrossAsia Group (including Directors) and other persons including consultants, advisors, agents, customers, suppliers, service providers, affiliated persons, contractors, business partners or connected persons of AcrossAsia Group or its associates or affiliates. A consideration of HK$1 is payable upon acceptance of the offer of the grant of an option. The 2002 Scheme will remain valid until 13th May 2012.

The subscription price for the shares under the 2002 Scheme is determined by the Directors which will be no less than the highest of (i) the closing price of the shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of offer of the relevant option; (ii) the average of the closing prices of the shares as stated in the daily quotation sheet issued by the Stock Exchange for the five business days immediately preceding the date of offer of the option; and (iii) the nominal value of a share.

30. SHARE OPTION SCHEMES (Continued)

(b) 2002 Scheme (Continued)

A summary of the principal terms of the 2002 Scheme is set out in the Company's circular dated 28th March 2002.

No options had been granted under the 2002 Scheme since the adoption date and up to 31st December 2010.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Plan and the 2002 Scheme must not exceed 30% of the total issued shares of the Company from time to time. The maximum number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant or grantee (including both exercised and outstanding options) in any 12-month period up to and including the date of grant must not exceed 1% of the total issued shares of the Company at the date of grant.

31. PROVISIONS

AcrossAsia Group

	Customer loyalty program *HK$'000*	Employees' benefits *HK$'000*	Total *HK$'000*
At 1st January 2009	15,549	131,306	146,855
Addition provisions	22,638	40,634	63,272
Provisions used	(5,975)	(14,866)	(20,841)
Effect of the Distribution	(32,996)	(154,558)	(187,554)
Translation differences	784	7,613	8,397
At 31st December 2009	–	10,129	10,129
Representing:			
Non-current liabilities	–	10,129	10,129
At 1st January 2010	–	10,129	10,129
Addition provisions	–	6,576	6,576
Provisions used	–	(66)	(66)
Translation differences	–	570	570
At 31st December 2010	–	17,209	17,209
Representing:			
Non-current liabilities	–	17,209	17,209

Provision for employees' benefits was recognised in accordance with the requirements of the Labor Law in Indonesia for employment termination, gratuity and compensation benefits of employees. The provision was determined based on actuarial calculations as at 31st December 2010 prepared by an independent actuary, adopting the projected-unit-credit method.

31. PROVISIONS (Continued)

The amount recognised in the statement of financial position is as follows:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Present value of funded obligations	**24,962**	15,490
Net unrecognised actuarial losses	**(7,640)**	(5,241)
Unrecognised past service cost	**(113)**	(120)
	17,209	10,129

Expense recognised in profit or loss is as follows:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Current service cost	**4,628**	15,520
Interest cost	**1,693**	14,183
Net actuarial losses recognised	**255**	342
Past service cost recognised	**–**	10,589
	6,576	40,634

Expense is included in "General and administrative expenses" on the face of the consolidated income statement.

The principal actuarial assumptions adopted as at 31st December 2010 (expressed as weighted average) are as follows:

	AcrossAsia Group	
	2010	2009
Discount rate at 31st December	**8.8%**	10.75%
Expected rate of return on plan assets	**N/A**	N/A
Future salary increases	**9.0%**	10.0%
Future pension increases	**N/A**	N/A

32. INTEREST-BEARING BORROWINGS

	AcrossAsia Group		Company	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Bank loans:				
Secured	**56,086**	37,060	**–**	–
Unsecured	**745,861**	829,853	**202,800**	202,800
	801,947	866,913	**202,800**	202,800
Other borrowings:				
Unsecured	**47,339**	35,545	**–**	–
	849,286	902,458	**202,800**	202,800

Interest-bearing borrowings are repayable as follows:

	AcrossAsia Group		Company	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Bank loans:				
Within one year	**581,890**	315,750	**–**	–
In the second year	**202,800**	348,363	**202,800**	–
In the third to fifth years, inclusive	**17,257**	202,800	**–**	202,800
	801,947	866,913	**202,800**	202,800
Other borrowings:				
Within one year	**47,339**	35,545	**–**	–
	849,286	902,458	**202,800**	202,800
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(629,229)**	(351,295)	**–**	–
Amount due for settlement after 12 months	**220,057**	551,163	**202,800**	202,800

32. INTEREST-BEARING BORROWINGS (Continued)

The carrying amounts of bank loans and other borrowings are denominated in the following currencies:

	AcrossAsia Group		Company	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Bank loans:				
United States dollar	**745,861**	829,853	**202,800**	202,800
Indonesian Rupiah	**56,086**	37,060	**–**	–
	801,947	866,913	**202,800**	202,800
Other borrowings:				
United States dollar	**4,389**	4,179	**–**	–
Indonesian Rupiah	**42,950**	31,366	**–**	–
	47,339	35,545	**–**	–

The effective interest rates were as follows:

	AcrossAsia Group		Company	
	2010	2009	**2010**	2009
Bank loans:				
United States dollar	**1.45% – 4.05%**	1.23% – 3.4%	**1.45%**	1.23%
Indonesian Rupiah	**15%**	16.5%	**–**	–
Other borrowings:				
United States dollar	**6%**	6.5%	**–**	–
Indonesian Rupiah	**16% – 16.25%**	16% – 18%	**–**	–

33. NOTES PAYABLE

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Within one year	**6,338**	223,609
In the second year	**–**	1,929
In the third to fifth years, inclusive	**217,442**	–
	223,780	225,538
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(6,338)**	(223,609)
Amount due for settlement after 12 months	**217,442**	1,929

Notes payable of AcrossAsia Group are unsecured. The carrying amounts of AcrossAsia Group's notes payable are denominated in the following currencies:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
United States dollar	**–**	27,095
Indonesian Rupiah	**223,780**	198,443
	223,780	225,538

The effective interest rates were as follows:

	AcrossAsia Group	
	2010	2009
United States dollar	**N/A**	9%
Indonesian Rupiah	**8% – 18%**	8% – 16.5%

34. FINANCE LEASE PAYABLES

AcrossAsia Group

	Minimum lease payments		Present value of minimum lease payments	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Within one year	**9,840**	25,873	**8,861**	24,329
In the second to fifth years, inclusive	**24,025**	14,739	**21,631**	9,447
	33,865	40,612	**30,492**	33,776
Less: Future finance charges	**(3,373)**	(6,836)		
Present value of lease obligations	**30,492**	33,776		
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(8,861)**	(24,329)		
Amount due for settlement after 12 months	**21,631**	9,447		

The lease terms are ranging from 1 to 3 years (2009: 1 to 3 years). At 31st December 2010, the effective borrowing rates are ranging from 9.92% to 20% (2009: 10.26% to 20%). Interest rates are fixed at the contract dates and thus expose AcrossAsia Group to fair value interest rate risk.

Finance lease payables are denominated in Indonesian Rupiah.

35. DUE TO RELATED COMPANIES

The amounts due to related companies of AcrossAsia Group are unsecured, interest-free and have no fixed terms of repayment except for an amount of approximately HK$4,000,000 (2009: HK$4,000,000) which bears interest at Hong Kong dollar prime lending rate plus 1% per annum and is repayable within twelve months from the end of the reporting period.

The amount due to a related company of the Company is unsecured, bears interest at Hong Kong dollar prime leading rate plus 1% per annum and is repayable within twelve months from the end of the reporting period.

36. DERIVATIVE FINANCIAL INSTRUMENTS

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Currency option contract	**509**	–

The fair values of derivative financial instruments at the date of inception and at the end of each reporting period are estimated using an option pricing model and the change in fair value is recognised in profit or loss.

37. TRADE PAYABLES

The ageing analysis of trade payables, based on invoice date, is as follows:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Within 1 month	**12,092**	27,819
1 to 2 months	**3,198**	7,223
2 to 3 months	**383**	3,774
Over 3 months	**14,222**	37,212
	29,895	76,028

At 31st December 2010, trade payables of AcrossAsia Group included payables to certain related companies, which are directly or indirectly owned, controlled or influenced by the principal beneficial shareholder of the Company, totalling approximately HK$3,536,000 (2009: HK$4,359,000). These balances are unsecured, interest-free and are repayable principally in accordance with normal trading terms.

38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Major Non-Cash Transactions

During the year ended 31st December 2010, additions to other intangible assets of approximately HK$5,165,000 were net off against prepayments.

During the year ended 31st December 2010, additions to property, plant and equipment of approximately HK$21,111,000 were financed by finance leases.

During the year ended 31st December 2009, additions to property, plant and equipment of AcrossAsia Group of approximately HK$345,945,000 were net off against advance payments for acquisition of property, plant and equipment.

39. LEASE COMMITMENTS

At 31st December 2010 the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Within one year	**10,400**	8,049
In the second to fifth years, inclusive	**41,600**	–
After five years	**104,000**	–
	156,000	8,049

During the year ended 31st December 2010, the Group signed an agreement for the rental of a communication system for a period of 15 years totalling US$20,000,000, equivalent to approximately HK$156,000,000.

40. FINANCIAL INSTRUMENTS

Fair Value Estimation

Current Financial Assets and Liabilities

AcrossAsia Group's carrying amounts for current financial assets and liabilities approximate their fair values due to the short maturity of these instruments.

Non-Current Financial Assets and Financial Liabilities

For available-for-sale financial assets in listed shares of approximately HK$67,000 (2009: HK$67,000) which are stated at quoted market price, their carrying amounts approximate their fair values. For long term investments in unlisted shares of approximately HK$4,336,000 (2009: HK$4,138,000), whose fair value cannot be reliably measured without incurring excessive costs, they are carried at cost less any impairment losses. The Directors believe that the carrying amount of those investments represents AcrossAsia Group's best estimate of their fair value.

Except as disclosed in the following table, the carrying amounts of AcrossAsia Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values. A comparison of the carrying amount and fair value of non-current long term floating rate borrowings, whose fair value has been calculated primarily by discounting the expected future cash flows at the prevailing interest rates or current market rates available to AcrossAsia Group for similar financial instruments, is set out below:

	Carrying amounts		Fair values	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Long term floating rate borrowings, non-current portion	**202,800**	551,163	**202,800**	551,163

40. FINANCIAL INSTRUMENTS (Continued)

Interest Rate Risk

The following table sets out the carrying amount, by maturity, of AcrossAsia Group's financial instruments that are exposed to interest rate risk:

	Within one year	In the second year	In the third to fifth years, inclusive	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
As at 31st December 2010				
Fixed rate				
Bank loans	38,829	–	17,257	56,086
Other borrowings	4,390	–	–	4,390
Notes payable	6,338	–	217,442	223,780
Finance lease payables	8,861	14,197	7,434	30,492
Floating rate				
Bank and cash balances	67,087	–	–	67,087
Bank loans	543,061	202,800	–	745,861
Other borrowings	42,949	–	–	42,949
Due to a related company	4,000	–	–	4,000
As at 31st December 2009				
Fixed rate				
Other borrowings	35,545	–	–	35,545
Notes payable	223,609	1,929	–	225,538
Finance lease payables	24,329	8,978	469	33,776
Floating rate				
Bank and cash balances	28,591	–	–	28,591
Bank loans	315,750	348,363	202,800	866,913
Due to a related company	4,000	–	–	4,000

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instruments. The other financial instruments of AcrossAsia Group that are not included in the above tables are non-interest bearing, and are therefore not subject to interest rate risk.

40. FINANCIAL INSTRUMENTS (Continued)

Categories of Financial Instruments at 31 December 2010

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Financial assets:		
Loans and receivables (including cash and cash equivalents)	**231,562**	121,102
Available-for-sale financial assets	**4,403**	4,205
Financial liabilities:		
Derivative financial instruments	**509**	–
Financial liabilities at amortised cost	**1,277,088**	1,336,645

Fair Values

The following disclosures of fair value measurements use a fair value hierarchy which has 3 levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Disclosures of level in fair value hierarchy at 31st December 2010:

	Fair value measurement using:			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Available-for-sale financial assets				
Equity investments	**67**	**–**	**–**	**67**
Financial liabilities at fair value through profit or loss				
Derivative financial instruments	**–**	**–**	**509**	**509**

40. FINANCIAL INSTRUMENTS (Continued)

Disclosures of level in fair value hierarchy at 31st December 2009:

Description	Fair value measurement using:			
	Level 1	Level 2	Level 3	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Available-for-sale financial assets				
Equity investments	67	–	–	67

Reconciliation of liabilities measured at fair value based on level 3:

	Derivative financial instruments
	HK$'000
Total gains or losses recognised in profit or loss	502
Exchange differences	7
At 31 December 2010	509

41. FINANCIAL RISK MANAGEMENT

The main financial risks faced by AcrossAsia Group are credit risk, foreign currency risk, interest rate risk and liquidity risk. The Directors review and agree policies for managing each of these risks of AcrossAsia Group, which are summarised below. AcrossAsia Group also monitors the market price risk arising from all financial instruments.

(a) Credit Risk

Financial instruments that potentially subject AcrossAsia Group to significant concentrations of credit risk consist principally of bank deposits, trade receivables, other receivables and certain investments. AcrossAsia Group's exposure to credit risk arises from default of other parties, with maximum exposure equal to the carrying amount of these instruments.

AcrossAsia Group maintains bank deposits with various financial institutions. AcrossAsia Group's policy is designed to limit exposure to any one institution. AcrossAsia Group performs periodic evaluations of the relative credit standing of those financial institutions that are considered in AcrossAsia Group's investment strategy.

Concentrations of credit risk with respect to trade receivables are limited due to the large number of entities comprising AcrossAsia Group's customer base. AcrossAsia Group normally grants trade credits to recognised and creditworthy customers and receivable balances are monitored on an ongoing basis by senior management.

With respect to credit risk arising from the other financial assets of AcrossAsia Group, AcrossAsia Group's exposure to credit risk arises from default of the other parties, with maximum exposure equal to the carrying amount of these instruments. There are no significant concentrations of credit risk for those financial assets within AcrossAsia Group.

(b) Foreign Currency Risk

As a result of significant operations in Indonesia, AcrossAsia Group's statement of financial position can be affected significantly by movements in Indonesian Rupiah/United States dollar exchange rates. AcrossAsia Group seeks to mitigate the effect of its structural currency exposure by borrowing in Indonesia Rupiah.

AcrossAsia Group also has transactional currency exposures. Such exposures arise from sales, purchases or borrowings by the Company's subsidiaries in currencies other than the subsidiaries' functional currency.

41. FINANCIAL RISK MANAGEMENT (Continued)

(b) Foreign Currency Risk (Continued)

A substantial portion of AcrossAsia Group's cost of services rendered are denominated in United States dollar. AcrossAsia Group also generates expenses and liabilities in United States dollar. As a result, AcrossAsia Group is required to convert Indonesian Rupiah into United States dollar, to meet its foreign exchange liabilities as they become due. Any adverse movement in the exchange rate of Indonesian Rupiah against the United States dollar would have an adverse effect on the results of AcrossAsia Group.

At 31st December 2010, if Indonesian Rupiah had weakened/strengthened 10% against the United States dollar with all other variables held constant, consolidated loss (2009: profit) after tax for the year would have been approximately HK$34,148,000 (2009: HK$50,020,000) higher/lower (2009: lower/higher), arising mainly as a result of the foreign exchange loss/gain on borrowings denominated in the United States dollar.

Moreover, the Indonesian government may in the future decide to introduce a scheme of exchange controls or other currency controls with a view to stabilising the exchange rate of the Indonesian Rupiah. The imposition of any such exchange controls may adversely affect the ability of AcrossAsia Group to exchange Indonesian Rupiah denominated revenue into United States dollar or other foreign currency denominated liabilities and may adversely affect AcrossAsia Group's financial condition.

(c) Interest Rate Risk

AcrossAsia Group's exposure to market risk for changes in interest rates relates primarily to its long term borrowing obligations and interest bearing assets.

AcrossAsia Group's policy is to manage its interest cost using a mixture of fixed and variable rate borrowings. At 31st December 2010, approximately 29% of AcrossAsia Group's interest-bearing borrowings were arranged at fixed rates.

Further details of interest rate risk of AcrossAsia Group are set out in Note 40 to the financial statements.

At 31st December 2010, if interest rates at that date had been 100 basis points lower/higher with all other variables held constant, consolidated loss (2009: profit) after tax for the year would have been HK$5,916,000 (2009: HK$6,242,000) lower/higher (2009: higher/lower), arising mainly as a result of lower/higher interest expense on bank and other borrowings.

41. FINANCIAL RISK MANAGEMENT (Continued)

(d) Liquidity Risk

AcrossAsia Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings, promissory notes, finance lease payables, other payables and balances with related companies. AcrossAsia Group's total borrowings and notes payable of approximately HK$220,057,000 and HK$217,442,000, respectively, at the end of the reporting period will mature in more than one year. Due to the dynamic nature of underlying business, AcrossAsia Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The following table sets out the amounts of contractual undiscounted cash flows, by maturity, of AcrossAsia Group's financial liabilities:

	Within one year *HK$'000*	In the second year *HK$'000*	In the third to fifth years, inclusive *HK$'000*	Total *HK$'000*
As at 31st December 2010				
Bank loans	**602,612**	**214,107**	**30,183**	**846,902**
Other borrowings	**54,528**	**–**	**–**	**54,528**
Notes payable	**7,162**	**–**	**354,533**	**361,695**
Finance lease payables	**9,840**	**15,132**	**8,893**	**33,865**
Due to a related company	**4,240**	**–**	**25,355**	**29,595**
Derivative financial instruments	**509**	**–**	**–**	**509**
Trade payables	**29,895**	**–**	**–**	**29,895**
As at 31st December 2009				
Bank loans	331,340	372,454	212,963	916,757
Other borrowings	41,149	–	–	41,149
Notes payable	250,121	2,431	–	252,552
Finance lease payables	25,873	14,007	732	40,612
Due to a related company	4,240	–	23,114	27,354
Trade payables	76,028	–	–	76,028

42. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the financial statements, AcrossAsia Group had the following transactions with its related parties during the year:

	AcrossAsia Group	
	2010	2009
	HK$'000	*HK$'000*
Service fees from distribution and maintenance of hardware equipment and software packages and service fees for technology solutions rendered to:		
– PT Lippo Karawaci Tbk	**753**	4,408
– PT Jakarta Globe Media	**833**	–
– PT Visionet Internationa	**638**	–
Rental income: from:		
– PT Lippo Karawaci Tbk	**–**	2,419
Marketing expenses charged by:		
– Avel Pty. Limited, Australia	**–**	3,985
Insurance expense charged by:		
– PT Lippo General Insurance	**630**	782

The related companies are, directly or indirectly, owned, controlled or influenced by the principal beneficial shareholder of the Company.

43. EVENTS AFTER THE REPORTING PERIOD

(a) Credit facility agreements

Subsequent to the end of the reporting period, AcrossAsia Group signed credit facility agreements with banks for credit facilities of up to approximately HK$190,171,000 in aggregate.

(b) Very substantial disposal

In March 2011, First Media, Link Net and First Media TV of Across Asia Group entered into a transaction which constitutes a very substantial disposal (as defined under the GEM Listing Rules) of the Company. As at 24th March 2011, an announcement has yet to be released by the Company.

44. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 24th March 2011.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of AcrossAsia Limited (the "Company") will be held at No. 4, Ground Floor, Lippo Centre, 89 Queensway, Hong Kong on Monday, 9th May 2011 at 10:00 a.m. for the following purposes:

1. To receive and adopt the audited Consolidated Financial Statements of the Company and its subsidiaries, the Report of the Directors and the Independent Auditor's Report for the year ended 31st December 2010.

2. To consider the re-election of the retiring Directors and to authorise the Board of Directors to fix the Directors' remuneration.

3. To consider the re-appointment of RSM Nelson Wheeler as the Auditor of the Company and to authorise the Board of Directors to fix its remuneration.

4. As special business, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

   A. "**THAT**:

      (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot or issue such shares in the capital of the Company or to make or grant any offers, agreements and/or options which would or might require shares in the capital of the Company to be issued, allotted or disposed of, be and is hereby generally and unconditionally approved;

      (b) the approval in paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and/or options (including rights to subscribe for or convert into shares), which might require the exercise of the powers to allot, issue and deal with additional shares in the capital of the Company after the end of the Relevant Period;

      (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any option granted under the Company's share option schemes or any other option, scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this Resolution, and the said approval shall be limited accordingly;

(d) for the purposes of this Resolution:–

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:–

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Company’s Memorandum and Articles of Association to be held; and

(iii) the authority set out in this Resolution being revoked or varied by way of ordinary resolution of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange); and

(e) the authority conferred by this Resolution shall be in substitution for all previous authorities granted to the Directors of the Company, except that it shall be without prejudice to and shall not affect the exercise of the power of the Directors of the Company pursuant to such authorities to allot additional shares of the Company up to and in accordance with the approval therein contained prior to the date of this Resolution.”

B. “**THAT**:

(a) subject to paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the capital of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Securities and Futures Commission, the Stock Exchange or any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this Resolution shall authorise the Directors of the Company, on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the Directors of the Company;

(c) the aggregate nominal amount of the shares which are authorised to be purchased by the Directors of the Company exercising the power pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:–

"Relevant Period" means the period from the passing of this Resolution until whichever is the earliest of:–

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Company's Memorandum and Articles of Association to be held; and

(iii) the authority set out in this Resolution being revoked or varied by way of ordinary resolution of the Company in general meeting."

C. "**THAT** conditional on the passing of Resolution 4B as set out in the notice convening this Meeting (the "AGM Notice") of which this Resolution forms a part, the general mandate granted to the Directors of the Company to allot and issue shares pursuant to Resolution 4A as set out in the AGM Notice be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors of the Company pursuant to such general mandate an amount representing the aggregate nominal amount of the shares in the share capital of the Company repurchased by the Company under the authority granted pursuant to the said Resolution 4B, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this Resolution."

By Order of the Board
Kelsch Woon Kun WONG
Company Secretary

Hong Kong, 31st March 2011

Head Office and Principal Place of
Business in Hong Kong:
Room 4302, 43rd Floor
Tower One
Lippo Centre
89 Queensway
Hong Kong

Notes:

1. *Any member entitled to attend and vote at the meeting is entitled to appoint one or more separate proxies to attend and vote instead of him. A proxy need not be a member of the Company. At the meeting, the chairman of the meeting will exercise his power under Article 80(a) of the Articles of Association of the Company to put each of the above Resolutions to the vote by poll.*

2. *To be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the Company's Head Office and Principal Place of Business in Hong Kong at Room 4302, 43rd Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting.*

3. *Delivery of a form of proxy shall not preclude a member from attending and voting in person at the meeting and in such event, the form of proxy shall be deemed to be revoked.*

AcrossAsia Limited