

ACROSS ASIA LIMITED

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

First Quarterly Report

2013

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

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This report, for which the Directors of AcrossAsia Limited (the “Company”) (namely, executive Director: Mr. Vicente Binalhay ANG; and independent non-executive Directors: Mr. Albert Saychuan CHEOK, Dr. Boh Soon LIM and Mr. Thomas Yee Man LAW) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

FIRST QUARTERLY REPORT 2013

For the three months ended 31st March 2013

HIGHLIGHTS

- AcrossAsia Group's turnover increased by 21.3% to HK\$317.1 million compared to HK\$261.3 million for the same period in 2012 mainly attributable to sustainable increase in demand for broadband Internet, data communication and cable TV services.
- AcrossAsia Group's gross profit increased by 11.8% to HK\$216.3 million from HK\$193.4 million for the same period in 2012 mainly as a result of additional demand for foregoing services.
- The gross profit margin reduced to 68.2% from 74.0% for the same period in 2012 mainly due to higher Internet access charges and cable TV programme fees incurred for meeting fast-growing demand for broadband Internet and cable TV services and higher rental for additional stations in Sitra 4G network.
- AcrossAsia Group recorded a loss from operations of HK\$7.5 million compared to a profit of HK\$14.2 million for the corresponding period in 2012.
- Total operating expenses (excluding other income and expenses) increased to HK\$230.7 million from HK\$192.2 million for the same period in 2012 mainly as a result of increase in depreciation charges, staff salaries and benefits to support Sitra 4G business and rapid growth of cable TV and broadband Internet services and material provision for legal fees mainly payable for the on-going litigations in Hong Kong and Indonesia.
- AcrossAsia Group recorded a loss attributable to the owners of the Company of HK\$48.1 million compared to HK\$18.0 million for the same period in 2012.

FIRST QUARTERLY RESULTS (UNAUDITED)

The Directors of AcrossAsia Limited (the “Company”) announce the unaudited condensed consolidated income statement and condensed consolidated statement of comprehensive income of the Company and its subsidiaries (collectively “AcrossAsia Group”) for the three months ended 31st March 2013 (the “Three-month Period”) together with comparative figures for the corresponding period ended 31st March 2012 as follows:

Condensed Consolidated Income Statement of AcrossAsia Group

| | Note | Three months ended 31st March | |
|---|------|----------------------------------|------------------|
| | | 2013 HK\$'000 | 2012 HK\$'000 |
| Turnover | 3 | 317,050 | 261,296 |
| Cost of services rendered | | (100,799) | (67,924) |
| Gross profit | | 216,251 | 193,372 |
| Interest income | | 8,180 | 9,775 |
| Other income | | — | 1,596 |
| Net exchange (losses)/gains | | (1,166) | 1,663 |
| Selling and distribution costs | | (26,967) | (23,885) |
| General and administrative expenses | | (203,760) | (168,313) |
| (Loss)/profit from operations | | (7,462) | 14,208 |
| Finance costs | | (18,333) | (9,176) |
| Share of results of associates | | 26 | — |
| (Loss)/profit before tax | | (25,769) | 5,032 |
| Income tax expense | 4 | (12,975) | (2,518) |
| (Loss)/profit for the period | | (38,744) | 2,514 |
| (Loss)/profit attributable to: | | | |
| Owners of the Company | 5 | (48,050) | (17,969) |
| Non-controlling interests | | 9,306 | 20,483 |
| | | (38,744) | 2,514 |
| Loss per share attributable to owners of the Company | | | |
| Basic (HK cents) | 5 | (0.95) | (0.35) |
| Diluted (HK cents) | 5 | N/A | N/A |

Condensed Consolidated Statement of Comprehensive Income of AcrossAsia Group

| | Three months ended 31st March | |
|--|----------------------------------|------------------|
| | 2013 HK\$'000 | 2012 HK\$'000 |
| (Loss)/profit for the period | (38,744) | 2,514 |
| Other comprehensive income: | | |
| Exchange differences on translating foreign operations | (17,822) | 13,777 |
| Total comprehensive income for the period | (56,566) | 16,291 |
| Total comprehensive income attributable to: | | |
| Owners of the Company | (52,432) | (1,107) |
| Non-controlling interests | (4,134) | 17,398 |
| | (56,566) | 16,291 |

Notes:

1. Basis of preparation and accounting policies

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosures required by the GEM Listing Rules. They should be read in conjunction with the Annual Report 2012 of the Company (the "Annual Report").

The accounting policies and methods of computation used in the preparation of such financial statements are consistent with those used in the Annual Report.

The audit committee has reviewed the unaudited condensed consolidated results of AcrossAsia Group for the Three-month Period.

2. Adoption of new and revised International Financial Reporting Standards

In the current period, 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 2013. IFRSs comprise International Financial Reporting Standards; International Accounting Standards; 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 period 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.

3. Turnover and segment information

| | Three months ended 31st March | |
|---|----------------------------------|------------------|
| | 2013 HK\$'000 | 2012 HK\$'000 |
| Subscription fees for cable television | 97,810 | 81,414 |
| Subscription fees for fast speed broadband Internet | 142,429 | 121,172 |
| Data communication | 33,009 | 28,132 |
| Media sales | 17,136 | 11,775 |
| Wireless broadband | 3,037 | 2,159 |
| Others | 23,629 | 16,644 |
| | 317,050 | 261,296 |

No segment information is presented for the Three-month Period and the corresponding period in 2012 as AcrossAsia Group only engages in the single operating segment of the provision of broadband network services, broadband Internet services and cable television services in Indonesia and all revenue, expenses, results, assets and liabilities and capital expenditures are predominately attributable to this single operating segment.

None of AcrossAsia Group's customers contributed 10% or more of AcrossAsia Group's revenue during the Three-month Period and the corresponding period in 2012 and accordingly, no major customer information is presented.

4. Income tax expense

| | Three months ended 31st March | |
|------------------------|----------------------------------|----------|
| | 2013 | 2012 |
| | HK\$'000 | HK\$'000 |
| Current tax – overseas | 31,018 | 26,398 |
| Deferred tax benefit | (18,043) | (23,880) |
| | 12,975 | 2,518 |

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 (2012: Nil).

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

The Company's subsidiaries incorporated and operating in Indonesia are subject to Indonesian income tax at a maximum rate of 25% of the individual entities' respective assessable profits in accordance with Indonesian income tax law.

5. Loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss attributable to owners of the Company for the Three-month Period of HK\$48,050,000 (2012: HK\$17,969,000) and 5,064,615,385 ordinary shares in issue for the Three-month Period and the corresponding period in 2012.

No diluted loss per share are presented as the Company did not have any dilutive potential ordinary share for the Three-month Period and the corresponding period in 2012.

6. Condensed Consolidated Statement of Changes in Equity of AcrossAsia Group

For the Three-month Period

| | Attributable to owners of the Company | | | | | Non-controlling interests | Total equity |
|---|---------------------------------------|---------------|---------------------|--------------------|----------|---------------------------|--------------|
| | Issued capital | Share premium | Translation reserve | Accumulated losses | Total | | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | | |
| At 1st January 2012 | 50,646 | 414,318 | (37,665) | (128,754) | 298,545 | 1,192,334 | 1,490,879 |
| Total comprehensive income for the period | — | — | 16,862 | (17,969) | (1,107) | 17,398 | 16,291 |
| At 31st March 2012 | 50,646 | 414,318 | (20,803) | (146,723) | 297,438 | 1,209,732 | 1,507,170 |
| At 1st January 2013 | 50,646 | 414,318 | (77,626) | (219,047) | 168,291 | 1,195,655 | 1,363,946 |
| Total comprehensive income for the period | — | — | (4,382) | (48,050) | (52,432) | (4,134) | (56,566) |
| At 31st March 2013 | 50,646 | 414,318 | (82,008) | (267,097) | 115,859 | 1,191,521 | 1,307,380 |

7. Litigation

The Hong Kong Court has fixed a further directions hearing on 13th June 2013 in respect of the garnishee proceedings in Hong Kong. Based on a legal opinion obtained from the Company's Hong Kong lawyer, the Board of Directors of the Company (the "Board") is of the view that there is a reasonable prospect of resisting the garnishee proceedings in Hong Kong.

Further, in respect of the Indonesian Bankruptcy Order, after the Company has filed a Petition for Cassation/Appeal against the Indonesian Bankruptcy Order, PT First Media Tbk ("First Media") filed a Cassation Counter Brief opposing the Company's appeal against the Indonesian Bankruptcy Order. The Company understands that the Central Jakarta District Court has forwarded all relevant documents to the Supreme Court of Indonesia in respect of the Company's appeal. The Supreme Court of Indonesia has yet to notify the Company of a date for their decision in respect of the Company's Appeal.

The Company has been informed by its Indonesian lawyer that at a final creditor's verification meeting held in Jakarta on 18th April 2013, it was confirmed by the Company's Indonesian Receivers and approved by the Supervisory Judge that the final sum accepted by the Indonesian Receivers as due to First Media is US\$46,774,403.

Based on legal opinions obtained from the Company's Hong Kong lawyer and Indonesian lawyer respectively, the Board is of the opinion that there is a reasonable prospect of resisting the garnishee proceedings in Hong Kong and that good grounds have been raised by the Company in the Petition for Cassation/Appeal against the Indonesian Bankruptcy Order pursuant to Indonesian laws.

Further, as stated in the Company's Annual Report 2012, the Company has been advised by the Company's Cayman Islands and Hong Kong lawyers that as no winding up order has been made in the Cayman Islands (the Company's place of incorporation) or Hong Kong where the Company is listed and where it maintains its principal place of business, the Board continues to have authority to act for the Company outside Indonesia as a matter of Hong Kong and Cayman Islands laws.

8. Events after the reporting period

Pursuant to the Company's profit warning announcement dated 30th April 2013, the Company has recorded a loss of approximately HK\$25.5 million arising from derecognition of listed warrants of the Company's subsidiary after such warrants' expiry on 3rd May 2013.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Three-month Period (2012: Nil).

FINANCIAL REVIEW

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

Turnover

AcrossAsia Group's turnover increased by 21.3% to HK\$317.1 million compared to HK\$261.3 million for the same period in 2012 mainly attributable to sustainable increase in demand for broadband Internet and data communication services by HK\$26.1 million in aggregate to HK\$175.4 million compared to HK\$149.3 million for the same period in 2012 and for cable TV services by HK\$16.4 million to HK\$97.8 million from HK\$81.4 million for the corresponding period in 2012.

Gross Profit

AcrossAsia Group's gross profit increased by 11.8% to HK\$216.3 million from HK\$193.4 million for the same period in 2012 mainly as a result of additional demand for foregoing services. The gross profit margin reduced to 68.2% from 74.0% for the same period in 2012 mainly due to higher Internet access charges and cable TV programme fees incurred for meeting fast-growing demand for broadband Internet and cable TV services of HK\$54.3 million (2012: HK\$43.1 million) and higher rental for additional stations in Sitra 4G network of HK\$32.2 million (2012: HK\$13.9 million).

Loss from Operations

AcrossAsia Group recorded a loss from operations of HK\$7.5 million compared to a profit of HK\$14.2 million for the corresponding period in 2012. Total operating expenses (excluding other income and expenses) increased to HK\$230.7 million from HK\$192.2 million for the same period in 2012 mainly as a result of increase in depreciation charges on property, plant and equipment of HK\$58.2 million (2012: HK\$46.9 million) and staff salaries and benefits of HK\$61.3 million (2012: HK\$56.4 million) to support Sitra 4G business and rapid growth of cable TV and broadband Internet services. In addition, AcrossAsia Group incurred a material provision for legal fees mainly payable for the ongoing litigations in Hong Kong and Indonesia of HK\$22.4 million (2012: HK\$4.8 million).

Loss attributable to Owners of the Company

AcrossAsia Group recorded a loss attributable to the owners of the Company of HK\$48.1 million compared to HK\$18.0 million for the same period in 2012.

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) and its subsidiaries (collectively "First Media Group") continued the growth trend in its services for the Three-month Period. First Media Group is the leading multimedia service provider in Indonesia offering 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 offering High-Definition TV programmes. With its major Triple-play services, namely FastNet,

HomeCable and DataComm, First Media Group offers a new edutainment and lifestyle of experience and high speed, 24/7 broadband Internet connectivity as well as digital quality pay-TV access to its valuable residential and business customers in Indonesia.

FastNet is an unlimited high-speed Internet access service offering a variety of connection speeds with smart values and best deals. The service is being enhanced and upgraded continuously. Packages offered currently range from 1.5 Mbps to 30 Mbps with minimum subscription fees at Rp350,000 per month. With 30 Mbps of unlimited access, First Media Group offers the fastest broadband Internet service in Indonesia. It sells premium packages to its target customers by leveraging on its exclusive access to high-end customer segments. First Media Group also provides innovative and content-protected FastNet KIDS packages for kids' Internet access. It also supports the Indonesia Government program called "Indonesia Connected" by expanding the coverage of cable Internet network to over 65 km per month.

HomeCable now offers a total of 102 SD (standard definition) channels of local and international TV plus 31 HD (high definition) channels (including exclusive HD channels) covering news, education, movies, lifestyle, entertainment, sports and music for various demographic groups of audience. Packages offered include HomeCable Family, HomeCable Family Plus, HomeCable Ultimate, Sport Channels and attractive selection packs/add-ons with a minimum subscription fee at Rp90,000 per month, depending on the number of channels/selections.

DataComm services provide excellent connectivity and availability for decision making process and business continuity. DataComm continues to serve the demand from corporate customers for high reliability connection using the latest technology of fibre optic cable. The Metro Ethernet technology applied in the network backbone gives the corporate customers simple and flexible technology to adapt. Through its DataComm business, First Media Group remains as the market leading provider of high capacity and high speed data communications solutions to its commercial subscribers with advanced technology in coverage of key commercial office buildings and hotels in Jakarta region. DataComm has been the sole network provider to the Indonesia Stock Exchange for its JATS-Remote Trading for over ten years now. As at 31st March 2013, total corporate subscribers were 862 and total links were 1,345.

During the Three-month Period, First Media Group continued to roll out its HFC network and improve its services and customer satisfaction. It also conducted marketing campaigns to promote its service offerings and introduced more channels and packages as aforesaid to meet market needs.

First Media Group is pursuing second-phase network coverage expansions. During the Three-month Period, it has added over 48,693 home pass to its HFC network. By the end of March 2013, its fibre optic cable reached over 6,227 km whilst its coaxial cable network reached over 8,193 km, passing more than 981,500 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. As at 31st March 2013, the number of cable TV subscribers and broadband Internet subscribers continued their increase trend reaching over 279,000 and over 304,907 respectively.

First Media Group is rolling out its high speed 4G wireless broadband Internet service "Sitra 4G" to cope with rising demand for mobile data service while monitoring the associated risks caused by the prevailing laws in Indonesia which have not managed to stimulate the development of the business. Sitra 4G introduced portable modem (MiniME), which makes it easier for the public to connect with social media, conduct e-commerce transactions, communicate, uploading and downloading information, images and videos, as well as watching video streaming and live streaming. The network already covers some prominent areas in Jabodetabek (Jakarta, Bogor, Depok, Tangerang and Bekasi). Sitra 4G is expanding its subscriber base and has devised a series of marketing activities to boost the revenue.

First Media Group is also developing new businesses such as BeritaSatu News Channel, film TV and advertisement content. BeritaSatu, a news channel which is unaffiliated to any political party, aims at providing accurate and independent news and information to the public. It is the first news channel to be broadcasted in HD quality through the HomeCable live and the Internet. Right after its launch, BeritaSatu has become the main choice of HomeCable pay-TV network subscribers. It will continue to expand its audience by cooperation with several local TVs in big cities in Indonesia and other pay-TV's.

Content becomes an important element in megamedia business as it can be delivered through TV network services and the Internet. First Media Group, is therefore continuing to develop and increase the quality of its content by producing advertising materials and cinema movies, and developing film TV and new channels for music, health and others.

PROSPECTS

Indonesia is expected to maintain its momentum in economic growth in 2013 as evidenced by the strong domestic consumption and record-high foreign direct investment for the Three-month Period. On the back of such positive trends and the expanding middle-class in Indonesia which is AcrossAsia Group's main target customer base for its Quadruple-play megamedia businesses, AcrossAsia Group will continue to strengthen and diversify such businesses.

DISCLOSURE OF INTERESTS IN SECURITIES

Directors and Chief Executive

As at 31st March 2013, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares (in respect of positions held pursuant to equity derivatives) and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as notified to the Company and the Stock Exchange under Rule 5.46 of the GEM Listing Rules or as otherwise required by Rule 23.07 of the GEM Listing Rules were as follows:

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

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

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

Long Position in Underlying Shares of the Company and Associated Corporations

(i) *Physically settled equity derivatives*

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

(ii) *Cash settled and other equity derivatives*

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

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

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

Substantial Shareholders

As at 31st March 2013, 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 ("Lippo Cayman") | 3,669,576,788 | 72.45 |
| Lanius Limited ("Lanius") | 3,669,576,788 | 72.45 |
| Dr. Mochtar RIADY ("Dr. Riady") | 3,669,576,788 | 72.45 |
| Madam Lidya SURYAWATY ("Madam Suryawaty") | 3,669,576,788 | 72.45 |

Notes:

The shares of the Company were held by direct and indirect wholly-owned subsidiaries (including Cyport Limited and its wholly-owned subsidiary, Grandhill Asia Limited) of Lippo Cayman and Mideast Pacific Strategic Holdings Limited in which Lippo Cayman controlled a

30% interest. Lanius was the registered shareholder of the entire issued share capital of Lippo Cayman. Lanius is the trustee of a discretionary trust, which was founded by Dr. Riady who does not have any interest in the shares of Lanius. The beneficiaries of the trust include his family members.

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

Long Position in Underlying Shares of the Company

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

Short Position in Shares and Underlying Shares of the Company

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

Other Persons

As at 31st March 2013, 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.

COMPETING INTERESTS

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

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

AUDIT COMMITTEE

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

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

By Order of the Board
Vicente B. ANG
Director and Chief Executive Officer

Hong Kong, 7th May 2013