



ACROSS ASIA LIMITED

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

First Quarterly Report 2015

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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.

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FIRST QUARTERLY REPORT 2015

For the three months ended 31st March 2015

HIGHLIGHTS

- AcrossAsia Group's turnover increased by 28% to HK\$487.9 million compared to HK\$381.3 million for the same period in 2014, mainly contributed by the growth of its existing businesses and the acquisition of new wireless and cinema businesses in the fourth quarter of 2014.
- Internet and cable TV subscribers increased by 4% in the first quarter of 2015 and cable coverage has now surpassed 1,489,000 homes.
- AcrossAsia Group's gross profit decreased by 21.8% to HK\$237.5 million from HK\$303.9 million and its gross margin decreased to 48.7% from 79.7% for the same period in 2014, mainly attributable to the high costs of tower rental following the acquisition of the wireless business and providing complimentary communication devices to increase market share of this business.
- AcrossAsia Group recorded a loss from operations of HK\$177.3 million compared to a profit of HK\$105.6 million for the same period in 2014, mainly due to a decrease in gross profit, amortisation of intangible assets and the high marketing and operating costs of the newly acquired wireless and cinema businesses. The Group also incurred exchange losses arising from its substantial Indonesian currency denominated assets.
- Overall, AcrossAsia Group recorded a loss attributable to the owners of the Company of HK\$81.4 million compared to a profit of HK\$3.5 million for the same period in 2014.
- The AcrossAsia Group continues to be burdened by the high legal costs arising from its litigations in Hong Kong and Indonesia and the weak Indonesian currency.

FIRST QUARTERLY RESULTS (UNAUDITED)

The Directors of AcrossAsia Limited (the "Company") announce the unaudited condensed consolidated statement of profit or loss and condensed consolidated statement of profit or loss and other comprehensive income of the Company and its subsidiaries (collectively "AcrossAsia Group") for the three months ended 31st March 2015 (the "Three-month Period") together with comparative figures for the corresponding period ended 31st March 2014 as follows:

Condensed Consolidated Statement of Profit or Loss of AcrossAsia Group

	Note	Three months ended 31st March	
		2015 HK\$'000	2014 HK\$'000
Turnover	3	487,887	381,299
Cost of sales and services rendered		(250,402)	(77,387)
Gross profit		237,485	303,912
Interest income		3,304	2,548
Net exchange (losses)/gains		(63,814)	18,151
Selling and distribution costs		(52,327)	(28,857)
General and administrative expenses		(301,898)	(190,113)
(Loss)/profit from operations		(177,250)	105,641
Finance costs		(24,981)	(19,030)
Share of results of associates		(8,910)	(4,624)
(Loss)/profit before tax		(211,141)	81,987
Income tax expense	4	(30,797)	(34,031)
(Loss)/profit for the period		(241,938)	47,956
(Loss)/profit attributable to:			
Owners of the Company	5	(81,403)	3,523
Non-controlling interests		(160,535)	44,433
		(241,938)	47,956
(Loss)/profit per share attributable to owners of the Company			
Basic (HK cents)	5	(1.61)	0.07
Diluted (HK cents)	5	N/A	N/A

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income of AcrossAsia Group

	Three months ended 31st March	
	2015 HK\$'000	2014 HK\$'000
(Loss)/profit for the period	(241,938)	47,956
Other comprehensive income:		
<i>Item that may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	(168,828)	84,464
Total comprehensive income for the period	(410,766)	132,420
Total comprehensive income attributable to:		
Owners of the Company	(117,009)	19,856
Non-controlling interests	(293,757)	112,564
	(410,766)	132,420

Notes:

1. Basis of preparation and accounting policies

The unaudited condensed consolidated statement of profit or loss and condensed consolidated statement of profit or loss and other comprehensive income (the "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 2014 of the Company (the "Annual Report").

The accounting policies and basis of preparation adopted in the preparation of the Financial Statements are consistent with those used in the Annual Report.

The audit committee has reviewed the Financial Statements of AcrossAsia Group for the Three-month Period.

The Financial Statements have been prepared on a consolidated and going concern basis.

Consolidation of results of PT First Media Tbk (“First Media”)

As disclosed in previous announcements, First Media, a 55.1% owned subsidiary of the Company, brought proceedings against the Company in Indonesia to recover the debt due under a facility agreement. On 5th March 2013, the Indonesian Court issued a bankruptcy order (the “Indonesian Bankruptcy Order”) against the Company. On the same date, the Indonesian Court appointed three Indonesian receivers as receivers and curators of the Company, in bankruptcy (the “Receivers”).

Whilst the Board of Directors recognises that the appointment of the Receivers may have incapacitated the Company, the Board of Directors are of the view that until the due legal process in Indonesia has run its course, including the decision of the Judicial Review, it would be premature for the Company to deconsolidate First Media.

The Company’s Board of Directors has been advised by its Indonesian lawyer that as the Company is still the registered owner of 55.1% shares in First Media, the Company is therefore the parent company and First Media remains a subsidiary of the Company. In addition, in the financial statements of First Media, First Media regards the Company as its parent company by reason of its shareholding and thus the relationship has not changed. Furthermore, even after the Receivers were appointed, the Company’s Board of Directors has been given full access to the books and records of First Media for purposes of preparation of the consolidated financial statements. The Board of Directors believes that for the time being until the Indonesian legal process runs its course, a consolidated basis of financial reporting represents the present picture to shareholders of their investment in First Media through their shareholdings in the Company.

In view of the above, the Board of Directors considers that it would still be appropriate to continue for the time being to prepare the Company’s financial statements on a consolidated basis pending final determination of all litigations in Hong Kong and Indonesia.

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 2015. 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.

In addition there are new IFRSs that have been issued but are not yet effective. AcrossAsia Group has not applied these new IFRSs. However, 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.

With respect to the application of IFRS 10 “Consolidated Financial Statements”, the Annual Report provides a full explanation, including the Directors’ view of the matter.

3. Turnover

	Three months ended 31st March	
	2015 HK\$'000	2014 HK\$'000
Subscription fees for cable television	130,110	117,973
Subscription fees for broadband Internet and network services	275,230	182,318
Sale of communication devices	35,212	—
Media sales	11,756	13,768
Others	35,579	67,240
	487,887	381,299

4. Income tax expense

	Three months ended 31st March	
	2015 HK\$'000	2014 HK\$'000
Current tax — overseas	32,841	32,875
Deferred tax (benefit)/expense	(2,044)	1,156
	30,797	34,031

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 (2014: 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)/Profit per share

The calculation of basic (loss)/profit 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\$81,403,000 (2014: profit of HK\$3,523,000) and 5,064,615,385 ordinary shares in issue for the Three-month Period and the corresponding period in 2014.

No diluted (loss)/profit per share is presented as the Company did not have any dilutive potential ordinary share for the Three-month Period and the corresponding period in 2014.

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

For the Three-month Period

	Attributable to owners of the Company							Total equity
	Issued capital	Share premium	Translation reserve	(Accumulated losses)/ retained profits	Total	Non-controlling interests		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1st January 2014	50,646	414,318	(144,775)	(380,708)	(60,519)	987,303	926,784	
Total comprehensive income for the period	—	—	16,333	3,523	19,856	112,564	132,420	
At 31st March 2014	50,646	414,318	(128,442)	(377,185)	(40,663)	1,099,867	1,059,204	
At 1st January 2015	50,646	414,318	(174,919)	144,752	434,797	2,808,815	3,243,612	
Total comprehensive income for the period	—	—	(35,606)	(81,403)	(117,009)	(293,757)	(410,766)	
At 31st March 2015	50,646	414,318	(210,525)	63,349	317,788	2,515,058	2,832,846	

7. Segment Information

AcrossAsia Group has four reportable segments as follows:

Multimedia services and broadband network services	—	provision of multimedia distribution and broadband internet services
Broadband wireless services	—	provision of broadband wireless services
Cinema services	—	provision of film and video recording and cinema services
Others	—	provision of telecommunication and other services

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.

AcrossAsia Group's other operating segments include the provision of telecommunication and other services. None of these segments meets any of the quantitative thresholds for determining reportable segments. The information of these other operating segments is included in the "others" column.

The accounting policies of the reportable segments are the same as those described in Note 1 to the financial statements. Segment profits or losses do not include share of losses of associates, interest income, finance costs and corporate administrative expenses.

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



Information about reportable segments' profit or loss:

	Multimedia services and broadband network services <i>HK\$'000</i>	Broadband wireless services <i>HK\$'000</i>	Cinema services <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Three months ended					
31st March 2015					
Revenue from external customers	353,985	106,430	11,787	15,685	487,887
Intersegment revenue	7,931	48,129	—	3,161	59,221
Segment profit/(loss)	95,780	(282,235)	(17,375)	(4,813)	(208,643)
Interest revenue	2,106	1,100	16	81	3,303
Interest expense	1,400	18,493	3,608	805	24,306
Depreciation and amortisation	64,548	101,683	3,854	1,983	172,068
Income tax expense/(credit)	31,587	(790)	—	—	30,797
Three months ended					
31st March 2014					
Revenue from external customers	323,716	49,021	—	8,562	381,299
Intersegment revenue	667	6,044	—	3,794	10,505
Segment profit/(loss)	97,415	(13,616)	—	(4,624)	79,175
Interest revenue	2,447	64	—	34	2,545
Interest expense	2,827	12,127	—	836	15,790
Depreciation and amortisation	57,844	12,783	—	1,266	71,893
Income tax expense	31,891	2,140	—	—	34,031

Reconciliations of segments' revenue and profit or loss:

	Three months ended 31st March	
	2015 HK\$'000	2014 HK\$'000
Revenue		
Total revenue of reportable segments	547,108	391,804
Elimination of intersegment revenue	(59,221)	(10,505)
Consolidated revenue	487,887	381,299
Profit or loss		
Total profit or loss of reportable segments	(208,643)	79,175
Share of losses of associates	(8,910)	(4,624)
Interest income	3,304	2,548
Finance costs	(24,981)	(19,030)
Corporate administrative expenses	(2,708)	(10,113)
Consolidated (loss)/profit for the period	(241,938)	47,956

Geographical information

All the revenue generated by AcrossAsia Group for the two periods ended 31st March 2015 and 2014 was attributable to customers based in Indonesia. Accordingly, no geographical analysis is presented.

Revenue from major customers

Revenue from one customer of AcrossAsia Group's broadband wireless services segment represented approximately Nil (2014: HK\$47,900,000) or Nil (2014: 12.6%) of AcrossAsia Group's total revenue.

8. Litigation

Garnishee and related proceedings

There has not been much development in the legal proceedings in which the Company is directly involved since the litigation note in the Company's 2014 Annual Report. The Company sets out below the updates and relevant announcements made previously for shareholders' easy reference.

Hong Kong Garnishee Proceedings

Reference is made to the Company's announcements of 25th June 2014, 18th February 2015, 24th February 2015, 4th March 2015, 12th May 2015 and 7th July 2015.

On 25th June 2014, the Court of Appeal dismissed the application by Astro All Asia Networks Plc and its affiliated companies (the "Astro Group") for leave to appeal against the order of the Honourable Madam Justice Chan dated 24th January 2014 ("Unconditional Stay of Execution") granting an unconditional stay of execution of the garnishee order absolute dated 31st October 2013 ("Garnishee Order Absolute") pending determination of the application by First Media to set aside the judgment dated 9th December 2010 ("First Media's Hong Kong Setting Aside Application"). The judgment dated 9th December 2010 ("Astro's Judgment") was entered by the Astro Group against First Media in Hong Kong to enforce five arbitration awards made by the Singapore International Arbitration Centre ("SIAC Awards"). The Court of Appeal in dismissing the Astro Group's application for leave to appeal, further ordered that the Astro Group may not apply for an oral hearing to reconsider the application for leave to appeal and costs were assessed summarily at HK\$100,000 payable by the Astro Group to the Company. In its decision dated 25th June 2014, the Court of Appeal expressed that:

"In our view it will indeed be remarkable if, despite the Singapore Court of Appeal judgment on the invalidity of the arbitration awards, Astro will still be able to enforce a judgment here based on the same arbitration awards that were made without jurisdiction."

On 9th July 2014, Astro paid the said costs of HK\$100,000.

First Media's Setting Aside Application was heard by the Hong Kong Court from 8th to 11th December 2014 and on 17th February 2015, the Hong Kong Court delivered its decision dismissing First Media's Setting Aside Application (the "Decision"). On 2nd March 2015, First Media filed three summonses seeking amongst other things, for directions whether leave to appeal is required in respect of the Decision and for leave if so required, variation of the costs order and an extension of the Unconditional Stay of Execution until determination of First Media's appeal to the Court of Appeal against the Decision. All three of First Media's summonses have been fixed for hearing on 20th October 2015.

On 4th March 2015, the Company filed a summons ("the Company's Stay Application") seeking an order for an extension of the Unconditional Stay of Execution (or a new stay of execution of the Garnishee Order Absolute) pending final determination of the Company's appeal filed on 27th November 2013 against the Garnishee Order Absolute

("its Appeal") and/or final determination of any appeal brought by First Media against the Decision. The Company's Stay Application was on 16th March 2015 ordered by the Honourable Madam Justice Chan to be consolidated with First Media's aforesaid three summonses to be heard together on the same day and in the meantime, the Company has been granted an Interim Stay of Execution of the Garnishee Order Absolute dated 31st October 2013 pending substantive hearing of the Company's Stay Application. On 30th March 2015, the Company's Stay Application has been fixed for substantive hearing on 20th October 2015.

On 4th March 2015, the Company has filed a supplementary (amended) notice of appeal in respect of its Appeal. As noted in the Company's 2014 Annual Report, the Company will seek the first available Court of Appeal date for hearing of its Appeal. On 5th June 2015, the Company has filed an Application to the Hong Kong Court of Appeal to fix a hearing date for its Appeal and the Application came up for Directions hearing on 6th July 2015. After hearing counsels representing the Company, Astro and First Media, the Master of the Court of Appeal reserved judgment for a later date to be advised.

Singapore Court of Appeal's Decision

Reference is made to the Company's announcements dated 4th and 28th November 2013. As would be recalled, the Singapore Court of Appeal has on 31st October 2013, allowed First Media's appeal against the enforcement of the SIAC Awards. The Singapore Court of Appeal decided that all the SIAC Awards which the Astro Group is seeking to enforce against First Media are not enforceable against First Media, save for the award for the sum of US\$608,176.54, GBP22,500 and S\$65,000 in favour of the 1st to 5th Astro Group parties only, and that the Astro Group shall pay First Media's costs for the Singapore Court of Appeal hearing and the Singapore Court hearing below. As the parties were unable to agree on the terms of the order to be drawn up pursuant to the Singapore Court of Appeal's decision dated 31st October 2013, the Astro Group and First Media sought assistance from the Singapore Court of Appeal. In its decision on 11th September 2014, the Singapore Court of Appeal reiterated its decision dated 31st October 2013 that the joinder of the 6th to 8th Astro Group parties to the arbitration by the arbitration tribunal was improper and as a consequence, all the SIAC Awards were unenforceable by the 6th to 8th Astro Group parties as against First Media. The Court of Appeal further confirmed the terms of the order that only the sums of US\$608,176.54, GBP22,500 and S\$65,000 are payable by First Media to the Astro Group. As would be recalled, as stated in the Company's update announcement dated 28th November 2013, the said sums have been fully paid by First Media. Accordingly there is no longer any further payment due by First Media to the Astro Group under the SIAC Awards. Further, First Media has applied to the Singapore Court for assessment of legal costs of the Singapore Court proceedings

including the appeal to be paid by the Astro Group to First Media. The Singapore Court had on 4th November 2014 awarded First Media with costs and disbursements of S\$392,196.12. Astro Group and First Media have on 18th November 2014 lodged their respective appeals against the order dated 4th November 2014 awarding the said costs and disbursements of S\$392,196.12. The appeals against the costs awarded are fixed for hearing on 22nd October 2015. In addition, First Media has applied to the Singapore High Court for assessment of damages to be paid by the Astro Group to First Media arising from the Mareva Injunction obtained by the Astro Group against First Media during the course of the Singapore Court proceedings. The Singapore Court had on 20th January 2014 confirmed that the Mareva Injunction ceased to be effective from 31st October 2013. The application for assessment of damages has been fixed for hearing on 31st August 2015.

As noted in the Company's 2014 Annual Report, the Board believes that the Singapore Court of Appeal's decision dated 11th September 2014 is highly favorable to First Media as it is clear that First Media no longer needs to make any further payment to the Astro Group under the SIAC Awards.

Appeal against Indonesian Bankruptcy Order

Reference is made to the Company's 2014 Annual Report. The Company has still yet to receive an official notice of dismissal of the Company's appeal to the Supreme Court of Indonesia (the "Appeal") against the Indonesian bankruptcy order made against the Company on 5th March 2013 (the "Indonesian Bankruptcy Order"). The Company's Indonesian lawyer has advised that the Company is entitled to make a final appeal (which can only be made after the receipt of an official notice of dismissal from the Supreme Court of Indonesia) by way of a petition for judicial review against the decision of the Supreme Court of Indonesia of 31st July 2013 (the "Judicial Review").

As stated in the Company's 2014 Annual Report, based on a legal opinion obtained from the Company's Indonesian lawyer, the Directors of the Company are of the opinion that there are good grounds for the Judicial Review against the Indonesian Bankruptcy Order to be successful. If the Company's Judicial Review is successful, the Indonesian Bankruptcy Order will be set aside.

The Company has sought further legal opinion from its Indonesian lawyers with regards other avenue(s) if any, that the Company may pursue to lodge the Company's petition for Judicial Review in view of the long delay in obtaining official notification of dismissal of the Appeal from the Supreme Court of Indonesia. However, the Company has been advised that the Company would have to wait until obtaining official notification of the dismissal of its Appeal together with a judgment before lodging its petition for Judicial Review.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Three-month Period (2014: Nil).

FINANCIAL REVIEW

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

Turnover

AcrossAsia Group's turnover increased by 28% to HK\$487.9 million compared to HK\$381.3 million for the same period in 2014 mainly contributed by the increase in demand for broadband Internet and network services by HK\$92.9 million to HK\$275.2 million compared to HK\$182.3 million in the same period in 2014 and cable TV services by HK\$12.1 million to HK\$130.1 million compared to HK\$118.0 million in the same period in 2014.

Gross Profit

AcrossAsia Group's gross profit decreased by 21.8% to HK\$237.5 million from HK\$303.9 million and its gross profit margin decreased to 48.7% from 79.7% for the same period in 2014 mainly attributable to the high costs of tower rental following the acquisition of the wireless business and subscriber acquisition costs of providing complimentary communication devices to increase market share of this business.

Profit from Operations

AcrossAsia Group recorded a loss from operations of HK\$177.3 million compared to a profit of HK\$105.6 million for the same period in 2014 mainly due to the amortisation of intangible assets of and the high marketing and operating costs of the newly acquired wireless and cinema businesses, and exchange losses of HK\$63.8 million (2014: gains of HK\$18.2 million). Total operating expenses (excluding other income and expenses) increased to HK\$354.2 million from HK\$219.0 million for the same period in 2014.



Profit attributable to Owners

AcrossAsia Group recorded a loss attributable to the owners of the Company of HK\$81.4 million compared to a profit of HK\$3.5 million for the same period in 2014.

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") maintained its growth momentum. First Media Group is the unrivalled 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 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 which has allowed for higher subscription rates to be charged. Packages offered currently range from 30 Mbps to 100 Mbps with minimum subscription fees at Rp2,035,000 per month. With 100 Mbps of unlimited access, First Media Group offers the fastest truly broadband Internet service in Indonesia. It has the unique opportunity to sell premium products to its target customers by leveraging its ready access to high-end customer segments. First Media Group also takes care of kids' Internet needs by providing innovative and content protected FastNet KIDS packages.

HomeCable now offers a total of 117 SD (standard definition) channels of local and international TV plus 65 HD (high definition) channels covering news, education, movies, lifestyle, entertainment, sports and music channels. Packages offered include HomeCable Ultimate HD and attractive selection packs/add-ons with minimum subscription fees at Rp389,000 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. DataComm uses “Metro Ethernet technology” as the network backbone to allow corporate customers simple and flexible connectivity. Through its DataComm business, First Media Group remains the market leader of high capacity and high speed data communications solutions with its use of cutting-edge technology in the 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.

First Media Group continues to focus on improving its services and customer satisfaction in order to grow its customer base as well as expanding its infrastructure to cover untapped areas. The results have been continued growth of its customer base, and the strengthening of the dominance of its major Triple-play megamedia services. The First Media Group has implemented marketing campaign to promote its expanding service offerings.

First Media Group’s second-phase network coverage expansion is underway. As at 31st March 2015, it has added over 57,000 home pass to its HFC network. By 31st March 2015, HFC Network passed more than 1,489,000 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. As at 31st March 2015, the number of cable TV subscribers and broadband Internet subscribers continued their increase trend reaching over 377,000 and over 406,000 respectively. The network already covers the prominent areas of Jabodetabek (Jakarta, Bogor, Depok, Tangerang and Bekasi), Surabaya and Bandung.

First Media Group continues rollout high speed BWA (Broadband Wireless Access) service business, which adopted the technology of 4G LTE-TDD (Long Term Evolution — Time Division Duplex) with trademark Bolt! Super 4G LTE. This step was taken to address the needs of a dynamic modern society in the digital edge, especially in the capital city of Jakarta, to provide reliable as well as economical access to high speed mobile internet. Until now First Media Group already has a network of 3,000 BTS (Based Transceiver Station) spread



across the prominent areas of Jabodetabek. As part of its future plan, First Media Group will add 1,000 BTS, also in-building network solution in 50 buildings at the end of 2015.

Berita Satu as a news content service provider is broadcasted through the HomeCable with HD broadcast quality. Right after its broadcast, Berita Satu has become the main choice for HomeCable pay-TV network subscribers in searching for the best and balanced information.

First Media Group is also developing new businesses such as cinema, infrastructure, in-building network solution and also calling card business.

PROSPECTS

Indonesia's economic growth during the Three-month Period was mainly due to strong domestic consumption and foreign and domestic investment. This positive trend is expected to continue through 2015 with Indonesia expected to lead Southeast Asian countries in GDP growth. The substantial expansion and enhancement of AcrossAsia Group's broadband Internet, cable TV and the 4G service networks and services in 2014 will facilitate higher penetration rates and further growth of its customer base.

First Media Group plans to develop other businesses either from the existing portfolio as well as from other potential business opportunities by staying focused on developing the technology, multimedia and telecommunications ("TMT") business, as all these three areas are interrelated. First Media Group should not only focus just on one business field, but the Company should also strengthen the structure of the Company in the TMT area.

DISCLOSURE OF INTERESTS IN SECURITIES

Directors and Chief Executive

As at 31st March 2015, 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 2015, 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%
Cyport Limited	3,169,094,788	62.57%
Lippo Cayman Limited (“Lippo Cayman”)	3,669,576,788	72.46%
Dr. Mochtar RIADY (“Dr. Riady”)	3,669,576,788	72.46%
Madam Lidya SURYAWATY (“Madam Suryawaty”)	3,669,576,788	72.46%

Notes:

1. Lippo Cayman is the wholly-owned subsidiary of Lanius Limited. Lanius Limited is the trustee of a discretionary trust, which was founded by Dr. Riady who does not have any interest in the shares of Lanius Limited. The beneficiaries of the trust include his family members of Dr. Riady. Dr. Riady and his wife, Madam Suryawaty, are taken to be interested in the Shares that Lanius Limited is interested under the provisions of the SFO.
2. Lippo Cayman holds in aggregate 3,669,576,788 Shares, representing approximately 72.46% issued share capital of the Company, through its wholly-owned subsidiaries.
3. Cyport Limited has direct beneficial interest in 2,669,094,788 Shares.

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 2015, 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 three times 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, 10 July 2015