ACROSSASIA LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8061)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

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.

This announcement, 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. Kwong Yiu MAK) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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HIGHLIGHTS

The results of Multipolar Group which operates Retail and IT Solutions ceased to be accounted for in the consolidated results of AcrossAsia Group following the distribution by the Company of its shareholdings in Multipolar.

Continuing Operations :

- AcrossAsia Group recorded an increase in revenue of 25.3% to HK$537.1 million compared to HK$428.5 million in 2008.
- AcrossAsia Group's gross profit increased by 44.0% to HK$320.2 million from HK$222.4 million in 2008.
- Profit margin increased to 59.6% from 51.9% for 2008 due to a rapid growth of Internet service subscribers with existing capacity.
- AcrossAsia Group turned to a profit from operations of HK$225.1 million from a loss from operations of HK$112.7 million for 2008.
- Total operating expenses (excluding other income and expenses) increased to HK$312.2 million from HK$240.4 million in 2008.
- AcrossAsia Group recorded a profit attributable to owners of the Company of HK$129.0 million (2008 : loss of HK$85.8 million).

Discontinued Operations :

- AcrossAsia Group recorded a profit attributable to owners of the Company from discontinued operations of HK$33.3 million (2008 : loss of HK$33.8 million).

ANNUAL RESULTS

The Directors of the Company are pleased to announce the following audited consolidated Income Statement, Statement of Comprehensive Income and Statement of Financial Position (collectively the "Financial Statements") of the Company and its subsidiaries (collectively "AcrossAsia Group") for the year ended 31st December 2009 ("2009") together with audited comparative figures for the year ended 31st December 2008 ("2008").

Audited Consolidated Income Statement

	Note	2009 HK$'000	2008 HK$'000 (Restated)
Continuing operations			
Turnover	5	**537,147**	428,548
Cost of sales and services rendered		**(216,900)**	(206,107)
Gross profit		**320,247**	222,441
Other income		**379**	4,354
Waiver of other payables		**135,403**	-
Fair value loss on derivative financial instruments		**-**	(18,936)
Net foreign exchange gains/(losses)		**81,210**	(80,079)
Selling and distribution costs		**(36,759)**	(49,815)
General and administrative expenses		**(275,400)**	(190,618)
Profit/(loss) from operations		**225,080**	(112,653)
Finance costs	6	**(65,486)**	(53,194)
Profit/(loss) before tax		**159,594**	(165,847)
Income tax (expense)/credit	7	**(21,672)**	28,760
Profit/(loss) for the year from continuing operations		**137,922**	(137,087)
Discontinued operations			
Profit/(loss) for the year from discontinued operations	8	**159,515**	(88,271)
Profit/(loss) for the year	9	**297,437**	(225,358)
Attributable to:			
Owners of the Company		**162,234**	(119,656)
Minority interests		**135,203**	(105,702)
		297,437	(225,358)
Earnings/(loss) per share	10		
From continuing and discontinued operations			
- basic (HK cents)		**3.20**	(2.36)
- diluted (HK cents)		N/A	N/A
From continuing operations			
- basic (HK cents)		**2.54**	(1.69)
- diluted (HK cents)		N/A	N/A

Audited Consolidated Statement of Comprehensive Income

	2009 HK$'000	2008 HK$'000
Profit/(loss) for the year	**297,437**	(225,358)
Other comprehensive income:		
Exchange differences on translating foreign operations	**36,076**	(452,859)
Fair value changes of available-for-sale financial assets	**21,799**	(53,606)
Cash flow hedges	**3,069**	(12,741)
Other comprehensive income for the year, net of tax	**60,944**	(591,206)
Total comprehensive income for the year	**358,381**	(744,564)
Attributable to:		
Owners of the Company	**186,950**	(212,346)
Minority interests	**171,431**	(532,218)
	358,381	(744,564)

Audited Consolidated Statement of Financial Position

	Note	**2009**	2008
		HK$'000	HK$'000
Non-current assets			
Property, plant and equipment		**946,240**	2,191,347
Investment properties		**-**	85,021
Interests in associates		**-**	16,239
Available-for-sale financial assets		**4,205**	92,618
Goodwill		**-**	161,491
Other intangible assets		**104,483**	69,674
Deferred tax assets		**18,847**	135,608
Non-current prepayments, deposits and receivables		**117,371**	1,864,956
		1,191,146	4,616,954
Current assets			
Inventories		**-**	729,233
Trade receivables	11	**69,738**	203,046
Prepayments, deposits and other current assets		**93,143**	543,395
Financial assets at fair value through profit or loss		**-**	1,049,703
Pledged bank deposits		**-**	98,813
Bank and cash balances		**28,591**	1,611,420
		191,472	4,235,610
TOTAL ASSETS		**1,382,618**	8,852,564

Audited Consolidated Statement of Financial Position (continued)

	Note	**2009 HK$'000**	2008 HK$'000
Capital and reserves			
Share capital	12	**506,462**	506,462
Reserves	12	**(567,826)**	(87,237)
Equity attributable to owners of the Company	12	**(61,364)**	419,225
Minority interests	12	**86,852**	1,904,252
Total equity	12	**25,488**	2,323,477
Non-current liabilities			
Provisions		**10,129**	116,335
Interest-bearing borrowings		**551,163**	2,272,332
Notes payable		**1,929**	74,907
Finance lease payables		**9,447**	30,576
Due to a related company		**23,114**	-
Derivative financial instruments		**-**	24,674
Non-current other payables		**-**	85,519
Deferred tax liabilities		**-**	10,555
		595,782	2,614,898
Current liabilities			
Provisions		**-**	30,520
Interest-bearing borrowings		**351,295**	498,106
Notes payable		**223,609**	1,067,308
Bonds payable		**-**	312,580
Finance lease payables		**24,329**	24,000
Due to related companies		**4,000**	6,578
Derivative financial instruments		**-**	147,698
Trade payables	13	**76,028**	985,679
Receipts in advance		**19,260**	34,887
Other payables and accruals		**61,602**	805,975
Current tax payable		**1,225**	858
		761,348	3,914,189
Total liabilities		**1,357,130**	6,529,087
TOTAL EQUITY AND LIABILITIES		**1,382,618**	8,852,564
Net current (liabilities)/assets		**(569,876)**	321,421
Total assets less current liabilities		**621,270**	4,938,375

Note :

1. Basis of preparation

The Financial Statements include the financial statements of the Company and its subsidiaries for 2009. Subsidiaries are consolidated from the date on which control is transferred to AcrossAsia Group and cease to be consolidated from the date on which control is transferred out of AcrossAsia Group. The results of subsidiaries acquired or disposed of, if any, during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within AcrossAsia Group have been eliminated on consolidation.

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments which are carried at their fair values.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

2. Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and the applicable disclosures required by the GEM Listing Rules and the Hong Kong Companies Ordinance.

The audit committee has reviewed the Financial Statements.

3. Adoption of new and revised IFRSs

In 2009, AcrossAsia Group has adopted all the new and revised International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board. 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 substantial changes to AcrossAsia Group's accounting policies and amounts reported for the current year and prior years except as stated below.

(a) **Presentation of Financial Statements**

IAS 1 (Revised) "Presentation of Financial Statements" affects certain disclosures and presentation of the financial statements. The balance sheet is renamed as the statement of financial position and the cash flow statement is renamed as the statement of cash flows. All income and expenses arising from transactions with non-owners are presented in the income statement and statement of comprehensive income, and the total carried to the statement of changes in equity. The owner changes in equity are presented in the statement of changes in equity. IAS 1 (Revised) also requires disclosures of the reclassification adjustments and tax effects relating to each component of other comprehensive income for the year. IAS 1 (Revised) has been applied retrospectively.

(b) **Operating Segments**

IFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of AcrossAsia Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. Previously, IAS 14 "Segment Reporting" required an entity to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's 'system of internal financial reporting to key management personnel' serving as the starting point for the identification of such segments. IFRS 8 results in a redesignation of AcrossAsia Group's reportable segments, but has had no impact on the reported results or financial position of AcrossAsia Group. IFRS 8 has been applied retrospectively.

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. Going concern basis

AcrossAsia Group had net current liabilities and net liabilities of approximately HK$569,876,000 and HK$61,364,000, respectively, as at 31st December 2009. Please refer to paragraph (i) in the section "MODIFICATIONS TO THE INDEPENDENT AUDITOR'S REPORT".

5. Segment information

(a) 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 'Retail' segment primarily engages in retail operations (discontinued operation);

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

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

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

		Discontinued operations		
	Broadband Services HK$'000	**Retail** HK$'000	**IT Solutions** HK$'000	**Total** HK$'000
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**	**85,163**	**370,130**
Interest revenue	**185**	**115,031**	**19,434**	**134,650**
Interest expense	**(49,130)**	**(266,718)**	**(64,950)**	**(380,798)**
Depreciation and amortisation	**(99,219)**	**(236,262)**	**(62,901)**	**(398,382)**
Share of profits of associates	**-**	**221**	**-**	**221**
Income tax expense	**(21,672)**	**(53,711)**	**(3,062)**	**(78,445)**
As at 31st December 2009				
Segment assets	**1,304,057**	**-**	**-**	**1,304,057**
Segment liabilities	**(1,097,876)**	**-**	**-**	**(1,097,876)**

	Discontinued operations			
	Broadband Services HK$'000	Retail HK$'000	IT Solutions HK$'000	Total HK$'000
Year ended 31st December 2008				
Revenue from external customers	428,548	9,663,845	590,623	10,683,016
Intersegment revenue	1,026	-	19,007	20,033
Segment profit	69,564	642,168	19,917	731,649
Interest revenue	1,959	82,735	23,280	107,974
Interest expense	(29,738)	(227,726)	(81,320)	(338,784)
Depreciation and amortisation	(76,108)	(273,541)	(44,018)	(393,667)
Share of losses of associates	-	-	(15,683)	(15,683)
Income tax expense/(credit)	28,760	55,416	(4,326)	79,850
As at 31st December 2008				
Segment assets	948,908	5,897,943	530,024	7,376,875
Segment liabilities	(924,879)	(4,014,510)	(1,155,279)	(6,094,668)
Investments in associates	-	16,239	-	16,239

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

	2009	2008
	HK$'000	HK$'000
Revenue		
Total revenue of reportable segments	**8,927,375**	10,703,049
Elimination of intersegment revenue	**(11,733)**	(20,033)
Consolidated revenue	**8,915,642**	10,683,016
Profit or loss		
Total profit or loss of reportable segments	**370,130**	731,649
Unallocated amounts:		
Interest revenue	**134,844**	108,284
Interest expense	**(397,154)**	(362,240)
Depreciation and amortisation	**(398,455)**	(395,795)
Share of profits/(losses) of associates	**221**	(15,683)
Income tax (expense)/credit	**(78,445)**	79,850
Net foreign exchange gains/(losses)	**227,617**	(253,747)
Fair value gain/(loss) on derivative financial instruments	**97,818**	(158,914)
Unrealised gain/(loss) on revaluation of financial assets at fair value through profit of loss	**144,762**	(36,119)
Loss on disposal of property, plant and equipment	**(5,778)**	(2,590)
Gain on disposal of financial asset at fair value through profit of loss	**3,801**	-
Rental income	**67,711**	89,418
Waiver of other payables	**135,403**	-
Other corporate expenses	**(5,038)**	(9,471)
Consolidated profit/(loss) for the year	**297,437**	(225,358)
Assets		
Total assets of reportable segments	**1,304,057**	7,376,875
Interests in associates	**-**	16,239
Available-for-sale financial assets	**4,205**	92,618
Goodwill	**-**	161,491
Deferred tax assets	**18,847**	135,608
Financial assets at fair value through profit or loss	**-**	1,049,703
Non-current prepayments, deposits and receivables for general administrative use	**55,509**	20,030
Consolidated total assets	**1,382,618**	8,852,564

Liabilities		
Total liabilities of reportable segments	**1,097,876**	6,094,668
Due to related companies	**27,114**	6,578
Derivative financial instruments	**-**	172,372
Deferred tax liabilities	**-**	10,555
Interest-bearing borrowings for corporate use	**202,800**	202,800
Other payables and accruals for general administrative use	**29,340**	42,114
Consolidated total liabilities	**1,357,130**	6,529,087

(b) Geographical segments

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.

6. Finance costs

	2009 HK$'000	2008 HK$'000
Interest on:		
Bank loans and overdrafts	**199,721**	168,853
Notes payable wholly repayable within five years	**130,814**	139,615
Bonds payable wholly repayable within five years	**48,230**	50,217
Other borrowings wholly repayable within five years	**11,748**	34,741
Finance lease charges	**6,641**	2,347
Total borrowing costs	**397,154**	395,773
Amount capitalised	**-**	(33,533)
	397,154	362,240
Representing:		
Continuing operations	**65,486**	53,194
Discontinued operations	**331,668**	309,046
	397,154	362,240

7. Income tax expense/(credit)

	2009 HK$'000	2008 HK$'000
Current tax - Overseas	**9,402**	30,836
Deferred tax	**69,043**	(110,686)
Income tax expense/(credit)	**78,445**	(79,850)
Representing:		
Continuing operations	**21,672**	(28,760)
Discontinued operations	**56,773**	(51,090)
	78,445	(79,850)

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 (2008: 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 28% (2008: 30%) of the individual entities' respective assessable profits in accordance with Indonesian income tax law.

8. Discontinued Operations

On 24th July 2009, the Company announced a proposed reorganisation of AcrossAsia Group whereby the Company would declare a special dividend by way of a distribution in specie (the "Distribution") of all the Company's shareholdings in PT Multipolar Tbk ("Multipolar"). At the 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 results of the discontinued operations for the nine months ended 30th September 2009, which have been included in the consolidated income statement, are as follows:

	Note	**Nine months ended 30th September 2009 HK$'000**	Year ended 31st December 2008 HK$'000
Turnover	**5**	**8,378,495**	10,254,468
Cost of goods sold and services rendered		**(6,205,183)**	(7,638,499)
Gross profit		**2,173,312**	2,615,969
Other income		**209,444**	220,522
Fair value gain/(loss) on derivative financial instruments		**97,818**	(139,978)
Net foreign exchange gains/(losses)		**146,407**	(173,668)
Selling and distribution expenses		**(726,810)**	(822,770)
General and administrative expenses		**(1,352,436)**	(1,514,707)
Profit from operations		**547,735**	185,368
Finance costs	**6**	**(331,668)**	(309,046)
Share of profits of associates		**221**	(15,683)
Profit before tax		**216,288**	(139,361)
Income tax (expense)/credit	**7**	**(56,773)**	51,090
Profit for the period/year		**159,515**	(88,271)
Attributable to:			
Owners of the Company		**33,265**	(33,813)
Minority interests		**126,250**	(54,458)
		159,515	(88,271)

9. Profit/(Loss) for the year

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

	Continuing operations		Discontinued operations		Total	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Depreciation of property, plant and equipment	**98,152**	78,236	**294,406**	310,749	**392,558**	388,985
Depreciation of investment properties	**-**	-	**1,357**	1,476	**1,357**	1,476
Amortisation of other intangible assets	**1,139**	-	**3,401**	5,334	**4,540**	5,334

10. Earnings/(Loss) per share

(a) From continuing operations and discontinued operations

The calculation of basic earnings (2008: loss) per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately HK$162,234,000 (2008: loss of HK$119,656,000) and 5,064,615,385 (2008: 5,064,615,385) ordinary shares in issue during the year.

(b) From continuing operations

The calculation of basic earnings (2008: loss) per share from continuing operations attributable to owners of the Company is based on the profit for the year from continuing operations attributable to owners of the Company of approximately HK$128,969,000 (2008: loss of HK$85,843,000) and the denominator used in (a) above.

(c) From discontinued operations

The basic earnings (2008: loss) per share from discontinued operations is HK0.66 cent (2008: HK0.67 cent) per share, based on the profit for the period from discontinued operations attributable to owners of the Company of approximately HK$33,265,000 (2008: loss of HK$33,813,000) and the denominator used in (a) above.

No diluted earnings/(loss) per share are presented as the Company did not have any dilutive potential ordinary share during 2009 and 2008.

11. Trade receivables

AcrossAsia Group's trading terms with its customers other than in the Retail segment are mainly on credit. AcrossAsia Group allows an average general credit period ranging from 30 to 90 days to its customers, except for certain well-established customers, where the terms are extended beyond 90 days.

AcrossAsia Group's sales to customers in the Retail segment are mainly on cash basis, either in cash, debit card or credit card payments. There is no fixed credit policy as their major trade receivables arise from credit card sales and all age fall into one month.

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:

	2009	2008
	HK$'000	HK$'000
Within 3 months	**37,176**	171,940
3 to 6 months	**7,534**	8,480
Over 6 months	**25,029**	22,626
	69,738	203,046

12. Audited Consolidated Statement of Changes in Equity

	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	Minority 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 2008	506,462	32,877	1,464,802	7,659	-	(17,529)	(652,979)	(709,721)	631,571	2,457,147	3,088,718
Total comprehensive income for the year	-	-	-	-	(6,517)	(2,781)	(83,392)	(119,656)	(212,346)	(532,218)	(744,564)
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	(20,677)	(20,677)
At 31st December 2008 and 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 the Distribution	-	(211,598)	(833,408)	(7,659)	4,947	14,823	719,510	(354,154)	(667,539)	(1,988,831)	(2,656,370)
At 31st December 2009	506,462	411,318	-	-	-	-	798	(982,942)	(61,364)	86,852	25,488

13. Trade payables

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

	2009	2008
	HK$'000	HK$'000
Within 3 months	**38,816**	950,362
3 to 6 months	**7,090**	12,439
Over 6 months	**30,122**	22,878
	76,028	985,679

At 31st December 2009, 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$4,359,000 (2008: HK$1,109,000). These balances are unsecured, interest-free and are repayable principally in accordance with normal trading terms.

14. Dividends

	2009	2008
	HK$'000	HK$'000
Special dividend of HK$0.4 (2008: HK$Nil) per ordinary share paid	**211,598**	-

The Company declared a special dividend of approximately HK$211,598,000 (2008: HK$Nil) which was satisfied by the Distribution. The effect of the Distribution on the consolidated financial statements of AcrossAsia Group is set out in the relevant note to the financial statements.

15. Events after the reporting period

(a) First Media Rights Issue

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 "First Media Rights Issue").

The Company has conditionally agreed to First Media to subscribe for such number of rights shares as to maintain its existing shareholding of approximately 55.1% in the enlarged issued share capital of First Media. The Company's subscription of upto Rp251,422,444,000 (equivalent to approximately HK$210,430,000) will be funded by borrowings. The Company is currently in the process of negotiating with certain financial institutions to obtain credit facilities in order to finance the Company's participation in the First Media Rights Issue.

The net proceeds from the First Media Rights Issue (out of the gross amount of approximately Rp456,200,000,000 (equivalent to approximately HK$381,820,000)) will be used as follows:

(a) to repay short term promissory notes and a short term bank loan with the intention to enhance the capital structure;
(b) to improve the performance of First Media by reducing the interest expense; and
(c) for working capital or business development of First Media.

(b) Legal Claims and Awards

On 6th October 2008, (i) Astro Nusantara International B.V., (ii) Astro Nusantara Holdings B.V., (iii) Astro Multimedia Corporation N.V., (iv) Astro Multimedia N.V., (v) Astro Overseas Limited (formerly known as AAAN (Bermuda) Limited), (vi) Astro All Asia Networks PLC, (vii) Measat Broadcast Network Systems SDN BHD and (viii) All Asia Multimedia Networks FZ-LLC (collectively, "Astro Group") filed a notice of arbitration against First Media, PT Ayunda Prima Mitra ("Ayunda") and PT Direct Vision ("Direct Vision") (the "Arbitration Notice") pursuant to the rules of the Singapore International Arbitration Centre ("SIAC"). In this Arbitration Notice, the Astro Group claimed among other things, payment for monies amounting to approximately HK$1,911,000,000. As proceedings pursuant to the Arbitration Notice and any arbitral award made thereunder are subject to confidentiality under the rules of the SIAC, only limited information can be disclosed.

On 7th May 2009, the arbitral tribunal of the SIAC issued an award on preliminary issues of jurisdiction (the "Award on Preliminary Issues") which was subsequently determined by the Central Jakarta District Court to be non-executable (non eksekuatur) on 28th October 2009.

On 18th February 2010, the arbitral tribunal of the SIAC delivered an interim final award (the "Interim Final Award"). First Media and Ayunda are, *inter alia*, jointly and severally liable under the Interim Final Award for :

(i) with respect to claims in restitution, the payment of any aggregate amount of approximately HK$744,415,000; and

(ii) with respect to damages, the payment in the aggregate amount of approximately HK$5,372,000.

It should be noted that Direct Vision has also been held jointly and severally liable together with First Media and Ayunda for the payment of the awards as mentioned in paragraph (i) above. As a clarification, under the Interim Final Award, Direct Vision is liable, among others, to make payment of an aggregate amount of approximately HK$1,785,066,000 with respect to claims in restitution to the intent that its liability will be reduced by any payment made pursuant to its joint and several liability with First Media and Ayunda as mentioned in paragraph (i) above.

Based on a legal opinion obtained from First Media's Indonesian lawyer, the Interim Final Award is against the Indonesian law and therefore, could not be enforced in Indonesia according to the New York Convention and the Indonesia Regulation of Arbitration No. 30/1999. Moreover the Interim Final Award is a continuance of the Award on Preliminary Issues as the Award on Preliminary Issues was determined to be unenforceable by the Central Jakarta District Court. Accordingly, First Media is of the opinion that based on its Indonesian lawyer's advices the Interim Final Award could not be enforced in Indonesia and First Media is not legally liable for execution of the Interim Final Award under the applicable laws of Indonesia. As a result, no provision has been made in the consolidated financial statements of First Media for the year ended 31st December 2009 in respect of the amount awarded. In light of the written advice received from First Media's Indonesian lawyer that the SIAC's award could not be enforced in Indonesia and based on the information available to the Directors of the Company, the Directors are of the view that no provision is required to be made in the consolidated financial statements of AcrossAsia Group for 2009.

(c) Capital reduction

On 24th July 2009, the Company announced a proposed capital reduction by reducing the nominal value of all issued shares of the Company from HK$0.10 each to HK$0.01 each and cancelling paid up capital of HK$0.09 on each issued share. The credit arising from such reduction was applied towards cancelling the accumulated losses of the Company with the balance (if any) to be transferred to the distributable capital reserve or share premium account of the Company.

The Grand Court of the Cayman Islands approved the reduction of the issued share capital of the Company on 26th February 2010. After the registration of the order approved by the Court at the Registrar of Companies in the Cayman Islands, the capital reduction became effective on 23rd March 2010.

MODIFICATIONS TO THE INDEPENDENT AUDITOR'S REPORT

The unqualified audit opinion in the Independent Auditor's Report for the consolidated financial statements of AcrossAsia Group for 2009 contains the following modifications:

"Emphasis of matters

Without qualifying our opinion, we draw attention to the following matters:

(i) Material uncertainty

As mentioned in note 2 to the financial statements, the Group had net current liabilities and net liabilities attributable to owners of the Company of approximately HK$569,876,000 and HK$61,364,000, respectively, as at 31st December 2009. 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.

(ii) Legal claims and awards

As explained in note 50(b) to the financial statements, an arbitration was commenced in Singapore against PT First Media Tbk ("First Media"), a 55.1% owned subsidiary of the Company, PT Ayunda Prima Mitra ("Ayunda"), First Media's wholly-owned subsidiary, and PT Direct Vision ("Direct Vision"), an associate of Ayunda, during the year ended 31st December 2008. The claim was approximately HK$1,911,000,000.

On 18th February 2010, the arbitral tribunal of the Singapore International Arbitration Centre delivered an interim final award (the "Interim Final Award") ruled in favour of the counterparties. First Media and Ayunda are, inter alia, jointly and severally liable under the Interim Final Award for the payment of (i) claims in restitution of approximately HK$744,415,000 of which Direct Vision has also been held jointly and severally liable together with First Media and Ayunda; and (ii) damages of approximately HK$5,372,000. Direct Vision is liable, among others, to make payment of an aggregate amount of approximately HK$1,785,066,000 with respect to claims in restitution to the intent that its liability will be reduced by any payment made pursuant to its joint and several liability with First Media and Ayunda as mentioned in (i) above. No provision has been made in the consolidated financial statements of First Media for the year ended 31st December 2009 in respect of the amount awarded. In light of the written advice received from First Media's Indonesian lawyer that the Interim Final Award could not be enforced in Indonesia and based on information available to the directors of the Company, details of which are set out in note 50(b) to the financial statements, the directors of the Company are of the view that no provision is required to be made in the Group's financial statements."

FINAL DIVIDEND

The Directors do not recommend the payment of the final dividend for 2009 (2008 : Nil).

FINANCIAL REVIEW

AcrossAsia Group's results for 2009 were analysed based on the continuing operations namely Broadband Services and discontinued operations namely Retail and IT Solutions.

Continuing Operations

Turnover
During the year under review, AcrossAsia Group recorded an increase in revenue of 25.3% to HK$537.1 million compared to HK$428.5 million in 2008 which was mainly contributed by a rapid growth of Internet service subscribers.

Gross Profit
AcrossAsia Group's gross profit increased by 44.0% to HK$320.2 million from HK$222.4 million in 2008. The profit margin increased to 59.6% from 51.9% for 2008. 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 turned to a profit from operations of HK$225.1 million from a loss from operations of HK$112.7 million for 2008. It mainly resulted from a net foreign exchange gain of HK$81.2 million (2008 : loss of HK$80.1 million) and a waiver of other payables of HK$135.4 million for 2009 (2008 : HK$Nil).

Total operating expenses increased to HK$312.2 million from HK$240.4 million in 2008 as a result of recruitment of additional staff to support the rapid growth of Broadband Services and higher operating licence fees and charges for enrichment of Cable TV contents.

Profit attributable to Owners
AcrossAsia Group recorded a profit attributable to owners of the Company of HK$129.0 million (2008 : a loss of HK$85.8 million).

Finance Resources and Capital Structure
AcrossAsia Group primarily financed its operations with internally generated cash flows and borrowings during 2009. As at 31st December 2009, AcrossAsia Group had bank and cash balances of HK$28.6 million. The total borrowings increased to HK$1,128.0 million. The increase was mainly due to the increase in borrowings for continuous business expansion. 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; and 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 2.2 times as at 31st December 2009. 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.

Discontinued Operations

Results and Profit attributable to Owners

AcrossAsia Group's discontinued operations recorded a profit for the nine-month period up to 30th September 2009 and a profit attributable to owners of the Company of HK$126.3 million (2008 : loss of HK$54.4 million) and HK$33.3 million (2008: loss of HK$33.8 million) respectively.

BUSINESS REVIEW

First Media

First Media, a subsidiary of the Company listed on the Indonesia Stock Exchange in which the Company has a 55.1% interest, is the flagship of Broadband Services.

First Media is a leading two-way hybrid fibre coaxial (HFC) cable service provider with high network availability and reliability supported by a 24-hour network operation center and helpdesk corporate representatives, thus providing customer satisfaction and benefits. It offers a new lifestyle of experience and connectivity to its valued customers in Indonesia through Triple-play, namely FastNet, HomeCable and DataComm. FastNet, an unlimited high speed Internet access service, provides a variety of connection speeds with smart values; HomeCable offers a wide range of local and international TV channels covering news, movies, lifestyle, entertainment, sports, music, education and kids channels; DataComm offers high-level business solutions by rendering reliable and efficient broadband services to corporate clients.

On 1st January 2009, First Media lifted the fee charge for its broadband Internet introductory product – FastNet 384 from Rp 99,000 to Rp 135,000 in the light of the rising demand for high-speed broadband Internet access. In March 2009, it launched FastNet SOHO, a new FastNet service that is specially designed for small and medium enterprises ("SME") market. This service provides ideal solutions for SME that require unlimited high-speed broadband Internet access at affordable and competitive rates.

During 2009, First Media was awarded the tender for the licence from the Indonesian Government for broadband wireless access (WiMAX) operations covering Greater Metropolitan Jakarta (Jakarta, Bogor, Depok, Tangerang and Bekasi), Banten and Northern Sumatra areas. WiMAX is an Internet-based advanced technology that provides high-speed wireless data transmission and wide area coverage and can facilitate the growing demand for Internet services in Indonesia. Greater Metropolitan Jakarta and Banten have the highest population with Internet market potential of up to 13 million subscribers, while Northern Sumatra area has a potential of up to 1.6 million subscribers. In November 2009, First Media paid the upfront fee and the first-year annual fee totalling approximately Rp245.1 billion (approximately HK$198,674,000) for the WiMAX licence.

As at 31st December 2009, First Media's HFC network passed approximately 500,000 homes and MDUs (Multiple dwelling units such as apartments, hospitals and other multi-storey buildings) with fibre optic cable and coaxial cable reaching over 3,800 km and 4,800 km respectively. The network covers major residential and central business districts in Greater Metropolitan Jakarta and other prime cities in Indonesia such as Surabaya and Bali. Broadband Internet subscribers reached approximately 153,000 representing a penetration rate of 31% while cable TV subscribers totalled approximately 132,000 representing a penetration rate of 26%. First Media continues to be the sole network provider of the Indonesia Stock Exchange for its JATS-Remote Trading system since 2002.

First Media launched new TV packages covering education, kids, sports, movies and others as well as break-through broadband Internet services - FastNet 10 Mbps and FastNet Kids in early 2010.

In March 2010, First Media announced a proposed rights issue (with bonus warrants) of up to 912,421,400 new shares at the price of Rp500 each for raising a total of up to Rp456.2 billion (approximately HK$381.8 million). The net proceeds therefrom will be used for enhancing the capital structure and performance as well as for the working capital and business development of First Media. The Company will support the said rights issue by subscribing for such number of rights shares as to maintain its approximately 55.1% interest in First Media.

Group Reorganisation

In July 2009, the Company announced a proposed reorganisation of the business, assets and operations of AcrossAsia Group to, amongst other things, streamline its business activities to encourage a single focused line of business, i.e. Broadband Services, as well as proposed capital reduction and sub-division of the shares of the Company (collectively the "Proposals"). The said proposed reorganisation was by way of the distribution in specie of all of the Company's shareholdings in Multipolar to the Company's shareholders. The Proposals were approved by the shareholders of the Company at the Extraordinary General Meeting on 9th September 2009. As a result, Multipolar Group (comprising Multipolar, the flagship of IT Solutions, and its subsidiary, Matahari, being the flagship of Retail, and their subsidiaries) ceased as subsidiaries of the Company in September 2009.

Following the completion of the statutory procedure in the Cayman Islands, the said proposed capital reduction, share sub-division and change in board lot size of the Company's shares became effective on 23rd March 2010.

PROSPECTS

Going forward, First Media will be focusing on delivery of broadband data communication services on both existing fixed line and wireless networks. Important to this strategy will be the roll-out of extensive WiMAX 4G network for Greater Metropolitan Jakarta, VoIP and Interactive Games in tandem with the application of advanced digital and Internet technology and growing market demand for Internet services. Such products will continue to capitalise on First Media's established HFC network. In particular, the WiMAX licence will allow First Media to further expand and develop its ordinary and usual course of business by enhancing its market position and competitiveness and improving its services, thereby optimising its customer base in Indonesia. The WiMAX infrastructure and development works are underway and services are expected to be launched in 2010.

The economy of the Indonesia, backed by stable political conditions and strong domestic demand, continues to demonstrate strong resilience to the economic downturn in USA and Europe and is forecast by its central bank to achieve a growth rate of 5.6% in 2010 with strong trade and investment. The Group will cautiously roll out its services and products by capitalising on the market demand generated by the economic growth and its resources.

EMPLOYEES

As at 31st December 2009, AcrossAsia Group had approximately 560 employees (2008: 19,900) as a result of the cessation of the Multipolar Group as subsidiaries of the Company. 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.

CODE ON 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 2009.

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

During 2009, there was no purchase, sale or redemption of shares of the Company by the Company or any of its subsidiaries.

By Order of the Board
Albert Saychuan CHEOK
Chairman

Hong Kong, 24th March 2010

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least seven days from its date of publication and on the Company's website at www.across-asia.com.