

FOR IMMEDIATE RELEASE



**Acquired Tomb Design and Construction Business
Vertical Integration to Strengthen Capabilities and Pursue
Diversification in Death Care Service Sector**

(Hong Kong, 2 March 2015) **Nirvana Asia Ltd** (“Nirvana Asia” or the “Company”, together with its subsidiaries, the “Group”, SEHK stock code: 1438) is pleased to announce that a wholly-owned subsidiary of the Group has acquired the tomb design and construction business from the tomb contractors at the six memorial parks of the Group and throughout Malaysia at an aggregate consideration of RM15,000,000 (equivalent to approximately US\$4,162,500).

Pursuant to the Sale and Purchase Agreement, WFS Memorial Tomb Management Sdn. Bhd. (the “Vendor”), and Wong Chen Hoong and Wang Siew Yuen (collectively, the “Guarantors”) have agreed to provide a guaranteed audited net profit after tax for the acquired business in the amount of RM4,000,000 (equivalent to approximately US\$1,110,000), RM5,000,000 (equivalent to approximately US\$1,387,500) and RM5,500,000 (equivalent to approximately US\$1,526,250), respectively, for the financial period of 10 months ending 31 December 2015, and the financial years ending 31 December 2016 and 2017.

The Directors believe that this downstream acquisition would allow the Group to strengthen its capabilities in the death care service sector while pursuing diversified development along the industry value chain. Furthermore, the Directors are of the view that this acquisition would help create synergies with the Group’s existing death care service business and may help enhance the gross profit margin of the Group’s tomb design and construction segment.

In connection with the acquisition, each of the six subsidiaries of the Group with operations at the relevant memorial parks has agreed to allot and issue one irredeemable non-convertible “Class A” preference share with a nominal value of RM1 (collectively, the “Preference Shares”) to the Guarantors. Such Preference Shares may entitle the Guarantors to a fixed, non-cumulative cash dividend of 5% of the nominal value of the Preference Shares and a special dividend representing 25% of the audited net profit after tax of the acquired business.

The consideration represents four times the profit guarantee for the acquired business for the financial year ending 31 December 2016 less 25% thereon to which the Guarantors may be entitled pursuant to their holding of the Preference Shares.

Dato’ Kong Hon Kong, an Executive Director, the Managing Director and the Chief Executive Officer of Nirvana Asia said, “This acquisition presents an attractive opportunity for the Group to strengthen our death care service capabilities in terms of tomb design and construction. We will continue to seize various opportunities with a view to further solidifying our leading position in the industry and delivering satisfactory returns to our investors.”

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**For further information, please contact:
iPR Ogilvy & Mather**

Natalie Tam / Charis Yau / Juliana Li / Candy Tam
Tel: (852) 2136 6182 / 2136 6183 / 2169 0467 / 3920 7626
Fax: (852) 3170 6606
Email: nirvana@iprogilvy.com

About Nirvana Asia

Nirvana Asia is the largest integrated death care service provider in Asia, in terms of contract sales, revenue and land bank in 2013. The Company offers burial and funeral services and products on both as-need and pre-need basis, strategically targeting the premium segment of the death care services market. In 2013, Nirvana Asia is the largest death care service provider in Malaysia and the largest burial service provider. Currently, the Company offers death care products and services through a network of 10 cemeteries, 12 columbarium facilities, six on-site crematoria and two funeral homes in Malaysia, Indonesia and Singapore. In February 2015, the Company has also entered into a binding cooperation agreement with Huizhou Longyan and marked the first step tapping into the PRC market.