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NIRVANA ASIA LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1438)

VOLUNTARY ANNOUNCEMENT UNUSUAL PRICE MOVEMENT

The board of directors (the “**Board**”) of Nirvana Asia Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) has noted the recent unusual downward trend in the price of the shares of the Company and wishes to state that the Board is not aware of any reasons for such movements.

As disclosed in the section headed “Summary” in the prospectus of the Company dated December 4, 2014 (the “**Prospectus**”), certain data of the Company’s unaudited consolidated statements of profit or loss for the nine months ended September 30, 2014 are as follows:

- (a) the Group’s contract sales increased by 18.3% from US\$129.7 million in the nine months ended September 30, 2013 to US\$153.4 million in the nine months ended September 30, 2014, reflecting primarily increases in contract sales from niches, tomb design and construction services, funeral services and others;
- (b) the Group’s revenue increased by 12.9% from US\$105.3 million in the nine months ended September 30, 2013 to US\$118.8 million in the nine months ended September 30, 2014, reflecting primarily increases in revenue from burial plots, niches and funeral services;
- (c) the Group’s gross profit increased by 18.1% from US\$71.7 million in the nine months ended September 30, 2013 to US\$84.6 million in the nine months ended September 30, 2014, primarily due to increases in gross profit from burial plots, niches and funeral services; and
- (d) the Group’s gross margin was 68.1% and 71.2% in the nine months ended September 30, 2013 and 2014, respectively, primarily driven by (i) the expansion in gross margin for all of the Group’s key product segments, namely, burial plots, niches, tomb design and construction services and funeral services and (ii) an increase in revenue contribution from niches, which generally have higher gross margin.

The Board would like to confirm that the Company’s business operation is normal and up to the date of this announcement, there has been no material change, save as disclosed in the Prospectus, in the Group’s financial performance, conditions and trading position or prospects since June 30, 2014.

The announcement is made by the order of the Company. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

By order of the Board
Nirvana Asia Ltd
Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan
Chairman

Hong Kong, December 19, 2014

As at the date of this announcement, the executive Directors are Dato' Kong Hon Kong, Kong Yew Foong, Soo Wei Chian and Kong Yew Lian; the non-executive Directors are Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan, Li Gabriel, Ang Teck Shang and Tse Po Shing Andy and the alternate Director to Tse Po Shing Andy is Barnes II, William Wesley; and the independent non-executive Directors are Tan Sri Chan Kong Choy, Ng Soon Lai @ Ng Siek Chuan, Foong Soo Hah and Anita Chew Cheng Im.