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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1438)

UNAUDITED QUARTERLY CONTRACT SALES FOR THREE MONTHS ENDED MARCH 31, 2016

The board (“**Board**”) of directors (“**Directors**”) of Nirvana Asia Ltd (“**Company**”) together with its subsidiaries (“**Group**”) is pleased to announce the unaudited contract sales of the Group for the three months ended March 31, 2016 (“**1Q16**”) together with the comparative figures for the three months ended March 31, 2015 (“**1Q15**”), respectively, in terms of United States dollars (“**USD**”) and Malaysian ringgit (“**RM**”) as follows:

HIGHLIGHTS

- The Group’s quarter-over-quarter (“**QoQ**”) contract sales decreased marginally by 1.5% in RM terms or 14.8% in USD terms. However growth in sales were recorded for Singapore and Thailand.
- Contract sales for burial plots decreased by 27.0% in RM terms or 36.9% in USD terms QoQ. The number of square meters sold for burial plots decreased by 29.2% to 14,774 square meters QoQ.
- Contract sales for niches increased by 13.4% in RM terms, but decreased by 2.0% in USD terms QoQ. The number of niches sold increased by 15.3% to 2,304 units QoQ.
- Contract sales for tomb design and construction increased by 12.5% in RM terms, but decreased by 2.8% in USD terms QoQ.
- Contract sales for funeral services decreased by 5.8% in RM terms, or 18.6% in USD terms QoQ. The number of funeral services packages sold decreased by 7.2% to 1,327 cases QoQ.
- Sales contribution excluding that from Malaysia (“**Ex-Malaysia**”) increased by 2.7 percentage points QoQ to 22.8% in 1Q16.

CONTRACT SALES BY BUSINESS SEGMENT

The Group's contract sales decreased by 14.8% QoQ in USD terms but remained relatively stable in RM terms with a marginal reduction of 1.5% to RM143.5 million. The decrease was primarily due to lower sales from burial plots and funeral services. The following tables set forth a breakdown of the Group's contract sales by business segment for the periods indicated, in USD and RM terms:

In USD	3 months ended March 31,					
	2016		2015		Change	
	USD'000	% of total	USD'000	% of total	USD'000	%
Burial plots	7,880	23.0	12,494	31.1	(4,614)	(36.9)
Niches	12,404	36.2	12,652	31.4	(248)	(2.0)
Tomb design and construction	5,730	16.8	5,893	14.7	(163)	(2.8)
Others	<u>1,891</u>	<u>5.5</u>	<u>1,381</u>	<u>3.4</u>	<u>510</u>	<u>36.9</u>
Burial services and others	27,905	81.5	32,420	80.6	(4,515)	(13.9)
Funeral services	<u>6,349</u>	<u>18.5</u>	<u>7,798</u>	<u>19.4</u>	<u>(1,449)</u>	<u>(18.6)</u>
Total	<u><u>34,254</u></u>	<u><u>100.0</u></u>	<u><u>40,218</u></u>	<u><u>100.0</u></u>	<u><u>(5,964)</u></u>	<u><u>(14.8)</u></u>

In RM	3 months ended March 31,					
	2016		2015		Change	
	RM'000	% of total	RM'000	% of total	RM'000	%
Burial plots	33,022	23.0	45,258	31.1	(12,236)	(27.0)
Niches	51,977	36.2	45,831	31.4	6,146	13.4
Tomb design and construction	24,011	16.8	21,346	14.7	2,665	12.5
Others	<u>7,924</u>	<u>5.5</u>	<u>5,004</u>	<u>3.4</u>	<u>2,920</u>	<u>58.4</u>
Burial services and others	116,934	81.5	117,439	80.6	(505)	(0.4)
Funeral services	<u>26,607</u>	<u>18.5</u>	<u>28,247</u>	<u>19.4</u>	<u>(1,640)</u>	<u>(5.8)</u>
Total	<u><u>143,541</u></u>	<u><u>100.0</u></u>	<u><u>145,686</u></u>	<u><u>100.0</u></u>	<u><u>(2,145)</u></u>	<u><u>(1.5)</u></u>

Contract sales from burial plots decreased 36.9% in USD terms, and 27.0% in RM terms QoQ primarily due to lower sales from Semenyih and Bukit Mertajam, in Malaysia, and Indonesia.

Niche sales increased by 13.4% in RM terms QoQ, primarily attributed to sales growth from Singapore, and Nirvana Center Kuala Lumpur and Penang Island in Malaysia. Lower sales in USD terms was primarily due to the strengthening of USD against RM.

Increase in contract sales from tomb design and construction and others in RM terms was primarily due to higher sales from Semenyih, Malaysia.

Contract sales from funeral services decreased 5.8% in RM terms mainly due to lower sales from pre-need funeral services.

AS-NEED AND PRE-NEED CONTRACT SALES

The proportion of as-need and pre-need sales contribution remains relatively stable QoQ. The decrease in pre-need contract sales in RM terms was primarily due to lower contract sales for pre-need burial plot from Semenyih, Malaysia. The following tables set forth a breakdown of the Group's as-need and pre-need contract sales for the periods indicated, in USD and RM terms:

In USD

	3 months ended March 31,					
	2016		2015		Change	
	USD'000	% of total	USD'000	% of total	USD'000	%
As-need	6,790	19.8	7,426	18.5	(636)	(8.6)
Pre-need	<u>27,464</u>	<u>80.2</u>	<u>32,792</u>	<u>81.5</u>	<u>(5,328)</u>	<u>(16.2)</u>
Total contract sales	<u>34,254</u>	<u>100.0</u>	<u>40,218</u>	<u>100.0</u>	<u>(5,964)</u>	<u>(14.8)</u>

In RM

	3 months ended March 31,					
	2016		2015		Change	
	RM'000	% of total	RM'000	% of total	RM'000	%
As-need	28,452	19.8	26,900	18.5	1,552	5.8
Pre-need	<u>115,089</u>	<u>80.2</u>	<u>118,786</u>	<u>81.5</u>	<u>(3,697)</u>	<u>(3.1)</u>
Total contract sales	<u>143,541</u>	<u>100.0</u>	<u>145,686</u>	<u>100.0</u>	<u>(2,145)</u>	<u>(1.5)</u>

CONTRACT SALES BY COUNTRY

Ex-Malaysia sales contribution increased by 2.7 percentage points QoQ to 22.8% in 1Q16. Singapore contributed the highest contract sales growth of 17.8% in RM terms QoQ, while Thailand recorded contract sales of RM1.5 million in 1Q16 following its sales launch in May 2015. The following tables set out a breakdown of the Group's contract sales by country for the periods indicated, in USD and RM terms:

In USD

	3 months ended March 31,					
	2016		2015		Change	
	USD'000	% of total	USD'000	% of total	USD'000	%
Malaysia	26,429	77.2	32,110	79.9	(5,681)	(17.7)
Ex-Malaysia						
Singapore	5,668	16.5	5,564	13.8	104	1.9
Indonesia	1,791	5.2	2,544	6.3	(753)	(29.6)
Thailand	363	1.1	—	—	363	100.0
Hong Kong	3	0.0	—	—	3	100.0
Total overseas countries	<u>7,825</u>	<u>22.8</u>	<u>8,108</u>	<u>20.1</u>	<u>(283)</u>	<u>(3.5)</u>
Total	<u>34,254</u>	<u>100.0</u>	<u>40,218</u>	<u>100.0</u>	<u>(5,964)</u>	<u>(14.8)</u>

In RM

	3 months ended March 31,					
	2016		2015		Change	
	RM'000	% of total	RM'000	% of total	RM'000	%
Malaysia	110,750	77.2	116,314	79.9	(5,564)	(4.8)
Ex-Malaysia						
Singapore	23,753	16.5	20,157	13.8	3,596	17.8
Indonesia	7,506	5.2	9,215	6.3	(1,709)	(18.5)
Thailand	1,521	1.1	—	—	1,521	100.0
Hong Kong	11	0.0	—	—	11	100.0
Total overseas countries	<u>32,791</u>	<u>22.8</u>	<u>29,372</u>	<u>20.1</u>	<u>3,419</u>	<u>11.6</u>
Total	<u>143,541</u>	<u>100.0</u>	<u>145,686</u>	<u>100.0</u>	<u>(2,145)</u>	<u>(1.5)</u>

SALES VOLUME AND ASP BY BUSINESS SEGMENT

The following tables set out the sales volume and the average sales prices (“ASP”) of the Group’s products for the periods indicated, in terms of USD and RM:

Sales Volume	3 months ended March 31,		
	2016	2015	Change %
Burial plots (square meters)	14,774	20,879	(29.2)
Tomb design and construction (square meters)	9,202	13,251	(30.6)
Niches (units)	2,304	1,999	15.3
Funeral services (cases)	1,327	1,430	(7.2)

ASP	3 months ended March 31,					
	In USD			In RM		
	2016	2015	Change	2016	2015	Change
	USD	USD	%	RM	RM	%
Burial plots (per square meter)	533	598	(10.9)	2,235	2,168	3.1
Tomb design and construction (per square meter)	623	445	40.0	2,609	1,611	61.9
Niches (per unit)	5,384	6,329	(14.9)	22,559	22,927	(1.6)
Funeral services (per case)	4,784	5,453	(12.3)	20,050	19,753	1.5

The higher ASP for burial plots in RM terms was primarily due to the increase in sales prices for Semenyih, Malaysia. Excluding Thailand, ASP per square meter for burial plots increased by 8.6% in RM terms QoQ. Lower ASP in USD terms was due to the strengthening of USD against RM.

ASP for tomb design and construction increased by 61.9% QoQ in RM terms, primarily due to the increase in sales prices for Semenyih, Malaysia and Jakarta, Indonesia.

ASP for niches remained relatively stable with a slight reduction of 1.6% QoQ in RM terms, mainly due to the more competitively priced niches launched in Penang Island, Malaysia.

ASP for funeral services remained relatively stable with a slight increase of 1.5% in RM terms, predominantly due to higher sales price for pre-need funeral services sold.

Notes:

1. The above amounts denominated in RM have been converted into USD at the exchange rates of 4.1906 and 3.6224 for 1Q16 and 1Q15, respectively.
2. All the contract sales of niches include contract sales from (1) sales of niches in the Group’s columbarium facilities (other than Penang Island columbarium in Malaysia), (2) fees for construction services and marketing agency services provided to the Penang Island columbarium in Malaysia, and (3) marketing agency services provided to the Hui Zhou cemetery in China.

Shareholders of the Company, potential investors and readers are reminded that the contract sales information for 1Q16 and 1Q15 presented herein has not been audited and the Company does not intend to conduct an audit or review of the Group's contract sales for 1Q16 and 1Q15. Shareholders of the Company, potential investors and readers are advised to exercise caution when dealing in securities of the Company.

By order of the Board
Nirvana Asia Ltd
Tan Sri Kong Hon Kong
Managing Director and Chief Executive Officer

Hong Kong, May 26, 2016

As at the date of this announcement, the executive Directors are Tan Sri 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.