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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1438)

CONTINUING CONNECTED TRANSACTION TENANCY AGREEMENT AND MUTUAL TERMINATION AGREEMENT

The Board of the Company announces that on July 28, 2016, (i) NMP, a wholly-owned subsidiary of the Company, as tenant, entered into the Tower 1 Tenancy Agreement with MLSB, as landlord; and (ii) NMP as tenant entered into the Mutual Termination Agreement with KHK, as landlord, in relation to the Tower 9 Tenancy Agreement.

MLSB and KHK are companies under the common control of Tan Sri Kong Hon Kong, who is the Managing Director and Chief Executive Officer of the Company. Mr. Kong Yew Foong, who is an Executive Director, owns 40% shareholding in MLSB, and is also a director of MLSB. As such, MLSB and KHK are associates of the connected persons of the Company and accordingly, the entering into of the Tower 1 Tenancy Agreement constitutes a continuing connected transaction for the Company under the Listing Rules. As the applicable percentage ratios calculated based on the highest amount of the Caps are more than 0.1% but less than 5%, pursuant to Rule 14A.76 of the Listing Rules, the transactions contemplated under the Tower 1 Tenancy Agreement are subject to the announcement, reporting and annual review requirements but exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules. Tan Sri Kong Hon Kong, who is the Managing Director and Chief Executive Officer of the Company, and Mr. Kong Yew Foong, who is an Executive Director of the Company, have abstained from voting on the resolution of the Board approving the Tower 1 Tenancy Agreement and the Mutual Termination Agreement in view of their interest in the transactions.

Pursuant to the Mutual Termination Agreement, the continuing connected transaction of the Company under the Tower 9 Tenancy Agreement shall be terminated with effect from August 1, 2016; accordingly it is subject to the announcement requirement under Rule 14A.35 of the Listing Rules.

The Board of the Company announces that on July 28, 2016, (i) NMP, a wholly-owned subsidiary of the Company, as tenant, entered into the Tower 1 Tenancy Agreement with MLSB, as landlord; and (ii) NMP as tenant entered into the Mutual Termination Agreement with KHK, as landlord, in relation to the Tower 9 Tenancy Agreement.

TOWER 1 TENANCY AGREEMENT

Date: July 28, 2016

Landlord: MLSB

Tenant: NMP

Property: Level 7 to Level 11, Tower 1, Avenue 3, The Horizon, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

The above property has a total construction area of approximately 24,903 square feet.

Usage: For office use

Term: 3 years effective from August 1, 2016 to July 31, 2019

Rent: RM1,643,598 (approximately USD403,000) per annum

Deposit: RM479,384 (approximately USD118,000), which represents approximately three and a half month's rental

Termination: It is a fixed tenancy for the duration of 3 years where both parties shall not unilaterally terminate the tenancy.

ANNUAL CAPS

The annual caps in respect of the Tower 1 Tenancy Agreement and the Tower 9 Tenancy Agreement (which has been terminated with effect from August 1, 2016) for each of the 4 financial years ending December 31, 2016, 2017, 2018 and 2019 amount to RM1,669,393 (equivalent to approximately USD410,000), RM1,643,598 (equivalent to approximately USD403,000), RM1,643,598 (equivalent to approximately USD403,000) and RM958,766 (equivalent to approximately USD235,000) respectively (“Caps”).

BASES OF DETERMINING THE CAPS

The terms of the Tower 1 Tenancy Agreement and the Tower 9 Tenancy Agreement (which has been terminated with effect from August 1, 2016) were negotiated on arm's length basis and are on normal commercial terms and were determined with reference to the prevailing market rent of similar properties in nearby locations. The Caps have been determined based on the aggregate amounts payable by NMP to KHK and MLSB respectively under the Tower 9 and Tower 1 Tenancy Agreements for the 4 years ending December 31, 2016, 2017, 2018 and 2019 and represent the amount of rental fee and deposits.

SOURCE OF FUNDING

The payment of rental fees and deposits will be funded through internal resources of NMP.

REASONS FOR AND BENEFITS OF THE TOWER 1 TENANCY AGREEMENT

The Directors are of the view that the Tower 1 premises is more spacious, better frontage and visibility as compared to the existing premises. The Directors (including the independent non-executive Directors) consider that the terms of the Tower 1 Tenancy Agreement are fair and reasonable and the transactions are on normal commercial terms, in the ordinary and usual course of business of the Company and in the interests of the Company and its shareholders as a whole.

MUTUAL TERMINATION AGREEMENT

Reference is made to the section headed "connected transactions" in the prospectus of the Company dated December 4, 2014 in relation to the First Tenancy, Second Tenancy and Third Tenancy.

By a novation agreement dated August 17, 2015 made between KHK as landlord, NVPS (a wholly-owned subsidiary of the Company) and NMP ("**Novation Agreement**"), NMP has assumed all the rights, benefits, interest, duties and obligations of NVPS under the First Tenancy, the Second Tenancy and the Third Tenancy and KHK, NVPS and NMP have agreed to the novation of these agreements and to the substitution of NVPS with NMP as a party to these agreements with effect from April 1, 2015.

The First Tenancy is for a term of three years from September 1, 2013 to August 31, 2016. The Second Tenancy is for a term of three years from November 16, 2013 to November 15, 2016. The Third Tenancy has expired on March 31, 2016, and NMP as tenant and KHK as landlord have agreed to renew the Third Tenancy on a month to month basis commencing from April 1, 2016 upon the same terms and conditions of the Third Tenancy ("**Renewal Third Tenancy**").

On July 28, 2016, NMP and KHK have entered into the Mutual Termination Agreement to terminate the Tower 9 Tenancy Agreement with effect from August 1, 2016. Accordingly, the Tower 9 Tenancy Agreement absolutely ceased and terminated and both parties released each other from all liabilities and obligations thereof.

INFORMATION ON THE GROUP AND THE PARTIES INVOLVED

The Group is principally engaged in the sale of burial services, provision of funeral and cemetery maintenance services.

The tenant, NMP, is a wholly-owned subsidiary of the Company. Its principal activities are development of cemeteries, and construction and sales of tombs.

The landlords, KHK and MLSB, are companies under common control by Tan Sri Kong Hon Kong. The principal activity of such companies is letting of real property.

LISTING RULES IMPLICATIONS

MLSB and KHK are companies under the common control of Tan Sri Kong Hon Kong, who is the Managing Director and Chief Executive Officer of the Company. Mr. Kong Yew Foong, who is an Executive Director, owns 40% shareholding in MLSB, and is also a director MLSB. As such, MLSB and KHK are associates of the connected persons of the Company and accordingly, the entering into of the Tower 1 Tenancy Agreement constitutes a continuing connected transaction for the Company under the Listing Rules.

As the applicable percentage ratios calculated based on the highest amount of the Caps are more than 0.1% but less than 5%, pursuant to Rule 14A.76 of the Listing Rules, the transactions contemplated under the Tower 1 Tenancy Agreement are subject to the announcement, reporting and annual review requirements but exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules. Tan Sri Kong Hon Kong, who is the Managing Director and Chief Executive Officer of the Company, and Mr. Kong Yew Foong, who is an Executive Director of the Company, have abstained from voting on the resolution of the Board approving the Tower 1 Tenancy Agreement and the Mutual Termination Agreement in view of their interest in the transactions.

OTHERS

Unless otherwise specified, amounts denominated in RM have been translated, for the purpose of illustration only, into USD in this announcement at the exchange rate of RM1.0000: USD0.2453. No representation is made that any amounts in RM were or could have been or could be converted into USD at such rate or any other exchange rates on such date or any other date.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the Board of Directors
“Company”	Nirvana Asia Ltd, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“First Tenancy”	a tenancy agreement dated September 2, 2013 a Supplemental Agreement dated December 6, 2013 and a Second Supplemental Agreement dated August 28, 2014 all entered into between NVPS as tenant and KHK as landlord (as amended by a letter of amendment dated August 28, 2014 and a letter of amendment dated September 15, 2014) in relation to the tenancy of the Unit 5–1, level 5 of Tower 9, Avenue 5, The Horizon, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, details of which were set out in the prospectus of the Company dated December 4, 2014
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“KHK”	KHK Capital Holdings Sdn Bhd (Company No: 238270-M), a company under common control of Tan Sri Kong Hon Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MLSB”	Meridian Location Sdn Bhd (Company No. 621992-V), a company under common control of Tan Sri Kong Hon Kong
“Mutual Termination Agreement”	the mutual termination agreement dated July 28, 2016 entered into by KHK and NMP in relation to the termination of the Tower 9 Tenancy Agreement
“NMP”	Nirvana Memorial Park Sdn Bhd (Company No. 149924-V), a wholly-owned subsidiary of the Company
“NVPS”	NV Propartners Sdn Bhd (Company No. 468836-U), a wholly-owned subsidiary of the Company
“RM”	Malaysian ringgit

“Second Tenancy”	a tenancy agreement dated November 15, 2013 (as amended by a letter of amendment dated August 28, 2014 and a letter of amendment dated September 15, 2014) entered into between NVPS as tenant and KHK as landlord in relation to the tenancy of the Unit 3–1, Level 3 of Tower 9, Avenue 5, The Horizon, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, details of which were set out in the prospectus of the Company dated December 4, 2014
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Tenancy”	a tenancy agreement dated February 18, 2014 (as amended by a letter of amendment dated August 28, 2014 and a letter of amendment dated September 15, 2014) entered into between NVPS as tenant and KHK as landlord in relation to the tenancy of the Unit G–1, Level G of Tower 9, Avenue 5, The Horizon, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, details of which were set out in the prospectus of the Company dated December 4, 2014
“Tower 1 Tenancy Agreement”	a tenancy agreement dated July 28, 2016 entered into between MLSB as landlord and NMP as tenant in relation to the tenancy of the Property, details of which were set out in the section headed “TOWER 1 TENANCY AGREEMENT”
“Tower 9 Tenancy Agreement”	the First Tenancy and the Second Tenancy (both as novated by the Novation Agreement) and the Renewal Third Tenancy
“USD”	United States dollars
“%”	per cent

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

Hong Kong, July 28, 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.