
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Water Oasis Group Limited (the “Company”), you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



Water Oasis Group

奧 思 集 團

WATER OASIS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1161)

PROPOSED BONUS ISSUE OF SHARES

RENEWAL OF GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

RE-ELECTION OF DIRECTORS

AND

NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of the Company to be held on Tuesday, 16th March 2010 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong is set out on pages 15 to 18 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s principal place of business at 18th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the annual general meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting, or any adjournment thereof, should you so wish.

27th January 2010

CONTENTS

	<i>Page</i>
EXPECTED TIMETABLE	1
DEFINITIONS	2
LETTER FROM THE BOARD	5
APPENDIX I – EXPLANATORY STATEMENT	11
APPENDIX II – GENERAL INFORMATION	14
NOTICE OF ANNUAL GENERAL MEETING	15

EXPECTED TIMETABLE

2010

Latest date of dealings in Shares cum entitlements to the final dividend and the Bonus Share Issue	Tuesday, 9th March
First date of dealings in Shares ex entitlements to the final dividend and the Bonus Share Issue	Wednesday, 10th March
Latest time for lodging transfers for entitlements to the final dividend and the Bonus Share Issue	4:00 p.m. on Thursday, 11th March
Closure of Register (both days inclusive)	From Friday, 12th March to Tuesday, 16th March
Proxy forms for the AGM to be returned by	10:00 a.m. on Sunday, 14th March
AGM.....	10:00 a.m. on Tuesday, 16th March
Record Date for determination of entitlement to the final dividend and the Bonus Share Issue and the right to attend and vote at the AGM.	Tuesday, 16th March
Register re-opens	Wednesday, 17th March
Dispatch of dividend cheques and certificates for the Bonus Shares	Tuesday, 30th March
First date of dealings in the Bonus Shares.	Thursday, 1st April

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Advisor”	Luminary Capital Limited, a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO;
“AGM”	the annual general meeting of the Company to be held on Tuesday, 16th March 2010 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong;
“AGM Notice”	the notice convening the AGM set out on pages 15 to 18 of this circular;
“Articles”	the articles of association of the Company;
“associates”	has the same meaning as defined in the Listing Rules;
“Board”	the board of Directors;
“Bonus Shares”	the Shares proposed to be issued by way of bonus on the terms set out in this circular;
“Bonus Share Issue”	the issue of the Bonus Shares;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Company”	Water Oasis Group Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange;
“connected person”	has the same meaning as defined in the Listing Rules;
“Consultancy Agreement”	the consultancy agreement dated 18th December 2009 and entered into between the Company, the Advisor and Mr. Leung;
“Directors”	the directors of the Company;
“Excepted Shareholders”	those Overseas Shareholders the Board, after making enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant body or stock exchange in that place not to extend the Bonus Share Issue to them;

DEFINITIONS

“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares set out as resolution no. 8 in the AGM Notice;
“Latest Practicable Date”	22nd January 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mr. Leung”	Mr. Leung Pak To, Francis;
“Nominee(s)”	Mr. Leung or his nominee(s);
“Option”	the option conditionally granted by the Company to the Advisor giving it the right to require the Company to issue up to 36,955,600 Option Shares at the Option Price during the Option Period to the Advisor or the Nominee(s) pursuant to the terms of the Consultancy Agreement;
“Option Period”	a period of 36 months commenced on the date of the Consultancy Agreement and ending on 17th December 2012;
“Option Price”	HK\$2.26 per Option Share (subject to adjustments for, among other things, capitalisation of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of shares or reduction of the share capital of the Company and payment of extraordinary dividends);
“Option Shares”	36,955,600 Shares to be issued upon the exercise in full the Option which Shares shall rank pari passu in all respects with the Shares in issue as at the date of the notice of exercise of the Option;
“Overseas Shareholders”	holders of Shares whose addresses as shown on the Register on the Record Date are outside Hong Kong;

DEFINITIONS

“Qualifying Shareholders”	holders of Shares whose names are shown on the Register on the Record Date (and not being Excepted Shareholders), who are entitled to participate in the Bonus Share Issue;
“Record Date”	Tuesday, 16th March 2010, being the date for determination of entitlement to the final dividend and the Bonus Share Issue, and the right to attend and vote at the AGM;
“Register”	the register of members of the Company;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares set out as resolution no. 9 in the AGM Notice;
“SFO”	Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong;
“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of (a) Share(s);
“Share Option Scheme”	the share option scheme adopted by the Company on 23rd January 2002;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong.

LETTER FROM THE BOARD



Water Oasis Group

奧 思 集 團

WATER OASIS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1161)

Executive Directors:

YU Lai Si *Chief Executive Officer*

TAM Chie Sang

YU Lai Chu, Eileen

YU Kam Shui, Erastus

LAI Yin Ping

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Independent non-executive Directors:

WONG Lung Tak, Patrick, J.P.

WONG Chun Nam

WONG Chi Keung

Head Office and

Principal Place of Business:

18th Floor, World Trade Centre

280 Gloucester Road

Causeway Bay

Hong Kong

27th January 2010

To the Shareholders

Dear Sir or Madam,

PROPOSED BONUS ISSUE OF SHARES

RENEWAL OF GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

RE-ELECTION OF DIRECTORS

AND

NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to: (i) provide you with details of the proposed Bonus Share Issue; (ii) provide you with details of the proposed Issue Mandate and the proposed Repurchase Mandate; (iii) set out an explanatory statement regarding the Repurchase Mandate; and (iv) give you notice of the AGM.

LETTER FROM THE BOARD

PROPOSED BONUS ISSUE OF SHARES

1. Issue of Bonus Shares

The Directors recommend a bonus issue of Shares, credited as fully paid by way of capitalisation of part of the Company's share premium account, on the basis of one Bonus Share for every one existing Share held by Qualifying Shareholders whose names are on the Register on the Record Date. The Bonus Shares will rank pari passu in all respects with the Shares from their date of issue except that they will not rank for any dividend declared or recommended by the Company in respect of the financial year ended 30th September 2009. Fractional entitlements to Bonus Shares will not be allotted to Shareholders and will be aggregated and sold for the benefit of the Company. As at the Latest Practicable Date, the number of Shares in issue was 369,556,000 Shares. On the basis of such figure, and assuming there is no issue or repurchase of Shares prior to the Record Date, the number of Bonus Shares to be issued is 369,556,000 Shares.

2. Conditions of the Bonus Share Issue

The Bonus Share Issue is conditional upon:-

- (a) Shareholders approving resolution no. 7 as set out in the AGM Notice; and
- (b) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Bonus Shares.

3. Closure of Register

The Register will be closed from Friday, 12th March 2010 to Tuesday, 16th March 2010 (both days inclusive) in order to determine entitlements of Shareholders to the proposed final dividend for the financial year ended 30th September 2009 and the Bonus Share Issue, and the right to attend and vote at the AGM (or any adjournment thereof). In order to be entitled to attend and vote at the AGM (or any adjournment thereof), and to qualify for the proposed final dividend and to determine entitlements of Shareholders to the Bonus Share Issue, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrars in Hong Kong, Tricor Standard Limited whose share registration public offices are located at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on Thursday, 11th March 2010. Arrangement for the Excepted Shareholders are further elaborated in the paragraph below under the heading "Excepted Shareholders".

4. Trading arrangements

Application has been made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Bonus Shares. Subject to the granting of the listing of and permission to deal in the Bonus Shares as well as compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date on which dealings in the Bonus Shares commence on the Stock Exchange or such other date as shall be determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

LETTER FROM THE BOARD

Settlement of transactions between members of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter.

The Bonus Shares will be traded in board lots of 2,000 Shares each. It is expected that certificates for the Bonus Shares will be posted to Shareholders on Tuesday, 30th March 2010 at their own risk and Shareholders will receive one share certificate for all the Bonus Shares issued to them under the Bonus Share Issue. The first date of dealings in the Bonus Shares will be on Thursday, 1st April 2010.

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for the listing of or permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange.

Stamp duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

5. Reasons for the Bonus Share Issue

In recognition of the continual support of the Shareholders, the Board decided to propose the Bonus Share Issue. In addition, the Directors believe that the Bonus Share Issue will enhance the liquidity of the Shares in the market and thereby enlarging the Company's shareholder and capital base.

6. Excepted Shareholders

For those Overseas Shareholders, enquiry will be made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. Upon such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Excepted Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Excepted Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Excepted Shareholders, if any, pro rata to their respective shareholdings and remittances therefor will be posted to them, at their own risks, unless the amount to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

As at the Latest Practicable Date, there are no Overseas Shareholders in the Register of the Company. As such, no specific enquiry in respect of the above will be made by the Board, unless otherwise announced by the Company later.

7. Adjustment to the number of Option Shares and the Option Price

The Company entered into the Consultancy Agreement on 18th December 2009 with the Advisor and Mr. Leung pursuant to which the Company has conditionally granted to the Advisor or at the Advisor's direction, the Nominee(s) the Option. Please refer to the announcement of the Company dated 20th December 2009 for details of the Consultancy Agreement and the Option. The grant of the Option has become unconditional upon the Stock Exchange granting the listing of, and permission to deal in, the Option Shares.

LETTER FROM THE BOARD

The Consultancy Agreement provides, among other things, that if there is an alteration in the capital structure of the Company during the Option Period by way of bonus issue, corresponding adjustments shall be made to (a) the number or nominal amount of the Option Shares then remaining subject to the Option so far as unexercised and/or (b) the Option Price, so as to give the Advisor or the Nominee(s) the same proportion of the equity capital of the Company as that to which the Advisor or the Nominee(s) was previously entitled.

Following the Bonus Share Issue, the number of Option Shares and the Option Price will be adjusted to 73,911,200 Shares and HK\$1.13 per Option Share respectively with effect from 1st April 2010, being the first date of dealings in the Bonus Shares, so as to give the Advisor or the Nominee(s) the same proportion of the equity capital of the Company as enlarged by the Bonus Share Issue.

8. Warning of risks of dealing in Shares

The Bonus Share Issue is conditional upon the conditions set out in the paragraph headed “Conditions of the Bonus Share Issue” above. Any Shareholder or other person dealing in the Shares prior to the Company having fulfilled the conditions for the Bonus Share Issue will accordingly bear the risk that the Bonus Share Issue cannot become unconditional and may not be able to receive the Bonus Shares. Shareholders and potential investors should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

Ordinary resolutions will be proposed at the AGM to grant to the Directors new general mandates:

- (i) to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM; and
- (ii) to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

An explanatory statement containing information regarding the Repurchase Mandate is set out in the Appendix to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

At the AGM, ordinary resolutions will be put forward to the Shareholders in relation to the proposed re-election of Dr. Wong Lung Tak, Patrick, J.P. and Mr. Wong Chun Nam as independent non-executive directors. Pursuant to Rule 13.74 of the Listing Rules, details of Dr. Wong Lung Tak, Patrick, J.P. and Mr. Wong Chun Nam are set out below.

Dr. Wong Lung Tak, Patrick, J.P.

Dr. Wong Lung Tak, Patrick, J.P., (“Dr. Wong”) aged 61, is an independent non-executive director. Dr. Wong is a Practising Certified Public Accountant and is the managing director of Wong Lam Leung & Kwok CPA Limited. He has over 30 years’ experience in the accountancy profession. Among his qualifications, he obtained a Doctor of Philosophy in Business in 2000, awarded a Badge of Honour in 1993 by the Queen of England and appointed a Justice of the Peace in 1998. Dr. Wong involves in many other community services, holding posts in various organisations and committees in government and voluntary agencies.

Dr. Wong does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Wong is interested in 600,000 Shares within the meaning of Part XV of the SFO, representing approximately 0.2% of the issued share capital of the Company. Dr. Wong has not held directorships in any other listed public companies in the last 3 years.

No service contract was entered into between the Company and Dr. Wong in respect of his appointment. Dr. Wong was not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the Company’s articles of association. Dr. Wong is entitled to receive a director’s remuneration of HK\$150,000 per annum. Dr. Wong’s remuneration is determined by reference to his qualifications and experiences as well as market benchmarks and is subject to annual review by the Board by reference to market benchmarks.

Mr. Wong Chun Nam

Mr. Wong Chun Nam, (“Mr. Wong”) aged 56, is an independent non-executive director. Mr. Wong is a partner of Ho, Wong & Wong Solicitors & Notaries, practising commercial, corporate and tax laws. Mr. Wong has been a practising solicitor in Hong Kong since 1982 and is also a Notary Public, a Chartered Secretary, an associate of the Taxation Institute of Hong Kong, and a member of the Chartered Institute of Arbitrators. He participates in many community services including being a member of the Quality Education Fund Steering Committee.

Mr. Wong does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Wong is interested in 600,000 Shares within the meaning of Part XV of the SFO, representing approximately 0.2% of the issued share capital of the Company. Mr. Wong has not held directorships in any other listed public companies in the last 3 years.

No service contract was entered into between the Company and Mr. Wong in respect of his appointment. Mr. Wong was not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the Company’s articles of association. Mr. Wong is entitled to receive a director’s remuneration of

LETTER FROM THE BOARD

HK\$150,000 per annum. Mr. Wong's remuneration is determined by reference to his qualifications and experiences as well as market benchmarks and is subject to annual review by the Board by reference to market benchmarks.

The Board is not aware of any other matters or information that need to be brought to the attention of Shareholders of the Company or to be disclosed pursuant to Rule 13.51(2)(h) to (v) in relation to the proposed re-election of the aforesaid retiring Directors.

ANNUAL GENERAL MEETING

A notice convening the AGM to be held on Tuesday, 16th March 2010 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong is set out on pages 15 to 18 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

You will find enclosed a form of proxy for use at the AGM. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at 18th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM, or any adjournment thereof, should you so wish.

VOTING BY POLL

In line with the recent changes to the Listing Rules whereby any vote of shareholders at a general meeting must be taken by poll, the Chairman of the meeting will demand for a poll for all resolutions put forward at the forthcoming AGM to be held on Tuesday, 16th March 2010.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the proposed Bonus Share Issue and the granting of the Issue Mandate and the Repurchase Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders to vote in favour of the relevant resolutions as set out in the AGM Notice at the forthcoming AGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular, which form part of this circular.

Yours faithfully,

YU Lai Si

Executive Director and Chief Executive Officer

This appendix includes an explanatory statement required by the Stock Exchange to be presented to Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors.

1. STOCK EXCHANGE RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution in a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. FUNDING OF REPURCHASES

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the memorandum and articles of association of the Company, the Listing Rules and the applicable laws of the Cayman Islands. As compared with the financial position of the Company as at 30th September 2009 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

3. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

4. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 369,556,000 Shares.

Subject to the passing of the relevant ordinary resolutions to approve the general mandates to issue and repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the AGM, the Directors would be authorised to exercise the powers of the Company to repurchase a maximum of 36,955,600 Shares.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the memorandum and articles of association of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert (as that term is defined in the Takeovers Code), depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the substantial shareholders having interests in 10% or more of the issued share capital of the Company were:

Name of Shareholder	Number of Shares held	Approximate % shareholding	
		As at the Latest Practicable Date	If Repurchase Mandate is exercised in full
Yu Lai Si	83,056,880	22.5%	25.0%
Zinna Group Limited (<i>Note 1</i>)	77,666,880	21.0%	23.4%
Advance Favour Holdings Limited (<i>Note 2</i>)	38,833,440	10.5%	11.7%
Billion Well Holdings Limited (<i>Note 3</i>)	38,833,440	10.5%	11.7%

Notes:

1. Zinna Group Limited is a company incorporated in Hong Kong. All of its voting rights are held by Royalion Worldwide Limited, a British Virgin Islands company which is 51% owned by Tam Chie Sang and 49% owned by his spouse, Yu Lai Chu, Eileen, both are directors of the Company.
2. Advance Favour Holdings Limited is a British Virgin Islands company beneficially owned by Lai Yin Ling, sister of Lai Yin Ping, a director of the Company.
3. Billion Well Holdings Limited is a British Virgin Islands company beneficially owned by Lai Yin Ling, sister of Lai Yin Ping, a director of the Company.

In the event the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the interests of each of the above Shareholders in the Company would be increased to approximately the percentages as set out opposite their respective names in the table above. The Directors believe that such increase may give rise to an obligation on the part of Yu Lai Si and Zinna Group Limited to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. However, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render the aforesaid Shareholders or any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Board will endeavour to ensure that the exercise of the Repurchase Mandate will not result in less than 25% of the issued share capital of the Company, being the minimum prescribed public float requirement under the Listing Rules, being held in the hands of the public.

7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the proposed Repurchase Mandate is granted, to sell Shares to the Company. No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) during the six months ended on the Latest Practicable Date.

9. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the twelve months immediately prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Shares	Lowest <i>HK\$</i>
2009			
January	2.15		1.80
February	2.15		1.93
March	2.10		1.75
April	2.00		1.69
May	2.15		1.80
June	2.40		2.10
July	2.30		1.67
August	1.99		1.72
September	1.96		1.73
October	1.88		1.75
November	2.20		1.81
December	2.98		2.12
2010			
January (till the Latest Practicable Date)	4.30		2.93

WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

Application has been made by the Company for waiver from strict compliance with Rules 19.10(2) and 19.10(3) of the Listing Rules regarding the requirements on including in this circular summaries of: (a) the provisions of the constitutive documents of the Company in so far as they may affect shareholders' rights and protections and directors' powers; and (b) the relevant regulatory provisions of the jurisdiction in which the Company is incorporated. Such waiver was granted by the Stock Exchange on 21st January 2010.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at 18th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong during normal business hours on any weekday other than public holidays, Saturdays and Sundays from the date of this circular up to and including the date of the AGM:

- (a) the memorandum and articles of association of the Company;
- (b) the Companies Law of the Cayman Islands (2009 Revision); and
- (c) the annual reports of the Company for the financial years ended 30th September 2007, 30th September 2008 and 30th September 2009.

NOTICE OF ANNUAL GENERAL MEETING



Water Oasis Group

奧 思 集 團

WATER OASIS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1161)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “Meeting”) of Water Oasis Group Limited (the “Company”) will be held on Tuesday, 16th March 2010 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong for the following purposes:–

1. To receive and consider the audited consolidated financial statements and reports of the directors and independent auditor of the Company and its subsidiaries for the year ended 30th September 2009.
2. To declare a final dividend for the year ended 30th September 2009.
3. To re-elect Dr. Wong Lung Tak, Patrick, J.P. as an independent non-executive director of the Company.
4. To re-elect Mr. Wong Chun Nam as an independent non-executive director of the Company.
5. To determine the directors’ emolument for their services and to authorise the Board of Directors to fix the directors’ emolument.
6. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorise the Board of Directors to fix their remuneration.

ORDINARY RESOLUTIONS

7. **“THAT:**
 - (A) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Listing Committee”) granting the listing of and permission to deal in new shares of HK\$0.10 each in the share capital of the Company (the “Shares”) to be issued pursuant to this resolution, and upon the recommendation of the directors of the Company (the “Directors”) a sum of HK\$36,955,600 being part of the amount standing to the credit of the share premium account of the Company, or such larger sum as may be necessary to give effect to the bonus issue of Shares pursuant to this resolution, be capitalised and accordingly, the Directors be and are authorised and directed to apply the said sum in paying up in full at par 369,556,000 new Shares (the “Bonus Shares”) of HK\$0.10 each in the share capital of the Company, and that such Bonus Shares to be allotted, issued and distributed, credited as fully paid up at par, to and among holders of Shares standing in the register of members of the Company at the close of business on 16th March 2010 (the “Record Date”), other than those members (the “Excepted Shareholders”) whose addresses as shown on the register of members of the Company at the close of business on the Record Date are in places outside Hong Kong and in respect of whom the Directors consider the exclusion from the Bonus Share Issue (as defined below) to be necessary or expedient in accordance

NOTICE OF ANNUAL GENERAL MEETING

with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, in the proportion of one Bonus Share for every one existing issued Share held on that date (the “Bonus Share Issue”) and that such Shares shall rank for all purposes pari passu with the existing issued Shares except that they will not be entitled to participate in any dividend declared or recommended by the Company in respect of the financial year ended 30th September 2009;

- (B) the Directors be and are hereby authorised to deal with any fractions arising from the distribution by the sale of the Bonus Shares representing such fractions and to retain the net proceeds for the benefit of the Company;
- (C) the Directors be and hereby authorised to arrange for the Bonus Shares which would otherwise have been issued to the Excepted Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences, and distribute the net proceeds of sale, after deduction of expenses in Hong Kong dollars to the Excepted Shareholders, if any, pro rata to their respective shareholdings and to post to them the remittances therefor at their own risks, unless the amount to be distributed to any such persons is less than HK\$100.00, in which case the Directors be and are hereby authorised to retain such amount for the benefit of the Company; and
- (D) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the Bonus Share Issue.”

8. **“THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (A) and (B) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares in the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the Company’s articles of association to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

9. **“THAT:**

(A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to repurchase such shares are subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby, generally and unconditionally approved;

(B) the approval in paragraph (A) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;

(C) the aggregate nominal amount of share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution and the said approval shall be limited accordingly; and

(D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the Company's articles of association to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting."
10. "THAT conditional upon the passing of ordinary resolution nos. 8 and 9 in the notice convening the annual general meeting of the Company, the aggregate nominal amount of the share capital of the Company which are repurchased by the Company pursuant to and in accordance with the said ordinary resolution no. 9 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the said ordinary resolution no. 8."

By Order of the Board
MO Yuen Yee
Company Secretary

Hong Kong, 27th January 2010

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. The instrument appointing a proxy and (if required by the board of Directors) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the principal place of business of the Company at 18th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the Meeting or any adjournment thereof, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holder may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
7. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against Ordinary Resolutions 7 to 10 as set out in this notice will be sent to members of the Company together with the Company's 2009 Annual Report.
8. The transfer books and Register of Members of the Company will be closed from Friday, 12th March 2010 to Tuesday, 16th March 2010, both days inclusive. During such period, no share transfers will be effected. In order to be entitled to attend and vote at the Meeting (or any adjournment thereof), and to qualify for the proposed final dividend and to determine entitlements of members of the Company to the Bonus Share Issue, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrars in Hong Kong, Tricor Standard Limited whose share registration public offices are located at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on Thursday, 11th March 2010.
9. A form of proxy for use at the Meeting is enclosed.