

Monthly Return of Equity Issuer on Movements in Securities

| For the month ended (dd/mm/yyyy): 31/05/2010 | | | | |
|--|------------|------------------------|----------------------------------|---|
| To: Hong Kong Exchanges and | d Clearing | Limited | | |
| Name of Issuer | Water Oa | sis Group Limited | | |
| Date Submitted | 04/06/201 | 10 | | |
| I. Movements in Authorised Sh | are Capita | .1 | | |
| 1. Ordinary Shares | | | | |
| (1) Stock code : <u>1161</u> | _Descript | ion: Ordinary s | shares with pa | r value of HK\$0.1 each |
| | | No. of ordinary shares | Par value (HK\$) | Authorised share capital (HK\$) |
| Balance at close of preceding n | nonth _ | 1,000,000,000 | 0.1 | 100,000,000 |
| Increase/(decrease) | - | 0 | | 0 |
| Balance at close of the month | - | 1,000,000,000 | 0.1 | 100,000,000 |
| (2) Stock code : N/A | Descript | ion : | | |
| | | No. of ordinary shares | Par value (State currency) | Authorised share capital (State currency) |
| Balance at close of preceding n | nonth _ | | | |
| Increase/(decrease) | - | | | |
| Balance at close of the month | _ | _ | | · |

| Stock code: N/A | Descri | iption: | | |
|--------------------------|--------------|--------------------------------|----------------------------------|---|
| | | No. of preference shares | Par value (State currency) | Authorised share capital (State currency) |
| Balance at close of pre- | ceding month | | | |
| Increase/(decrease) | | | | |
| Balance at close of the | month | | | |
| 3. Other Classes of Sha | ares | | | |
| Stock code: N/A | Descri | iption : | | |
| | | | | |
| <u></u> | | No. of other classes of shares | Par value (State currency) | |
| Balance at close of pre | ceding month | | Par value (State | Authorised share capital |
| | ceding month | | Par value (State | Authorised share capital |

II. Movements in Issued Share Capital

| | No. of ordinary shares | | No of preference | No. of other classes | |
|--|------------------------|-----|------------------|----------------------|--|
| | (1) | (2) | shares | of shares | |
| Balance at close of preceding month | 739,112,000 | N/A | N/A | N/A | |
| Increase/ (decrease) during the month | 24,840,764 | N/A | N/A | N/A | |
| Balance at close of the month | 763,952,764 | N/A | N/A | N/A | |

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

| Particulars of share | i share optio | on Belieffies of the | 2 133461) | | No. of new shares of | No. of new shares of |
|---------------------------|---------------|----------------------|----------------|--------------|----------------------|--------------------------|
| option scheme | | | | | issuer issued during | issuer which may be |
| including EGM | | | | | the month pursuant | issued pursuant thereto |
| approval date | | Movement duri | ng the month | | thereto | as at close of the month |
| (dd/mm/yyyy) and - | | Wiovellient duri | ng the month | | | |
| class of shares | | | | | | |
| issuable | Granted | Exercised | Cancelled | Lapsed | | |
| 1. N/A | | | | • | | |
| | | | | | | |
| | | | | | | |
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| | | | | | | |
| | | | | | | |
| shares | | | | | | |
| (Note 1) | | | | | | |
| | | | | | | |
| 2. | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| (/ /) | | | | | | |
| shares | | | | | | |
| $\frac{Shares}{(Note 1)}$ | | | | | | |
| (Ivole 1) | | | | | | |
| 2 | | | | | | |
| 3. | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| (/ /) | | | | | | |
| shares | | | | | | |
| (<i>Note 1</i>) | | | | | | - |
| | | To | otal A. (Ordin | ary shares) | N/A | |
| | | 10 | | nce shares) | N/A | |
| | | | , | Other class) | N/A | |
| Takal family and all 1 | | - C | | Juici Class) | 1 1/ /1 | |
| Total funds raised dur | | i from exercise o | | | | |
| options (State current | <i>:y)</i> | | N/A | | | |
| | | | | | | |

| Description of warrants (Date of expiry - dd/mm/yyyy) | Currency of Nominal value at nominal close of value preceding month | Exercised during the month | Nominal value at close of the month | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|---|---|----------------------------|---|--|--|
| 1. N/A | _ | | | | |
| | _ | | | | |
| Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date | | | | | |
| (if applicable) (dd/mm/yyyy) | (/ /) | | | | |
| 2. | | | | | |
| (/ /) | | | | | |
| Stock code (if listed) Class of shares issuable (Note 1) | | | | | |
| Subscription price EGM approval date (if applicable) (dd/mm/yyyy) 3. | (/ /) | | | | |
| | - - | | | | |
| (/ /) | | | | | |
| Stock code (if listed) Class of shares issuable (Note 1) | | | | | |
| Subscription price | | | | | |
| EGM approval date (if applicable) | | | | | |
| | (/ /) | | | | |
| 4. | _ | | | | |
| | - | | | | |
| (/ /) Stock code (if listed) | | | | | |
| Class of shares | | | | | |
| issuable (Note 1) | | | | | |
| Subscription price EGM approval date (if applicable) (dd/mm/yyyy) | (/ /) | | | | |
| <u></u> | | | | | |
| | Total | | nary shares) N/ | | - |
| | | (1161616 | mee shares) IN/. | α | |

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed) No. of new No. of new shares of shares of issuer issued issuer which during the may be issued month pursuant pursuant thereto as at close of the Currency of Amount at close Converted thereto amount of preceding during the Amount at close month Class and description outstanding month of the month month 1. Convertible bonds Please refer to "Remark A" in the Remarks section 17,647,058 Stock code (if listed) Class of shares issuable (Note 1) Ordinary shares Subscription price HK\$2.21 per share EGM approval date (if applicable) (dd/mm/yyyy)) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) 4. Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) Total C. (Ordinary shares) NIL (Preference shares) N/A (Other class) N/A

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

| | inder Share Option Schemes) | _ | |
|----|--|--|---|
| | particulars including EGM approval date (dd/mm/yyyy), | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
| | plicable, and class of shares issuable: | | |
| 1. | On December 18, 2009, the Company entered into a Consultancy Agreement (the "Agreement") with the Advisor, Luminary Capital Limited and Mr. Leung Pak To, Francis for a period of 24 months, conditionally granted to the Advisor the right to require the Company to issue up to 36,955,600 option shares (the "Option Shares") at the option price of HK\$2.26 (the "Option Price") per option share during the 36 months option period (the "Option Period") to the Advisor, Mr. Leung Pak To, Francis or his nominee(s) (the "Nominee(s)"). The option can be exercised once or more than once, in full (or in part), in such amounts and at such times as the Advisor shall determine during the Option Period. The 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 the 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 the first day of dealings in the Bonus Shares, i.e. April 1, 2010, so as to give the Advisor or the Nominee(s) the same proportion of the equity capital of the Company's final results announcement dated December 20, 2009 and the Company's final results announcement dated January 13, 2010 for more details. | | |
| | Ordinary shares (Note 1) | | 73,911,200 |
| 2 | | | |
| _ | (/ /) | | |
| _ | shares (Note 1) | | |
| _ | | | |
| 3 | | | |
| _ | | | |
| _ | | | |
| _ | | | |
| _ | shares (Note 1) | | |
| _ | T 1D (0 !) | NT'1 | |
| _ | Total D. (Ordinary shares) | Nil | |
| _ | (Preference shares) | N/A | |
| Í | (Other class) | N/A | |
| | | | |

| Class of shares issuable N/A (Note 1) 1. Rights issue At price: State currency 2. Open offer At price: State At price: State currency 3. Placing At price: State currency At price: State currency Class of shares issuable N/A (Note 1) Issue and allotment date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) At price: State currency Class of shares issuable Ordinary shares Issue and allotment date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) At price: State currency Class of shares issuable Ordinary shares EGM approval date: (dd/mm/yyyy) At price: State currency Class of shares issuable Ordinary shares Class of shares issuable (/ / /) EGM approval date: (dd/mm/yyyy) At price: State currency Class of shares issuable N/A (Note 1) EGM approval date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyyy) At price: State currency EGM approval date: (dd/mm/yyyyy) EGM approval date: (dd/mm/yyyyy) At price: State currency EGM approval date: (dd/mm/yyyyy) EGM approval date: (dd/mm/yyyyy) | | Type of Issue | Issued Share Capital | | | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|---|-----|--------------------|------------------------------------|--------------------------|------------|---|---|
| State State State Class of shares issuable N/A (/ /) | | Type of Issue | | Class of shares issuable | N/A | | |
| At price: currency date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) Class of shares issuable N/A (Note 1) Susue and allotment date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) Class of shares issuable Ordinary shares Issue and allotment date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) | | | | | | _ | |
| Class of shares issuable N/A (Note 1) 2. Open offer At price: State currency Class of shares issuable N/A (Note 1) | 1. | Rights issue | | | (/ /) | | |
| 2. Open offer At price: State currency State currency Issue and allotment date: (dd/mm/yyyy) | | | | | (/ /) | | |
| 2. Open offer At price: State currency State currency Issue and allotment date: (dd/mm/yyyy) | | | | | N/A | | |
| date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) 3. Placing At price: State currency HK\$1.57 Issue and allotment date: (dd/mm/yyyy) | | | | | N/A | _ | |
| Class of shares issuable Ordinary shares 3. Placing At price: State currency HK\$1.57 Issue and allotment date: (dd/mm/yyyy) (4/5/2010) EGM approval date: (dd/mm/yyyy) (//) EGM approval date: (dd/mm/yyyy) Class of shares issuable N/A (Note 1) Issue and allotment (//) (Note 1) Issue and allotment (//) (Note 1) EGM approval date: (//) | 2. | Open offer | | | (/ /) | | |
| 3. Placing At price: State currency HK\$1.57 Issue and allotment date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) 24,840,764 N/A Please refer to "Remark A" in the Remarks section Class of shares issuable N/A (Note 1) Issue and allotment date: (dd/mm/yyyy) 4. Bonus issue EGM approval date: (// /) | | | | | (/ /) | | |
| 3. Placing At price: State currency HK\$1.57 Issue and allotment date: (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) 24,840,764 N/A Please refer to "Remark A" in the Remarks section Class of shares issuable N/A (Note 1) Issue and allotment date: (dd/mm/yyyy) 4. Bonus issue EGM approval date: (// /) | | | | | | | |
| EGM approval date: (dd/mm/yyyy) Please refer to "Remark A" in the Remarks section Class of shares issuable N/A (Note 1) Issue and allotment (//) date:(dd/mm/yyyy) 4. Bonus issue EGM approval date: (//) | | | | | | - | |
| Please refer to "Remark A" in the Remarks section Class of shares issuable N/A (Note 1) Issue and allotment date: (dd/mm/yyyy) 4. Bonus issue EGM approval date: (//) | 3. | Placing | At price : State currency HK\$1.57 | | (4/5/2010) | | |
| Please refer to "Remark A" in the Remarks section Class of shares issuable N/A (Note 1) Issue and allotment (/ /) date: (dd/mm/yyyy) 4. Bonus issue EGM approval date: (/ /) | | | | | (/ /) | | |
| Class of shares issuable N/A (Note 1) Issue and allotment (/ /) date: (dd/mm/yyyy) 4. Bonus issue EGM approval date: (/ /) | | | | (00, 11112) | | 24,840,764 | N/A |
| (Note 1) Issue and allotment (/ /) date: (dd/mm/yyyy) 4. Bonus issue EGM approval date: (/ /) | Ple | ease refer to "Rem | nark A" in the Remarks section | | | | |
| date : (dd/mm/yyyy) 4. Bonus issue EGM approval date: (/ /) | | | | • | N/A | - | |
| | | | | | (/ /) | | |
| | 4. | Bonus issue | | | (/ /) | | |
| | | | | | | | |

For Main Board and GEM listed issuers

| | Type of Issue | | | | | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|----|--|---|---|-----|---|---|---|
| | 2,500 01 25500 | | | | | | |
| | | Class of shares issuable_(Note 1) | | N/A | | _ | |
| 5. | Scrip dividend At price : State currency — | Issue and allotment date : (dd/mm/yyyy) | (| / / |) | | |
| | | EGM approval date: (dd/mm/yyyy) | (| / / |) | | |
| | | | | | | | |
| | | Class of shares_repurchased (Note 1) | | N/A | | _ | |
| 6. | Repurchase of shares | Cancellation date : (dd/mm/yyyy) | (| / / |) | | |
| | | EGM approval date: (dd/mm/yyyy) | (| / / |) | | |
| | | | | | | | |
| | | Class of shares_redeemed (Note 1) | | N/A | | _ | |
| 7. | Redemption of shares | Redemption date : (dd/mm/yyyy) | (| / / |) | | |
| | | EGM approval date: (dd/mm/yyyy) | (| / / |) | | |
| | | | | | | | |
| | | Class of shares issuable_(Note 1) | | N/A | | _ | |
| 8. | Consideration issue At price : State currency ———— | Issue and allotment date : (dd/mm/yyyy) | (| / / |) | | |
| | | EGM approval date: (dd/mm/yyyy) | (| / / |) | | |
| | | | | | | | |

For Main Board and GEM listed issuers

| Туӷ | pe of Issue | | | No. of new shares of issuer issued during the month pursuant thereto thereto the month shares of issuer which may be issued pursuant thereto as at close of the month |
|---------------|------------------------|---------------------------|--|---|
| | apital organisation | | Class of shares issuable N/A (Note 1) Issue and allotment (/ /) date: (dd/mm/yyyy) EGM approval date: (/ /) (dd/mm/yyyy) | |
| 10. Ot (P: | her lease specify) | At price : State currency | Class of shares issuable N/A (Note 1) Issue and allotment (/ /) date: (dd/mm/yyyy) EGM approval date: (/ /) (dd/mm/yyyy) | |
| | | | Total E. (Ordinary shares (Preference shares (Other class | s) N/A |

| Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E): | (1) | 24,840,764 |
|---|--------|-----------------|
| | (2) | N/A |
| Total increase / (decrease) in preference shares during the month (i.e. Total of A to E): | | N/A |
| Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E): | | N/A |
| (These figures should be the same as the relevant figures under II above ("Movements in Issue | ied Sh | are Capital").) |

| Remarks (if any): |
|---|
| A. On April 27, 2010, the Company entered into the Subscription Agreement with DAMF II Beauty Services Holdings |
| Limited (the "Subscriber"), pursuant to which the Subscriber has agreed to subscribe for (i) the Convertible Bonds in an |
| aggregate principal amount of HK\$39,000,000 and (ii) 24,840,764 Subscription Shares at the Subscription Price of |
| HK\$1.57 per Share. |
| Upon full conversion of the HK\$39,000,000 principal amount of the Convertible Bonds at the Initial Conversion Price of |
| HK\$2.21, a total of 17,647,058 Conversion Shares will be issued. |
| The Bondholder can convert the outstanding principal amount of the Convertible Bonds in whole or in part into Shares |
| (in authorised denominations) commencing on and excluding the 7 th day after the issue date up to and including the date |
| which is seven days prior to the day before the third anniversary from the date of issue of the Convertible Bonds |
| (the "Maturity date"). |
| Unless previously converted or purchased or redeemed, the Convertible Bonds will be redeemed on the maturity date at |
| Redemption Amount. |
| Both the Subscription Shares and the Convertible Bonds have been issued on May 4, 2010. |
| Please refer to the Company's announcement dated April 27, 2010 for more details. |
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| Submitted by: Mo Yuen Yee, Shirley . |
| Title: Company Secretary . |
| (Director, Secretary or other duly authorised officer) |
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Notes:

- 1. State the class of shares (e.g. ordinary, preference or other).
- 2. If there is insufficient space, please append the prescribed continuation sheet.