



Water Oasis Group

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# WATER OASIS GROUP LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 1161)

(the “Company”)

## INVESTMENT ADVISORY COMMITTEE – TERMS OF REFERENCE

### 1. Members

- 1.1 The Investment Advisory Committee (the “Committee”) should be established by the Board of Directors of the Company (the “Board”), and it should comprise a minimum of three members.
- 1.2 The majority of the Committee members must be independent non-executive directors of the Company, and at least one of whom is the executive director of the Company.
- 1.3 The chairman of the Committee (the “Chairman”) shall be appointed by the Board.
- 1.4 The Chief Financial Officer of the Company will be in attendance at the meetings.

### 2. Secretary

- 2.1 The Company Secretary of the Company shall act as the secretary of the Committee (the “Secretary”).
- 2.2 The Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the Secretary.

### 3. Meeting and Quorum

- 3.1 The Committee should meet at least once a year. Additional meetings should be held as the work of the Committee demands.
- 3.2 The Chairman may convene additional meetings at his discretion.
- 3.3 The quorum for a meeting shall be three Committee members of whom one of them is the executive director of the Company.
- 3.4 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Committee members present. Meetings can also be held in person, by telephone or by teleconferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants.
- 3.5 A resolution in writing signed by all Committee members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
- 3.6 The Secretary shall keep full minutes of all Committee meetings. Draft and final versions of minutes of the meetings shall be sent to all Committee members for their comment and records within a reasonable time after the meeting.
- 3.7 The Committee may invite any Director, executive, external advisor or other persons to attend any meeting(s) of the Committee as it may from time to time consider desirable to assist the Committee in the attainment of its objective.
- 3.8 Only the Committee member can vote in the meeting.

#### **4. Authority**

- 4.1 The Committee is authorised by the Board to request the senior management of the Company to provide any required investment-related information to perform its duties.
- 4.2 The Committee should have access to independent professional advice at the expense of the Company if necessary, to perform its duties.

*Remark: the independent professional advice can be sought via the Company Secretary*

- 4.3 The Committee should be provided with sufficient resources to perform its duties.

#### **5. Annual General Meeting**

- 5.1 The Chairman or (if absent) the other Committee member (must be an independent non-executive director) should attend the annual general meeting of the Company and handle the shareholders' enquiry on the activities and responsibilities related to the Committee.

#### **6. Duties and Powers**

The Committee duties and powers should include:

- 6.1 to advise on the formulation of guidelines and policies & procedures of the investment activities of the Company and its subsidiaries (the "Group");
- 6.2 to advise on the risk profile and asset allocation of the Group's investment portfolio;
- 6.3 to empower Chief Executive Officer to execute investment decision based on the set criteria;
- 6.4 to review on the performance of the Group's investment portfolio; and
- 6.5 to consider other topics, as defined by the Board.

#### **7. Reporting Responsibility**

The Committee has to report to the Board every time after the meeting.

March, 2012