



UNIVERSE INTERNATIONAL HOLDINGS LIMITED
(the “Company”)

TERMS OF REFERENCE

OF THE NOMINATION COMMITTEE

(Amended by the Board of Directors on 29th February 2012)

A. CONSTITUTION

1. The Nomination Committee (the “Committee”) was established by the board of the directors of the Company (the “Director(s)”) (the “Board”) on 15th July 2005.

B. MEMBERSHIP AND QUORUM

1. The Committee shall be appointed by the Board and consist of a minimum of two members. The majority of Committee members shall be independent non-executive Directors.
2. A quorum shall be two Committee members. If only two Committee members are in attendance, then both Committee members shall be independent non-executive Directors. If more than two Committee members are in attendance, then a majority of the Committee members shall be independent non-executive Directors.
3. Questions arising in any meetings shall be decided by a simple majority of votes.

C. CHAIRMAN

1. The Board shall appoint the chairman of the Committee (the “Chairman”). The Chairman must be either the chairman of the Board or an independent non-executive Director. The Chairman has the responsibility of liaising with the Board and senior management.
2. In the absence of the Chairman, the remaining Committee members present shall elect one of themselves from amongst the chairman of the Board or the independent non-executive Directors to chair the meetings of the Committee.

D. MEETINGS

1. The Committee shall meet at least once a year.
2. The Committee shall meet at such times as the Chairman shall require.
3. Any Committee member may request a meeting if he/she considers that one is necessary.

4. Meetings could be held in person, by telephone or by video conference. Committee members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in they are capable of hearing each other.
5. The chairman of the Board shall be in attendance with other senior management, if deemed appropriate and invited by the Committee.
6. A resolution in writing signed by all the Committee members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
7. The company secretary of the Company (the “**Company Secretary**”) shall act as the secretary of the Committee. The Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the Committee.

E. NOTICES OF MEETINGS

1. Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of the Committee members.
2. Notice of any meetings has to be given to all Committee members at least fourteen (14) days prior to any such meeting being held, unless all Committee members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Committee member shall be deemed waiver of the requisite length of notice by the Committee member.
3. An agenda of items to be discussed, together with supporting papers, shall be sent to the Committee members and to other attendees within a reasonable period of time prior to the date of the meeting.
4. Any Committee member shall be entitled, by notice to the secretary of the Committee, to include other matters relevant to the functions of the Committee in the agenda of the Committee meeting.

F. MINUTES OF MEETINGS

1. The secretary of the Committee (or his/her delegate) in attendance at the meetings of the Committee shall prepare minutes in sufficient detail of the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any Committee member and/or dissenting views expressed.
2. The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant Committee member shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Committee in which he/she and/or his/her associates have a material interest.

3. Draft and final versions of minutes of the Committee meetings shall be sent to all Committee members for their comments and records respectively within a reasonable time after the meeting.
4. Full minutes of the Committee meetings shall be kept by the secretary of the Committee and shall be available for inspection by any Committee member and/or any Director at any reasonable time on reasonable notice.

G. ANNUAL GENERAL MEETINGS

1. The Chairman shall endeavour to attend the annual general meetings of the Company and be prepared to respond to any shareholder questions on the Committee's activities.
2. If the Chairman is unable to attend an annual general meeting of the Company, he/she shall arrange for another Committee member, or failing this, his/her duly appointed delegate, to attend in his/her place. Such person shall be prepared to respond to any shareholder questions on the Committee's activities.

H. REPORTING RESPONSIBILITIES

1. After each meeting, the Chairman shall report formally to the Board on all matters within the Committee's duties and responsibilities.
2. The Committee shall make whatever recommendations it deems appropriate to the Board on any area within its remit where action or improvement is needed.
3. The Committee shall, with the assistance of the secretary of the Committee, compile a report to shareholders on its role and activities to be included in the Company's Corporate Governance Report.

I. AUTHORITY

1. The Committee is authorized by the Board:
 - (a) to make full use of intermediary agencies to identify qualified candidates at the Company's expense; and
 - (b) to conduct interviews with prospective candidates for nomination.

J. DUTIES

1. The Committee shall be responsible for:-
 - (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

- (b) identifying individuals suitably qualified to become the Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- (c) assessing the independence of independent non-executive Directors;
- (d) making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for the Directors, in particular the chairman of the Board and the chief executive; and
- (e) making available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.

K. OTHERS

1. The Committee shall have access to sufficient resources in order to perform its duties. In the event that the Committee determines that it has insufficient resources, it may make a request for additional resources to the Board through the Company Secretary.
2. All Committee members shall have access to the advice and services of the secretary of the Committee with a view to ensuring that procedures of the Committee and all applicable rules and regulations are followed.
3. Any Committee member may require access to outside legal or other independent professional advice in connection with his/her duties at the Company's expense.
4. Every Committee member shall give sufficient time and attention to his/her duties as a Committee member. He/she shall give the Company the benefit of his/her skills and expertise through regular attendance and active participation.

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In the event of discrepancies between the Chinese and the English versions, the English version shall prevail.