
16. REPORT PERTAINING TO FOREIGN INVESTMENTS AND REPATRIATION PROFITS

(Prepared for inclusion in this Prospectus)

16.1 In relation to Singapore Law



28 April 2006

The Board of Directors
BCT Technology Berhad
Cyberview Garden Villa & Office Complex
1st Floor, Rajawali Block
Persiaran Multimedia
63000 Cyberjaya
Selangor Darul Ehsan
Malaysia

First Trust Partnership
Certified Public Accountants
(formerly known as TKH & Company)

1 Raffles Place
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Singapore 048616

Tel: (65) 6221 0338
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Dear Sirs,

BCT TECHNOLOGY BERHAD FOREIGN INVESTMENT POLICIES AND THE REPATRIATION OF PROFITS UNDER THE LAWS OF SINGAPORE

Introduction

1. We are a Certified Public Accounting firm qualified to practise in the Republic of Singapore ("Singapore").
2. We have been advised that BCT Technology Berhad ("BCT Tech") is to be listed on the MESDAQ Market of Bursa Malaysia Securities Berhad and that it is the parent company of Bluechips Technology Pte Ltd, a company incorporated under the laws of Singapore.
3. We have been requested to advise on Singapore policies on foreign investments as well as the current position under the income tax laws of Singapore regarding the following:-
 - 3.1 Repatriation of profits by way of dividends on ordinary shares by a company incorporated in Singapore to a holding company incorporated in Malaysia.
 - 3.2 Dividends received by a Singapore company from outside Singapore; and
 - 3.3 Expected timeframe for profits to be repatriated to Malaysia.
4. Our advice set forth in this letter is based on our interpretation of the prevailing laws and regulations in Singapore. These laws are subject to change at any time possibly on a retroactive basis. Any such change would adversely affect the advice rendered herein. The advice rendered herein is not binding upon any tax or other government authorities in Singapore and there can be no assurance that the authorities will not take a position contrary to any opinion expressed in this letter.
5. Our advice is also given based on the background information set out below. We have made no investigation of any factual matters, or in respect of any entity referred to in this letter. We have also undertaken no investigations of and do not express or imply any views on the laws of any country other than Singapore. We will also not be responsible to carry out any review or update to this advice for any subsequent changes to any

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applicable laws or regulations, or judicial or administrative interpretations thereof, after the date of this letter unless we are specifically instructed to do so.

6. This letter is addressed to BCT Tech and is for BCT Tech's sole benefit and we expressly disclaim any responsibility to anyone other than BCT Tech in respect of the contents herein. This letter has been prepared for inclusion in BCT Tech's prospectus pursuant to its listing on the MESDAQ Market of Bursa Malaysia Securities Berhad. This letter does not constitute a recommendation to any investor for the purposes of making a decision to purchase, hold or dispose of the shares of BCT Tech. This letter may not be relied on by and must not be transmitted to any other person nor are its contents to be quoted or referred to in any document or filed with any applicable authority, government agency or body or any other person whatsoever (except as expressly contemplated hereby) without our prior written consent. Furthermore, this letter is given on the basis that any limitation on the liability of any other adviser to all or any of the persons to whom this report is addressed, whether or not we are aware of that limitation, will not adversely affect our position in any circumstances.

Background information

For the purposes of this letter, we have been provided the following information (without our verification or inquiry):-

1. BCT Technology Berhad ("BCT Tech") was incorporated in Malaysia under the Companies Act, 1965 of Malaysia on 11 October 2004 as a private limited company. It was incorporated to be a MSC status company to facilitate the listing of the BCT Tech Group on the MESDAQ Market of Bursa Malaysia Securities Berhad. BCT Tech was converted to a public company on 13 April 2005.
2. BCT Tech is principally involved in investment holding, management, research, development and distributions of electronic and semiconductor products and solutions and has three subsidiaries, namely Bluechips Technology Pte Ltd ("BCT"), Blue-Chips Semiconductors (M) Sdn Bhd ("BCSM") and Bluechips Technology (HK) Limited ("BCTHK").
3. BCT was incorporated in Singapore on 23 July 1994 and is principally involved in design and supply of integrated circuits, the distribution of software solutions, provision of design related services and the licensing of intellectual property in integrated circuits related fields.
4. BCTHK was incorporated in Hong Kong on 8 November 2002 and is principally involved in the provision of product design, manufacturing of semiconductors intergrated circuits and related services.
5. BCSM was incorporated in Malaysia on 27 September 2000 and its principal activities are distribution of software solutions and provision of related services.
6. BCT is a wholly-owned subsidiary of BCT Tech.

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7. BCT is and will be a resident of Singapore for the purposes of Singapore income tax.
8. Both BCTHK and BCSM are wholly-owned subsidiaries of BCT.

Singapore policy on foreign investments

1. Generally, there are no restrictions on foreign ownership of companies incorporated in Singapore, with the exception of companies involved in businesses deemed to be in the nature of a strategic industry and/or involve the national interests of Singapore. Examples of businesses requiring government approvals are banking, insurance and telecommunications.
2. As far as we are aware, there are no restrictions on foreign ownership of companies whose business activities are principally in the design and supply of integrated circuits, distribution of software solutions, provision of design related services and the licensing of intellectual property in intergrated circuits related fields. Therefore, foreign ownership in BCT should not be restricted unless as mentioned above, any of the activities undertaken or to be undertaken by BCT involves the national interest of Singapore.

General Singapore income tax rules on dividend repatriation

1. Singapore does not currently impose withholding tax on dividends paid to non-Singapore tax resident shareholders.
2. Prior to 1 January 2003, Singapore adopted the imputation system of taxation. Under the imputation system, the income tax paid by a Singapore tax resident company on its income (subject to tax at the normal corporate tax) was imputed and deemed to be paid on behalf of its shareholders upon distribution. Where the profits are distributed as franked dividends to shareholders, the dividends received by the shareholders were net of the corporate income tax paid by the company. Shareholders were then taxed on the gross amount of dividends and the income tax paid effectively became available to shareholders as a tax credit to offset their Singapore income tax liability. A non-resident shareholder is effectively taxed on such dividends at the corporate income tax rate. Thus, no further Singapore income tax will be imposed on the net dividend received by a non-resident shareholder.
3. With effect from 1 January 2003, Singapore has adopted the one-tier corporate tax system ("one-tier system"). Under the one-tier system, the tax collected from corporate profits is final and the company can pay tax-exempt one-tier dividends. Tax-exempt one-tier dividends paid on shares are exempt in the hands of the recipient shareholders whether resident or non-resident in Singapore.
4. During the five year transitional period expiring on 31 December 2007, companies with unutilised dividend franking credits as at 31 December 2002 may remain under the imputation system for the purpose of paying franked dividends. Such companies will automatically move to the one-tier system when their dividend franking credits are fully utilised. Companies, however, also have an irrevocable option to move to the one-tier system at an earlier date before their dividend franking credits are exhausted.

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BCT Technology Berhad



5. Where a Singapore tax resident company under the one-tier corporate tax system has received foreign income which may be tax exempt or relieved from Singapore income tax due to the availability of foreign tax credits, the company may either pay normal exempt dividends or tax-exempt one-tier dividends out of such foreign income.

Tax implications on dividend income received from Hong Kong and Malaysia

1. Unless specifically exempted, Singapore resident corporate taxpayers are subject to tax on income that is earned in or derived from Singapore and foreign-sourced income received or deemed received in Singapore. In this regard, dividends from BCTHK and BCSM, if considered as foreign-sourced income, will be subject to income tax in Singapore if such dividends are received or deemed received in Singapore.
2. Under the tax treaty between Singapore and Malaysia, any Malaysian tax suffered on the foreign-sourced dividend income received from BCSM in Singapore may be claimed as a credit against the Singapore tax payable on such dividend income, to the extent that the credit does not exceed the Singapore tax on that income.
3. Currently, there is no tax treaty between Singapore and Hong Kong. However, Singapore grants unilateral tax credits to Singapore residents in respect of remittances of foreign-sourced dividend income derived from countries with which Singapore does not have a tax treaty. Such credits shall take into account any underlying tax paid on the income out of which the dividend is paid provided the person resident in Singapore (i.e. the recipient of the dividends) owns not less than 25% of the shares of the company paying the dividend.
4. Under the Income Tax Act of Singapore and subject to the Tax Comptroller's agreement, foreign sourced dividend income received in Singapore on or after 1 June 2003 is exempt from Singapore corporate income tax provided the following criteria are met:-
 - i) the foreign sourced dividend income has been subjected to tax in the foreign jurisdiction from which the income is received; and
 - ii) the headline tax rate of the foreign jurisdiction from which the foreign sourced dividend income is received is at least 15% in the year in which the income is received.

Foreign exchange controls pertaining to profit repatriation

1. Currently, Singapore does not impose any foreign exchange controls.
2. Consequently, repatriation of profits arising from business operations in Singapore by way of dividends are not restricted. However, the ability to pay dividends by a Singapore incorporated company to its shareholders whether inside or outside Singapore is dependent on the provisions of the Companies Act of Singapore one of which basically stipulates that dividends can only be paid out of profits.

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3. There are currently no restrictions under the Income Tax Act of Singapore ("The Act") as to the time frame in which profits may be repatriated to Malaysia. However, under Section 30 of the Act, where it appears to the Comptroller that with a view to the avoidance or reduction of tax, a company has not distributed to its shareholders as dividend profits made in any period which could be distributed without detriment to the company's business, he may treat any such undistributed profits as distributed, and the persons concerned shall be assessable accordingly.

Yours faithfully

FIRST TRUST PARTNERSHIP

First Trust Partnership

16. REPORT PERTAINING TO FOREIGN INVESTMENTS AND REPATRIATION PROFITS

(Prepared for inclusion in this Prospectus)

16.2 In relation to Hong Kong Law



28 April 2006

The Board of Directors
BCT Technology Berhad
Cyberview Garden Villa & Office Complex
1st Floor, Rajawali Block
Persiaran Multimedia
63000 Cyberjaya
Selangor Darul Ehsan
Malaysia

Dear Sirs

BCT TECHNOLOGY BERHAD (“BCT TECH”) FOREIGN INVESTMENTS AND REPATRIATION OF PROFITS UNDER THE LAWS OF HONG KONG

We have been requested by BCT Tech to advise on the current positions under the laws and regulations of Hong Kong in respect of foreign investment policy and the repatriation of profits by a Hong Kong incorporated company to its shareholders or its immediate holding company incorporated outside of Hong Kong, which in your case is in Singapore.

I. BACKGROUND INFORMATION

For the purposes of this letter, we have been provided the following information:-

1. BCT Tech was incorporated in Malaysia under the Companies Act, 1965 of Malaysia on 11 October 2004 as a private limited company. It was incorporated to be a MSC status company to facilitate the listing of the BCT Tech Group on the MESDAQ Market of Bursa Malaysia Securities Berhad. BCT Tech was converted to a public company on 13 April 2005.
2. BCT Tech is principally involved in investment holding, management, research, development and distributions of electronic and semiconductor products and solutions and has three subsidiaries, namely Bluechips Technology Pte Ltd (“BCT”), Blue-Chips Semiconductors (M) Sdn Bhd (“BCSM”) and Bluechips Technology (HK) Limited (“BCTHK”)
3. BCT was incorporated in Singapore on 23 July 1994 under the Companies Act. Cap. 50 as a private limited company and it is principally involved in the design and supply of integrated circuits, the distribution of software solutions, provision of design related services and the licensing of intellectual property in integrated circuits related fields.

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4. BCTHK was incorporated in Hong Kong on 8 November 2002 and is principally involved in provision of product design, manufacturing of semiconductors integrated circuits and related services.
5. BCSM was incorporated in Malaysia on 27 September 2000 and its principal activities are distribution of software solutions and provision of related services.
6. BCT is a wholly-owned subsidiary of BCT Tech.
7. Both BCTHK and BCSM are wholly-owned subsidiaries of BCT.

II. FOREIGN INVESTMENTS IN HONG KONG

In general, there is no restriction on foreign investment in Hong Kong. However, companies operating in certain specific sectors are required to obtain prior approval from the relevant regulator when foreign or local shareholders invest in the regulated sector directly or indirectly. Those specific sectors include but are not limited to public broadcasting, banking, insurance and any of the business regulated under the Securities and Futures Ordinance of Hong Kong. We understand that BCTHK is not in any of the above excluded sectors.

III. FOREIGN EXCHANGE CONTROL AND REPATRIATION OF PROFITS

There is currently no foreign exchange control in Hong Kong. Hence, there is no restriction on the repatriation of profits, whether in the form of dividends or interest, by a Hong Kong incorporated company to its shareholder or holding company incorporated outside of Hong Kong, which in your case is in Singapore. As such, the expected timeframe for profits to be repatriated to Singapore by Hong Kong companies is dependent on the ability of such companies to pay dividends to shareholders whether in or outside of Hong Kong.

We consent to this opinion being, where BCT Tech deems it necessary or desirable, for inclusion in the prospectus of BCT Tech pursuant to its listing on the MESDAQ Market of Bursa Malaysia Securities Berhad.

Yours faithfully

A handwritten signature in black ink, appearing to read "Yik Mei Ling", written over a horizontal line.

Yik Mei Ling
Director – Taxation Services
YML/CAC/JAC/sch

R:\1 - Client\B\Bluechips Tech (HK) Ltd\Conf on HK ForEx policies(3).doc

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

(Prepared for inclusion in this Prospectus)

17.1 In relation to Singapore Law

**COLIN NG
&
PARTNERS**

*Established 1988
Singapore & Regional Lawyers*

YOUR REF :
OUR REF : QLF/20503113/B

WRITER'S CONTACT
DID NO.: 65-63498687
E-MAIL: lfquek@cnplaw.com

23 May 2006

BCT Technology Berhad
First Floor Rajawali Block
Cyberview Garden Villa and Office Complex
Persiaran Multimedia
63000 Cyberjaya
Selangor Darul Ehsan
Malaysia

BY COURIER

Attention : Mr. Khairil Anuar bin Abdullah

Dear Sirs

SHARE SALE AGREEMENT DATED 18 NOVEMBER 2004 AS AMENDED BY THE SUPPLEMENTAL LETTER DATED 18 JANUARY 2005 IN RESPECT OF SHARES HELD IN BLUECHIPS TECHNOLOGY PTE LTD

1. You have requested us as Singapore legal counsel of BCT Technology Berhad ("BCT Tech") (formerly known as BCT Technology Sdn Berhad) to render our opinion in respect of a Share Sale Agreement dated 18 November 2004 made between the parties listed under column 1 of **Annex 1** collectively, the "Vendors") and BCT Tech (the "Share Sale Agreement") as amended by a Supplemental Letter dated 18 January 2005, made between the Vendors and BCT Tech (the "Supplemental Letter"), under which the Vendors had agreed to sell and BCT Tech had agreed to purchase 1,343,483 ordinary shares of SGD1.00 each in BlueChips Technology Pte Ltd (the "Singapore Company"), representing 100% of the issued and paid up capital of the Singapore Company (the "Sale Shares").
2. This opinion is limited to matters of Singapore law. Accordingly, we express no opinion herein with regard to any law other than the laws of Singapore as currently applied by the Singapore courts. This opinion is to be governed by and construed in accordance with Singapore law as at the date of this opinion. In respect of each of the Transaction Documents (as defined below), we have assumed due compliance with all matters concerning the laws of all relevant jurisdictions other than Singapore.

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Tel: (65) 6323-8383 • Fax: (65) 6323-8282 • Website : <http://www.cnplaw.com>
We do not accept service of court documents by fax

Offices :- Raffles Place (Singapore) • HDB Hub (Singapore) • Beijing • Hong Kong

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**COLIN NG
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23 May 2006

BCT Technology Berhad.

A. DOCUMENTS

3. For the purposes of this opinion, we have examined the following documents:-

- (a) a copy of the Share Sale Agreement signed by and /or for and on behalf of BCT Tech and the Vendors and transmitted to us via e-mail dated 4 January 2006 from Mr. Isaac Tho of Lee Hishammuddin Allen & Gledhill;
- (b) a copy of the Supplemental Letter signed by and /or for and on behalf of BCT Tech and the Vendors and transmitted to us via e-mail dated 12 January 2006 from Mr. Isaac Tho of Lee Hishammuddin Allen & Gledhill;
- (c) a copy of the Memorandum and Articles of Association of the Singapore Company certified as a true copy by Chia Lee Cheng (the "**Memorandum & Articles of Association**") and received from Ms. Jasmine Chia of ACT Management Services Pte Ltd on 20 January 2006;
- (d) a copy of the register of members of the Singapore Company (the "**Register of Members**") received from Ms. Jasmine Chia of ACT Management Services Pte Ltd on 20 January 2006;
- (e) the results of the search on the Singapore Company made on 10 April 2006 and updated on 5 May 2006 and re-updated on 23 May 2006 at the Accounting and Corporate Regulatory Authority of Singapore;
- (f) the results of the composite litigation searches made at the Supreme Court and the Subordinate Court of Singapore and the winding-up searches made at the Supreme Court of Singapore, both made on 10 April 2006 for the years of 2005 to 2006 and updated on 5 May 2006 and re-updated on 23 May 2006 for the year 2006;
- (g) the results of bankruptcy searches made on 10 April 2006 for the years of 2005 to 2006 and updated on 5 May 2006 and re-updated on 23 May 2006 for the year 2006 at the Supreme Court of Singapore against each of the Vendors whose names are set out in Annex 1 hereto; with the exception of Thomrose Holdings (BVI) Limited, a company incorporated in the British Virgin Islands and therefore falling outside the jurisdiction of the Singapore courts for the purposes of commencing bankruptcy proceedings against the company;
- (h) a copy of the Certificate of Incorporation of the Singapore Company issued under the previous name of the Singapore Company (SPS-DA Pte Ltd) by the then Deputy

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Registrar of Companies and Businesses in Singapore on 23 July 1994 and the Certificate of Incorporation on Change of Name of the Singapore Company issued by the then Assistant Registrar of Companies and Businesses in Singapore on 8 April 2002, both certified as a true copy by Chia Lee Cheng and received from ACT Management Services Pte Ltd on 20 January 2006;

- (i) a copy of Board of Directors' Resolution of the Singapore Company dated 1 January 2005 (in two copies, one copy signed by Lee Wai Kuen and Chia Cher Khiang and the other copy signed by Chong Yew Peng and Thomas Wan Wah Tong as Directors of the Singapore Company) resolving that a transfer of 1,343,483 ordinary shares of S\$1.00 each, fully paid in the capital of the Singapore Company be approved subject to the said transfer being duly stamped and delivered to the Singapore Company and that the Common Seal of the Singapore Company be affixed in accordance with the Singapore Company's Articles of Association onto the share certificate to be issue to the transferees and setting out in four (4) columns, the names of the respective eleven (11) Transferors, the Transferees (namely, BCT Tech.), the number of the said ordinary shares and the consideration, and stating that the consideration of the purchase of the Sale Shares shall be the sum of RM350,000 (based on exchange rate of S\$1.00 equivalent to RM2.30) and on other terms and conditions as stated in the Share Sale Agreement (the "Directors' Resolution");
- (j) a copy of the minutes of the extraordinary general meeting of the Singapore Company held on 18 March 2005;
- (k) a copy of the annual general meeting of the Singapore Company held on 19 December 2005 received from ACT Management Services Pte Ltd on 20 January 2006;
- (l) a copy of the directors' resolutions in writing of the Singapore Company dated 17 March 2005 received from ACT Management Services Pte Ltd on 20 January 2006;
- (m) a copy of the directors' resolutions in writing of the Singapore Company dated 6 April 2005 received from ACT Management Services Pte Ltd on 20 January 2006;
- (n) a copy of the directors' resolutions in writing of the Singapore Company dated 27 October 2005 received from ACT Management Services Pte Ltd on 20 January 2006;
- (o) a copy of the Legal Due Diligence Report dated 10 March 2005 on the Singapore Company issued by Colin Ng & Partners (the "Due Diligence Report"); and
- (p) a copy of a certified true copy of Form 24, notice of "Return of Allotment of Shares" of BCT Tech, pursuant to Section 54(1) of the Malaysian Companies Act and transmitted to

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

**COLIN NG
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23 May 2006

BCT Technology Berhad.

us via email dated 18 May 2006 from Mr Vincent Chan of Lee Hishammuddin Allen & Gledhill.

4. Except as stated in paragraph 3 above, we have not for the purpose of this opinion examined any contract, instrument or other documents which may have been entered into or which may affect the Singapore Company and/or the Vendors; nor any corporate records of Thomrose Holdings (BVI) Limited (the "**Corporate Vendor**"); nor have we made any investigation or other enquiry of or on the Singapore Company and/or any of the Vendors.
5. In this opinion:-
 - (a) the term "**Transaction Documents**" means the Share Sale Agreement and Supplemental Letter; and
 - (b) the term "**Resolutions**" means the documents listed in paragraphs 3(i) to 3(n).

B. ASSUMPTIONS

6. In rendering this opinion, we have with your consent and without any further inquiry assumed:-
 - (a) that the Singapore Company is validly incorporated and existing in Singapore under the relevant laws;
 - (b) that BCT Tech and the Vendors each had the capacity, power and/or authority to enter into and perform each of the Transaction Documents and that the Transaction Documents had been duly entered into and duly authorized by, BCT Tech and the Vendors respectively and the Transaction Documents have been validly executed and delivered by or on behalf of BCT Tech and each of the Vendors;
 - (c) the genuineness of all signatures and seals on, and the authenticity and completeness of, all documents submitted to us whether as originals or copies, and that any of such signatures purporting to be for or on behalf of a corporate entity or for and on behalf of any other party were duly authorised;
 - (d) the conformity to originals in all respects of all documents supplied to us as photocopies or facsimile copies;
 - (e) that the Transaction Documents constitute valid, binding and enforceable obligations of BCT Tech and each of the Vendors respectively for the purposes of the laws of Malaysia which is expressed to be the governing law of the Share Sale Agreement;

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

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- (f) that the documents listed in paragraph 3 above and submitted to us for examination, are true, complete and up to date;
- (g) that all the Resolutions were duly passed and all meetings of the Singapore Company have been duly convened in accordance with the Companies Act, Chapter 50 of Singapore and with the Memorandum and Articles of Association and have not been rescinded or amended and remain in full force and effect and that no other resolution or other action has been or will be taken which could affect the validity of the Resolutions;
- (h) that BCT Tech and the Corporate Vendor have passed all necessary directors' and/or shareholders' resolutions to approve their respective entry into the Transaction Documents, the affixation of their respective common seals thereon and all transactions contemplated thereby in accordance with their respective memorandum and articles of association and the laws of the place of their incorporation;
- (i) that the Singapore Company has passed all necessary directors' and/or shareholders' resolutions to approve the sale and purchase of the Sale Shares pursuant to the terms of the Transaction Documents and to approve the transfer of the Sale Shares from each of the Vendors to BCT Tech and all necessary actions which may be necessary or desirable to give effect to such transfer including but not limited to the issue of relevant share certificate(s) for the Sale Shares in the name of BCT Tech and the entry in the Register of Members of the name of BCT Tech as a member and registered shareholder of the Sale Shares and that all such resolutions and actions have been duly passed and taken in accordance with the Memorandum and Articles of Association and the laws of Singapore and in this regard, we have noted pages 64 and 65 of Appendix 4 of the Due Diligence Report, a copy of which is enclosed as **Annex 2** to this letter;
- (j) that the Directors' Resolution had been duly passed in accordance with the Singapore Company's Articles of Association and that pursuant to the Directors' Resolution that each of the transfer of the Sale Shares (referred to therein) has been duly stamped and delivered to the Singapore Company; that the Common Seal of the Singapore Company has been duly affixed in accordance with the Singapore Company's Articles of Association onto each share certificate issued to the transferees in relation to the relevant portion of the Sale Shares; and that such share certificates have been duly issued to the said transferees;
- (k) that the information disclosed by the searches made on 10 April 2006 and updated on 5 May 2006 and re-updated on 23 May 2006 in respect of the documents filed at or obtainable from the ACRA in respect of an instant information search on the Singapore Company is true and complete and that such information has not since then been materially altered and that such searches did not fail to disclose any material information

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which had been delivered for filing but did not appear on the public file at the time of the searches;

- (l) that the information disclosed by the searches made on 10 April 2006 for the years of 2005 to 2006 and updated on 5 May 2006 and re-updated on 23 May 2006 for the year 2006 in respect of documents filed at the Supreme Court of Singapore in respect of companies winding up, judicial management, writs of seizure and sale and writs of summons searches against the Singapore Company and in respect of documents filed at the Subordinate Court of Singapore in respect of writs of seizure and sale and writs of summons searches against the Singapore Company are true and complete and that such information has not since then been materially altered and that such searches did not fail to disclose any material information which had been delivered for filing was not disclosed at the time of the searches;
- (m) that all consents and approvals, authorisations or orders required from any governmental or other regulatory authorities in Singapore and all other requirements in Singapore for the legality and validity of various allotments and transfers of shares in the capital of the Singapore Company from its incorporation up to the date of this opinion as reflected in the Register of Members have been duly obtained or fulfilled and are and will remain in full force and effect and that any conditions to which they are subject have been satisfied;
- (n) that all consents and approvals, authorisations or orders required from any governmental or other regulatory authorities outside Singapore and all other requirements in Singapore for the legality, validity and enforceability of the Transaction Documents and for the validity of various allotments and transfers of shares in the capital of the Singapore Company from its incorporation up to the date of this opinion as reflected in the Register of Members have been or will be duly obtained or fulfilled and are and will remain in full force and effect and that any conditions to which they are subject have been or will be satisfied;
- (o) that each share transfer form in respect of all the previous share transfers relating to the Sale Shares had been correctly completed and validly and duly executed by the relevant transferor and transferee and duly stamped in accordance with the Stamp Duties Act of Singapore at the relevant time; that such previous share transfers have been properly and validly approved by the directors of the Singapore Company at the relevant time; that all the relevant documents for such share transfers had been submitted to the Singapore Company; that the entries in the Register of Members (including but not limited to any transmission of the Sale Shares and the entitlement of the shareholders of the Singapore Company to any previous bonus issues of shares) have been correctly reflected and are complete and accurate in all respects and computed correctly and that the share certificates in respect of the Sale Shares had been correctly and validly issued by the

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BCT Technology Berhad.

Singapore Company in the respective names of each of the Vendors in the proportions set out in respect of each of their names under Column 2 of **Annex 1** as at 1 January 2005, which is the date of transfer of the Sale Shares as stated in the Register of Members and in this regard, we have noted page 8 of Appendix 4 to the Due Diligence Report, a copy of which is enclosed as **Annex 3** to this letter;

- (p) that at the date of transfer of the Sale Shares under the Share Sale Agreement, (namely as at 1 January 2005) each of the Vendors were the legal and beneficial owners of the respective number of Sale Shares ascribed to them and referred to in the Share Sale Agreement and column 2 of **Annex 1**, and there were no existing or contingent encumbrances on any or each of the Vendors' legal and beneficial ownership of the Sale Shares, that there were no rights of first refusal exercisable by any party (including in relation to each Vendor 's respective number of Sale Shares, the other Vendors) or if there were such rights of first refusal, that all such rights have been effectively waived in favour of BCT Tech, and that there was no moratorium or any other restriction against the sale or transfer of any of the Sale Shares at all relevant times and that the legal and beneficial ownership of the Sale Shares were capable of being transferred to BCT Tech pursuant to the terms of the Transaction Documents;
- (q) except as referred to in paragraph 6(e) above, that no provision of laws of any jurisdiction (other than Singapore) would have any implication for this opinion;
- (r) that there are no provisions of the laws in any jurisdiction other than Singapore which would be contravened by the execution or delivery of any Transaction Documents and that, insofar as any obligation expressed to be incurred under any of the Transaction Documents falls to be performed in or is otherwise subject to the laws of any other jurisdiction other than Singapore, its performance will not be illegal by virtue of the laws of that jurisdiction;
- (s) that neither the Singapore Company nor any of their officers or employees has notice of any matter which would adversely affect the validity or regularity of the Resolutions;
- (t) that in exercising the Singapore Company's, BCT Tech's and the Corporate Vendor's respective power to enter into and give the undertakings and/or assume the obligations under the Transaction Documents, the directors of each of the Singapore Company, BCT Tech and the Corporate Vendor have acted in good faith and in furtherance of the substantive objects and for the legitimate purposes of the Singapore Company, BCT Tech and the Corporate Vendor respectively and that the entry into the Transaction Documents to which they may be a party may reasonably be considered to have been in the interests, and for the benefit, of the Singapore Company, BCT Tech and the Corporate Vendor respectively;

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

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- (u) that no director of the Singapore Company, BCT Tech and the Corporate Vendor has an interest in the transactions contemplated by the Transaction Documents, or that if such director possessed such an interest, such interest was properly disclosed and approved and/or waived in accordance to the Memorandum and Articles of Association of the Singapore Company, BCT Tech or the Corporate Vendor respectively;
 - (v) that the choice of the laws of Malaysia as the governing law of the Transaction Documents has been made in good faith and will be regarded as a valid and binding selection which will be upheld in the courts of the relevant jurisdictions excluding Singapore;
 - (w) that each of the Vendors were solvent at the time of and immediately after the execution and completion of the Transaction Documents;
 - (x) that none of the Vendors, the Singapore Company and/or BCT Tech had, have been, is, or will be engaging in misleading or unconscionable conduct or seeking to conduct any relevant transaction or associated activity in a manner or for a purpose not evident on the face of any of such Transaction Documents which might render the relevant Transaction Document or any relevant transaction or associated activity illegal, void or voidable;
 - (y) that at the time of entry into the Transaction Documents by each of the Vendors, the performance, execution and observance by each of the Vendors of his/her/its respective obligations under the Transaction Documents (as the case may be) did not give rise to a breach of trust and was not contrary to any contractual or other obligations which were binding on any of them or any of their respective assets;
 - (z) that at the time of entry into the Transaction Documents by BCT Tech, the performance, execution and observance by BCT Tech of its obligations under the Transaction Documents did not give rise to a breach of trust and was not contrary to any contractual or other obligations which were binding on it or its assets;
 - (aa) the binding nature of the obligations of BCT Tech and the Vendors under the Transaction Documents under all applicable laws other than the laws of Singapore; and
 - (bb) the correctness of all facts (other than those opined on by us in paragraph 8 below) stated in the documents listed in paragraph 3, in particular we have assumed their correctness in all respects and have not independently established their accuracy.
7. A search made on 10 April 2006 and updated on 5 May 2006 and re-updated on 23 May 2006 at the Accounting and Corporate Regulatory Authority of Singapore revealed no order or resolution

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for the winding-up of the Singapore Company, no notice of appointment of a judicial manager for the Singapore Company and no notice of appointment of a receiver and/or manager over any of the assets of the Singapore Company. It should be noted that such a search is not capable of revealing whether or not a winding-up petition has been presented. Notice of a winding-up order made or resolution passed or a receiver or judicial manager appointed may not be filed at the Accounting and Corporate Regulatory Authority immediately. A search made on 10 April 2006 for the years of 2005 to 2006 and updated on 5 May 2006 and re-updated on 23 May 2006 for the year 2006 at the Supreme Court of Singapore revealed no petition for the winding-up or bankruptcy of each of the Vendors (referred to in paragraph 3(g) above) and the Singapore Company or for the appointment of a judicial manager for the Singapore Company. However, it should be noted that information may not be entered into the index books of the Court registries immediately.

C. OPINION

8. On the basis of, and subject to the foregoing assumptions, matters stated above and said searches and subject also to the qualifications and other matters set out below and any matters not disclosed or known to us, and having regard to such considerations of Singapore law in force as at the date of this opinion, we are of the opinion that:-

- (a) the Singapore Company is a company duly incorporated and validly existing in accordance to the laws of Singapore;
- (b) based on our perusal of the Register of Members, prior to 1 January 2005, and as recorded in the Due Diligence Report, each of the Vendors was the registered shareholder of the respective number of Sale Shares as set out against their respective name under column 2 of **Annex 1**;
- (c) based on the copy of the Directors' Resolution, and subject in particular, to paragraphs 6(i) and 6(j) above, the Singapore Company had passed a directors' resolution to approve the transfer of the Sale Shares from the respective persons named as "Transferors" to the party (namely, BCT Tech) named as "Transferees" therein;
- (d) based on our perusal of the Register of Members, BCT Tech became the registered legal owner of all the Sale Shares with effect from 1 January 2005. Based on the ACRA search dated 10 April 2006 and updated on 5 May 2006 and re-updated on 23 May 2006, BCT Tech was/is the registered legal owner of the Sale Shares as at the date of each of such searches.
- (e) on the assumption that the respective obligations expressed to be assumed by BCT Tech and each of the Vendors under the Transaction Documents constituted legal, valid,

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binding and enforceable obligations under the laws of Malaysia and subject to paragraphs 8(f) and 9 below the Transaction Documents would constitute legal, valid and binding obligations of BCT Tech and each of the Vendors enforceable in the Singapore courts in accordance with their respective terms and conditions;

- (f) the choice of Malaysian law as the governing law of the Transaction Documents will be recognized by the Singapore courts as a valid choice of law and in any action to enforce the Transaction Documents, the Singapore courts would apply such law, provided that:-
 - (i) such law is proved to the satisfaction of the Singapore courts (which satisfaction is within the discretion of the said courts);
 - (ii) the chosen governing law will be disregarded if its application will be illegal or contrary to public policy in Singapore; and
 - (iii) matters of procedure (including questions of set-off and counterclaim, interest payable on judgment debts, measures of damages, limitation of action and submission to jurisdiction) will generally be governed by Singapore law as *lex fori*.

D. QUALIFICATIONS

9. In addition, this opinion is subject to the following qualifications:-

- (a) the term "**enforceable**" and its variations as used above means that the obligations assumed by the parties to the Transaction Documents are of the type which the Singapore courts would normally enforce. It does not mean that those obligations will necessarily be enforced in all circumstances in accordance with their terms. In particular but without limitation:-
 - (i) enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization and other laws of general application relating to or effecting the rights of creditors;
 - (ii) enforcement may be limited by general principles of equity – for example, equitable remedies may not be available where damages are considered to be an adequate remedy;
 - (iii) claims may be barred under the Limitation Act, Chapter 163 of Singapore or may be or become subject to defences of set-off or counterclaim; and

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- (v) where obligations are to be performed in a jurisdiction outside Singapore, they may not be enforceable in Singapore to the extent that performance would be illegal or contrary to public policy under the laws of that jurisdiction.
- (b) the enforcement of the obligations of any of the parties under the Transaction Documents in the courts of Singapore by applying the laws of Malaysia may be affected by prescription or lapse of time or by bankruptcy, insolvency, liquidation, reorganization, reconstruction or similar laws affecting creditors' rights generally or a right of set-off, counterclaim or similar defence in the event of legal proceedings;
- (c) the power of the Singapore court to grant equitable remedies, such as injunction and specific performance, by applying the laws of Malaysia is discretionary and accordingly the Singapore court may make an award of damages where an equitable remedy is sought;
- (d) where any obligation under the Transaction Documents is to be performed in Singapore, it may not be enforceable in Singapore to the extent that such performance would be illegal or ineffective by virtue of any law or regulation or contrary to public policy in Singapore;
- (e) where obligations are to be performed in a jurisdiction outside Singapore, they may not be enforceable in Singapore to the extent that performance would be illegal or contrary to public policy under the laws of that jurisdiction;
- (f) a certificate, determination, notification or opinion of any party as to any matter provided for in the Transaction Documents might be held by the Singapore courts not to be binding and/or conclusive if it could be shown to be fraudulent, have an unreasonable or arbitrary basis or in the event of manifest error; it will not necessarily prevent enquiry into the merits of any claim by an aggrieved party;
- (g) the rate of interest recoverable after judgement in a Singapore court may be limited to six per cent per annum (6% p.a.), or such other rate as may be fixed from time to time by the Chief Justice of Singapore or such other rate not exceeding the rate aforesaid as the Singapore court may (in its discretion) direct; and
- (h) a Singapore court may stay proceedings if concurrent proceedings in respect of the same claim or matter are being brought elsewhere.

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10. This letter is addressed to BCT Tech only and is for BCT Tech's sole benefit and we expressly disclaim any responsibility to anyone other than BCT Tech in respect of the contents herein. A copy of this letter may be provided by BCT Tech or by BCT Tech's legal advisers (namely, Lee Hishammuddin Allen & Gledhill) on behalf of BCT Tech to Malaysia Securities Commission and may be included in the prospectus (to be issued by BCT Tech in conjunction with its listing on the MESDAQ Market of Bursa Malaysia Securities Berhad) pursuant to the Prospectus Guidelines issued by the Malaysia Securities Commission. This letter does not constitute a recommendation to any public or as to the merit of the Transaction Documents or any other matter, may not be relied upon other than by BCT Tech in connection with the acquisition as stated above and may not be relied on by, and must not be transmitted to, any other person nor (except as expressly contemplated hereby) may its contents be quoted or referred to in any document or filed with any applicable authority, governmental agency or body or any other person whatsoever without our prior written consent. Furthermore, this letter is given on the basis that any limitation on the liability of any other adviser to all or any of the persons to whom this letter is addressed, whether or not we are aware of that limitation, will not adversely affect our position in any circumstances. We assume no obligation to advise BCT Tech, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed in this letter.

Yours faithfully



COLIN NG & PARTNERS

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**17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND
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**ANNEX 1
THE VENDORS**

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

Share sale agreement - BlueChips Technology Pte Ltd

Schedule 1 – Vendors, the Number of Consideration Shares

	<u>Vendor</u>	<u>No. of Sale Shares</u>	<u>No. of Consideration Shares</u>
1.	Wong Nga Chung (British passport no. 020161600)	40,417	105,293
2.	Chong Yew Peng (Nric No. 590301-10-7171)	287,671	749,432
3.	Ho Monica Wai Mei (British passport no. 704354257)	5,389	14,039
4.	Lee Woon Wo (British passport no. 704354858)	1,078	2,808
5.	Lam Kam Kwai (British passport no. 704357214)	6,305	16,426
6.	Leung Po Chuen (British passport no. 704358856)	26,945	70,196
7.	Chia Cher Khiang (Singapore NRIC No. S1589375C)	123,272	321,144
8.	Lee Wai Kuen (British passport no. 761029396)	340,582	887,274
9.	Thomrose Holdings (BVI) Limited (Registration No. UF34227K)	429,364	1,118,566
10.	Tang Pen San (Nric No. 600923-10-6399)	49,476	128,893
11.	Khairil Anuar bin Abdullah (Nric No. 510129-04-5067)	32,984	85,929
	TOTAL	1,343,483	3,500,000

Lee Hishammuddin |041105-BlueChips-ShareSaleAgmt#7.0|

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ANNEX 2

PAGES 64 AND 65 OF THE DUE DILIGENCE REPORT

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

COLIN NG & PARTNERS
Appendix 4
Legal Due Diligence Report dated 10 March 2005
BLUECHIPS TECHNOLOGY PTE LTD

Excerpt	Authorisation	Stationery	Status	Remarks
(101) Additional investment in Blue-Chips Semiconductors (M) Sdn Bhd	DCR 1 Dec 2004	-	-	The Company subscribed for an additional 3 ordinary shares of RM1.00 each, making the total investment of 200,000 ordinary shares of RM 1.00 to-date.
(102) Transfer of Shares as follows:- <ul style="list-style-type: none"> 340,582 ordinary shares of S\$1.00 each from Lee Wai Kuen to BCT Technology Sdn Bhd for consideration of S\$38,577.11; 287,671 ordinary shares of S\$1.00 each from Chong Yew Peng to BCT Technology Sdn Bhd for consideration of S\$32,583.98; 123,272 ordinary shares of S\$1.00 each from Chia Cher Khlang to BCT Technology Sdn Bhd for consideration of S\$13,962.80; 429,364 ordinary shares of S\$1.00 each from Thomrose Holdings (BV) Limited to BCT Technology Sdn Bhd for consideration of S\$48,633.29; 1,078 shares of S\$1.00 each from Lee Woon Wo to BCT Technology Sdn Bhd for consideration of S\$122.10; 6,305 shares of S\$1.00 each from Lam Kam Kwai to BCT Technology Sdn Bhd for consideration of S\$714.16; 	DCR 1 Jan 2005	Bizified with ACRA on 26 Jan 2005	Letter of Pre-emption Rights dated 1 Jan 2004 signed by all 11 Shareholders of the Company, namely:- <ul style="list-style-type: none"> Lee Wai Kuen; Chong Yew Peng; Chia Cher Keng; Thomas Wan Wah Tong (Corporate Representative of Thomrose Holdings (BV) Limited; <ul style="list-style-type: none"> Lee Woon Wo; Lam Kam Kwai; Wong Nga Chung; Ho Monica Wai Mei; 	

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

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 Legal Due Diligence Report dated 10 March 2005
BLUECHIPS TECHNOLOGY PTE LTD

Event	Autosation	Sanction/Alleg	Status	Remarks
<ul style="list-style-type: none"> 40,417 ordinary shares of S\$1.00 each from Wong Nga Chung to BCT Technology Sdn Bhd for consideration of S\$4,577.96; 5,389 ordinary shares of S\$1.00 each from Ho Monica Wai Mei to BCT Technology Sdn Bhd for consideration of S\$610.40; 26,945 ordinary shares of S\$1.00 each from Leung Po Chuen to BCT Technology Sdn Bhd for consideration of S\$3,052.01; 49,476 ordinary shares of S\$1.00 each from Tang Pen San to BCT Technology Sdn Bhd for consideration of S\$5,804.06; and 32,884 ordinary shares of S\$1.00 each from Khairil Anuar Bin Abdullah to BCT Technology Sdn Berhad for consideration of S\$3,736.04. 				<ul style="list-style-type: none"> Leung Po Chuen; Tang Pen San; and Khairil Anuar Bin Abdullah.

**17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND
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ANNEX 3

PAGE 8 OF THE DUE DILIGENCE REPORT

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Appendix 4
Legal Due Diligence Report dated 10 March 2005
BLUECHIPS TECHNOLOGY PTE LTD

Event	Authorisation	Statutory Filing	Status	Remarks
<p>(xii) The following transfers of shares all the Shareholders of the Company of their entire shareholding of 1,343,483 ordinary shares in the Company to BCT Technology Sdn Bhd ("BCT") were approved by the directors on 1 Jan 2005:-</p> <ul style="list-style-type: none"> • Lee Wai Kuan ("LWK") to BCT Technology Sdn Bhd ("BCT")—340,582; • Chong Yew Peng ("CYP") to BCT Technology Sdn Bhd ("BCT")—287,871; • Chia Cher Kiang ("CCK") to BCT Technology Sdn Bhd ("BCT")—123,272; • Thomrose Holdings (BV) Limited ("THBL") to BCT Technology Sdn Bhd ("BCT")—429,364; • Lee Woon Wo ("LWW") to BCT Technology Sdn Bhd ("BCT")—1,078; • Lam Kam Kwai ("LKK") to BCT Technology Sdn Bhd ("BCT")—6,306; • Wong Nga Chung ("WNG") to BCT Technology Sdn Bhd ("BCT")—40,417; • Ho Monica Wai Mei ("HMWM") to BCT Technology Sdn Bhd ("BCT")—5,389; • Leung Po Chuen ("LPC") to BCT Technology Sdn Bhd ("BCT")—26,945; • Tang Pen San ("TPS") to BCT Technology Sdn Bhd ("BCT")—49,476; and 	<ul style="list-style-type: none"> • DCR 1 Jan 2005 	-	<p>Total shares held: BCT— 1,343,483 Total — 1,343,483</p>	<p>Share Transfer forms dated 1 Jan 2005. Stamp duty paid Old share certificates cancelled.</p>

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS

(Prepared for inclusion in this Prospectus)

17.2 In relation to Hong Kong Law



**趙、司徒、鄭律師事務所
CHIU, SZETO & CHENG SOLICITORS**

Agents for TRADE MARKS & PATENTS

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Our Ref: AKS/EC/5627/2006/CL

Date: 10 May 2006

The Board of Directors
BCT Technology Sdn. Bhd.
First Floor, Rajawali Block
Cyberview Garden Villa and Office Complex
Persiaran Multimedia
63000 Cyberjaya
Selangor Darul Ehsan
Malaysia

Dear Sirs,

**RE: LEGAL OPINION IN RESPECT OF BLUECHIPS
TECHNOLOGY (HK) LIMITED (藍科有限公司) (the
“COMPANY”)**

We have been requested to provide this Legal Opinion in connection with the proposed listing of BCT Technology Sdn. Bhd. (“**BCT Tech**”) on the MESDAQ Market of Bursa Malaysia Securities Berhad (“**Proposed Listing**”). We understand that as an integral part of the Proposed Listing, BCT Tech has implemented a restructuring a restructuring which involves, inter alia, the acquisition by BCT Tech the entire issued and paid-up share capital of BlueChips Technology Pte Ltd (“**BCT Singapore**”), the Company’s sole shareholder.

This Legal Opinion has been prepared by Chiu, Szeto & Cheng Solicitors in relation to the acquisition by BCT Tech of 1,343,483 ordinary shares of SGD1.00 each (“**Sale Shares**”) in BCT Singapore, representing 100% of the issued and paid up capital of BCT Singapore (“**Acquisition**”).

The Company is a wholly-owned subsidiary of BCT Singapore.

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS



趙、司徒、鄭律師事務所

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We are a firm of solicitors qualified to practice law in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong").

I. Due Incorporation, etc.

A. Background

We have been requested to provide a legal opinion regarding the following matters in respect of the Company:-

1. That the Company is duly incorporated and validly existing under the laws of Hong Kong;
2. Confirmation that the Company holds all licenses, concessions, approvals authorisations or orders required from any governmental or other regulatory authorities in Hong Kong and all other requirements in Hong Kong which are required for the Company to carry out its businesses;
3. Confirmation that the Company has full corporate capacity to enter into and perform obligations; and
4. Confirmation of the ownership of and title to the issued share capital in the Company;
5. Confirmation on enforceability of the Share Sale Agreement and Supplemental Letter (as both defined below) against the Vendors (as defined below) who are British passport holders and Hong Kong Identity Card holders and residing in Hong Kong.

B. Information Sources

This Legal Opinion is based on the following documents and derived from the following sources:-

- a. A Share Sale Agreement between the parties listed in Annex 1 to this letter (collectively, the "Vendors") and BCT Tech for the sale by the

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS



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Vendors and the purchase by BCT Tech of the Sale Shares held in BCT Singapore dated 18 November 2004 (“**Share Sale Agreement**”);

- b. A Supplemental Letter to the Share Sale Agreement between the Vendors and BCT Tech dated 18 January 2005 (“**Supplemental Letter**”);
- c. Our company search results of public records on relating to the Company which consist of:-
 - (i) Memorandum and Articles of Association;
 - (ii) Certificate of Incorporation issued on 08 November 2002;
 - (iii) Certificate of Incorporation of Change of Name issued on 10 March 2003;
 - (iv) Notification of Situation of Registration Office (Form R1) dated 22 March 2004 and received by the Companies Registry, Hong Kong on 25 March 2004;
 - (v) Annual Return of (Form AR1) for 2005.
- d. Our research on the relevant ordinances, rules and regulations in Hong Kong.
- e. Unless otherwise specified, the information and materials set out this Legal Opinion shall be such information and matters as at 31 March 2006.

For the purpose of this Legal Opinion, we have examined the following documents :-

- (a) a copy of the executed Share Sale Agreement;
- (b) a copy of the executed Supplemental Letter;
- (c) a copy of the Memorandum and Articles of Association of the

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS



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Company on file and available for inspection at the Companies Registry, Hong Kong;

- (d) a copy of the Certificate of Incorporation of the Company on file and available for inspection at the Companies Registry, Hong Kong; and
- (e) the public records of the Company on file and available for inspection at the Companies Registry, Hong Kong.

For the purposes of this Legal Opinion we have assumed without further enquiry:-

- (i) the authenticity of all documents submitted to us as originals, the conformity with the originals thereof of all documents submitted to us as copies or drafts;
- (ii) the genuineness of all signatures and seals on all documents and the completeness, and the conformity to original documents, of all copy or other specimen documents submitted to us and that all such signatures were duly authorised;
- (iii) that each of the corporate parties to the Share Sale Agreement and the Supplemental Letter is validly existing and in good standing under the laws of its jurisdiction;
- (iv) that each of the parties have all the necessary powers and authority to execute, deliver and perform its obligations under the Share Sale Agreement and Supplemental Letter;
- (v) that each (corporate) party to the Share Sale Agreement and the Supplemental Letter is duly authorized under their respective laws of its jurisdiction and do not violate their respective Memorandum and Articles of Association or documents of the like;

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- (vi) the accuracy of any and all representations of fact expressed in or implied by the documents we have examined.

The documents that we have examined constitute all documents deemed relevant and necessary to form our opinion contained herein, save that we have not had sight of any of the corporate minutes and resolutions of the corporate entities who are parties to the Share Sale Agreement and the Supplemental Letter. No opinion is therefore opined on any of those documents or the authority stemming or arising therefrom.

C. Qualifications & Disclaimers

The scope of this Legal Opinion is limited and covers a review of the aforementioned documents and records of the Company. This Legal Opinion does not, inter alia, extend to verification of or contain any opinion or commentary in respect of the legality, validity, enforceability of the terms and conditions of the Share Sale Agreement and the Supplemental Letter which are governed by laws other than the laws of Hong Kong. These issues would have to be dealt with by an appropriate Malaysian lawyer, appointed for such purpose.

We are, in particular, unable to verify any statement pertaining to financial and accounting information, technical information and investment considerations, personal profile of directors, management and third parties, and all other information which is within the scope of expertise of other advisors.

Our opinion on enforceability is subject to the following qualifications:-

- a. enforcement may be limited by bankruptcy, insolvency, liquidation, re-organisation and other laws of general application relating to or affecting the rights of creditors;
- b. enforcement may be limited by general principals of equity, for

17. LEGAL OPINION ON OWNERSHIP OF TITLE OF SECURITIES AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS



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example, equitable remedies may not be available where damages are considered to be an adequate remedy;

- c. claims may become time-barred or may be or become subject to defences of set-off or counterclaim; and
- d. the term enforceable means that a document is of a type and form enforced by the Hong Kong courts. It does not mean that each obligation will be enforced in accordance with its terms. Certain rights and obligations may be qualified by non-conclusivity of certificates, doctrines of good faith and fair conduct, the availability of equitable remedies and other matters but in our view this qualification would not defeat your legitimate expectations in any material respect.

This Legal Opinion is rendered only with respect to the laws, rules, regulations and orders in the Hong Kong, which are currently in effect. We have made no investigation of, and express no opinion on, the laws of any other jurisdiction.

D. Particulars of the Company

1. Name of Company:

(i) BlueChips Technology (HK) Limited (藍科有限公司) formerly known as BlueChips Technology (HK) Limited (藍科有限公司)

(ii) Date of change of name : 06 February 2003

2. Date of Incorporation:

08 November 2002

3. Company No:

820861

4. Nature of Company:

Private company limited by shares

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5. Registered Office:
Room 906-911, 9/F., Stanhope House, 734-738 King's Road, North Point, Hong Kong
6. Authorized Capital:
HK\$10,000 divided into 100,000 shares of HK\$0.10 each
7. Issued Capital:
HK\$10,000 divided into 100,000 shares of HK\$0.10 each, all of which have been fully paid or credited as fully paid.
8. Shareholder:

<u>Name</u>	<u>No. of Shares</u>
(i) BlueChips Technology Pte. Ltd. of 3 International Business Park, #03-18/19, Nordic European Centre, Singapore 609927	100,000
Total:	<u>100,000</u>

9. Directors:
 - (i) CHONG Yew Peng
of 3343, Cheras Street, Jinjang North, 52000 Kuala Lumpur, Malaysia
 - (ii) CHIA Cher Kiang
of 525, Serangoon North Ave 4, #08-74 Singapore 550525
 - (iii) LEE Wai Kuen
of 63 Sunset Way, #01-07 Freesia Woods, Singapore 597088
 - (iv) Thomrose Holdings (BVI) Limited
of Tropic Isle Building, P.O. Box 438, Road Town, Tortola, British Virgin Islands

10. Company Secretary:

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WAN Wah Tong Thomas
of 1/F., 35 Luen Cheong Street, Fanling, New Territories, Hong Kong

11. Business Registration:

- (i) Business Registration Certificate : 33141471-000-11-04-A
- (ii) Date of expiry : 07 November 2006
(to be renewed on an annual basis)

E. Our Legal Opinion

According to our searches and a copy of the current business registration certificate (no. 33141471-000-11-04-A) provided by the Company, we hereby confirm as follows :-

1. That the Company was duly incorporated and is validly existing under the laws of Hong Kong with corporate power to own its properties and assets and to carry on its business as described in the Company's Memorandum and Articles of Association.
2. The registered shareholders and the directors of the Company are as set out in paragraphs 8 and 9 of Part D above. The authorised capital of the Company is HK\$10,000, divided into 100,000 ordinary shares of HK\$0.10 each, all of which have been issued and are fully paid-up or credited as paid-up.
3. The Company is in possession of all requisite licenses, approvals, authorisations or orders required from any governmental or other regulatory authorities in Hong Kong and all other requirements in Hong Kong which are required to carry out its businesses.
4. The Company has full capacity, power and authority to enter into and perform its obligations provided that due authorisations have been obtained from the Company's Board of Directors in accordance with the provisions of the Company's Articles of Association.

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5. That at the date of this legal opinion, there has been no winding-up petition registered or lodged against the Company or bankruptcy petition against the individual directors of the Company, namely Chong Yew Peng, Chia Cher Khiang, Lee Wai Kuen.
6. We have conducted searches on 14 January 2006 and 24 February 2006 against the name of the Company and Thomrose Holdings (BVI) Limited, a corporate director of the Company for pending civil litigation in Hong Kong. The results of such searches revealed that at the respective times of such searches there were no outstanding civil litigation claims against the Company pending in Hong Kong.
7. We have also conducted civil litigation searches in Hong Kong against BlueChips Singapore, the sole shareholder of the Company on 23 January 2006 and 24 February 2006. The results of such searches revealed that at the respective times of such searches there were no outstanding civil litigation claims against BlueChips Singapore pending in Hong Kong.
8. The litigation searches mentioned in paragraphs 6 and 7 of this part covered litigation records for the past ten (10) years in High Court, District Court, Small Claims Tribunal, Land Tribunal and Labour Tribunal in Hong Kong. However, it is possible that matters which should be revealed by such searches have not been revealed. For example, a writ could have been issued without notice thereof having yet been filed. We accept no responsibility or liability whatsoever for any inaccuracies or mistakes that may occur in the data or information provided by any agent commissioned by us for searches of public records.
9. We further confirm that there are no restrictions in Hong Kong on change of ownership and title to the shares in the Company. There are no orders, consents or approvals required or any licenses, authorisations, validations or exemptions required for the transfer of shares in the Company. The change of ultimate shareholders will not affect the legal status of the Company in Hong Kong.

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10. We further confirm that the Share Sale Agreement and the Supplemental Letter are enforceable against the Vendors who are British passport holders and Hong Kong Identity Card holders and residing in Hong Kong.

According to section 4(1) of Foreign Judgments (Reciprocal Enforcement) Ordinance of the Laws of Hong Kong (Chapter 319)(the “**Ordinance**”), “a person...may apply to the Court of First Instance at any time within 6 years after the date of the judgment, or, where there have been proceedings by way of appeal against the judgment, after the date of the last judgment given in those proceedings, to have the judgment registered in the Court of First Instance, and on any such application the court shall, subject to proof of the prescribed matters and to the other provisions of this Ordinance, order the judgment to be registered.”

Section 9(1) of the Ordinance states that “... the provisions of the Ordinance shall apply to any part of the Commonwealth and to judgments obtained in the superior courts of such part, as they apply to foreign countries and judgments obtained in the superior courts of foreign countries...”, which includes Malaysia.

Accordingly, if there is any dispute in relation to the Share Sale Agreement, BCT Tech may first obtain a judgment from the courts of Malaysia and then apply for enforcement of the judgment against the Vendors in Hong Kong.

Benefit

Please note that this Legal Opinion is rendered for the benefit of the addressed party only for purposes as specified herein. A copy of this letter may be disclosed to the Securities Commission in Malaysia and may be included in the prospectus (to be issued by BCT Tech in conjunction with the Proposed Listing) pursuant to the Prospectus Guidelines issued by the Securities Commission in Malaysia. Save for the above, this legal opinion, or any part thereof, cannot be disclosed to any third party or be used or be relied on by any other third party or for any other purposes without the prior written consent of Chiu, Szeto & Cheng, Solicitors. Chiu, Szeto & Cheng, Solicitors cannot be held liable for any use of this legal opinion other than by

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the addressed party and for the purposes specified herein.

Yours faithfully,

CHI, SZETO & CHENG
SOLICITORS

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Annex 1

List of Vendors of the Share Sale Agreement executed with BCT Tech
dated 18 November 2004

1. Wong Nga Chung (British Passport No.020161600/
HKID Card No. P551333(6))
 2. *Chong Yew Peng (Malaysia NRIC No.590301-10-7171)
 3. Ho Monica Wai Mei (British Passport No.704354257/
HKID Card No. P341309(1))
 4. Lee Woon Wo (British Passport No.704354858/
HKID Card No. K032792(1))
 5. Lam Kam Kwai (British Passport No.704357214/
HKID Card No. P235602(7))
 6. Leung Po Chuen (British Passport No.704358856/
HKID Card No. C423512(4))
 7. *Chia Cher Khiang (Singapore NRIC No.S1589375C)
 8. *Lee Wai Kuen (British Passport No.761029396/
HKID Card No.C349813(A))
 9. Thomrose Holdings (BVI) Limited (Registration No.UF34227K)
 10. Tang Pen San (Malaysia NRIC No.600923-10-6399)
 11. Khairil Anuar bin Abdullah (Malaysia NRIC No.510129-04-5067)
- * Directors of BlueChips Technology (HK) Limited (藍科有限公司)