

D & O GREEN TECHNOLOGIES BERHAD (FORMERLY KNOWN AS D & O VENTURES BERHAD) (“D&O” OR “COMPANY”)

- (I) **PROPOSED DIVIDEND IN-SPECIE OF THE FOLLOWING BY OMEGA SEMICONDUCTOR SDN BHD (“OMEGA”) TO D&O:-**
- (A) **ALL THE 25,400,000 ORDINARY SHARES OF RM1.00 EACH (“DOT SHARES”) REPRESENTING 51.31% EQUITY INTEREST IN DOMINANT OPTO TECHNOLOGIES SDN BHD (FORMERLY KNOWN AS DOMINANT SEMICONDUCTORS SDN BHD) (“DOT”); AND**
- (B) **ALL THE 5,100 ORDINARY SHARES OF HKD1.00 EACH (“ATHK SHARES”) REPRESENTING 51% EQUITY INTEREST IN AEOPTO TECHNOLOGIES (HK) COMPANY LIMITED (“ATHK”)**
- (“PROPOSED DIVIDEND IN-SPECIE”);**
- (II) **PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE COMPANY FROM RM100,000,000 COMPRISING 1,000,000,000 ORDINARY SHARES OF RM0.10 EACH IN D&O (“D&O SHARES”) TO RM200,000,000 COMPRISING 2,000,000,000 D&O SHARES (“PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL”); AND**
- (III) **PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY (“M&A”) (“PROPOSED M&A AMENDMENTS”)**

(TO BE COLLECTIVELY REFERRED TO AS “PROPOSALS”)

1. INTRODUCTION

On behalf of the Board of Directors of D&O (“**Board**”), AmInvestment Bank Berhad (a member of AmInvestment Bank Group) (“**AmInvestment Bank**”) wishes to announce that the Company is proposing to undertake the following :-

- (a) a dividend in-specie of all the 25,400,000 DOT Shares and all the 5,100 ATHK Shares held by Omega, a wholly-owned subsidiary of D&O, to D&O;
- (b) an increase in the authorised share capital of the Company from RM100,000,000 comprising 1,000,000,000 D&O Shares to RM200,000,000 comprising 2,000,000,000 D&O Shares; and
- (c) amendments to the M&A of the Company to effect the Proposed Increase In Authorised Share Capital.

2. DETAILS OF THE PROPOSALS

2.1 Proposed Dividend In-Specie

The Company is proposing for Omega to undertake a dividend in-specie of the following to D&O, being Omega’s sole shareholder :-

- (i) 25,400,000 DOT Shares representing 51.31% equity interest in DOT based on Omega’s cost of investment in DOT of RM72.8 million; and
- (ii) 5,100 ATHK Shares representing 51% equity interest in ATHK based on Omega’s cost of investment in ATHK by Omega of RM2,695.

The Proposed Dividend In-Specie will be declared out of Omega’s retained earnings of an amount equivalent to RM72,802,695.

The Proposed Dividend In-Specie will result in D&O directly holding 51.31% and 51% in DOT and ATHK respectively.

2.2 Proposed Increase In Authorised Share Capital

The present authorised share capital of the Company is RM100,000,000 comprising 1,000,000,000 D&O Shares, of which 731,710,400 D&O Shares have been issued and fully paid-up.

In order to accommodate the issuance of new D&O Shares arising from any future exercise of the Company's outstanding options pursuant to the Company's Employees' Share Option Scheme ("ESOS") ("ESOS Options" or "Options"), the Company's proposed bonus issue of one (1) Bonus Share for every three (3) existing Shares held at an entitlement date to be determined by the Board and announced later by the Company as announced on 31 March 2010 ("Proposed Bonus Issue") and any future corporate exercises of the Company, the Company is proposing to increase its authorised share capital to RM200,000,000 comprising 2,000,000,000 D&O Shares by the creation of 1,000,000,000 new D&O Shares.

2.3 Proposed M&A Amendments

The Company is proposing to amend its M&A in order to effect the Proposed Increase In Authorised Share Capital.

3. RATIONALE FOR THE PROPOSALS

3.1 Proposed Dividend In-Specie

The Proposed Dividend In-Specie is in essence part of D&O and its subsidiaries ("D&O Group" or "Group") efforts to rationalise the structure of the Group. Currently, D&O Group's principal activities are operated under 3 active subsidiaries of D&O as follows:-

Name of Company	Group Equity Interest as at 15 April 2010 %	Principal Activities
Omega	100	Provide "full turnkey" contract manufacturing of semiconductor components
ATHK	51 (indirect via Omega)	Involved in the investment of semiconductor business in China
DOT	51.31 (indirect via Omega)	Manufacturing of semiconductor components and machineries

D&O wishes to rationalise and streamline the Group's operations by owning DOT and ATHK directly. The Board is of the view that the proposed restructuring will better reflect the operational and business structure of the Group.

3.2 Proposed Increase In Authorised Share Capital

The Proposed Increase In Authorised Share Capital is proposed in order to accommodate the issuance of new D&O Shares arising from the exercise of the Company's outstanding ESOS Options, the Proposed Bonus Issue and any future corporate exercises of the Company.

3.3 Proposed M&A Amendments

The Proposed M&A Amendments is to effect the Proposed Increase In Authorised Share Capital.

4. EFFECTS OF THE PROPOSALS

The Proposed Dividend In-Specie, Proposed Increase In Authorised Share Capital and Proposed M&A Amendments will not have any effect on the share capital, substantial shareholders' shareholdings, net assets, gearing, earnings per share and convertible securities of D&O.

5. CONDITIONS TO THE PROPOSALS

The Proposals are conditional upon the following being obtained :-

- (a) the approval of the shareholders of D&O for the Proposed Increase In Authorised Share Capital and the Proposed M&A Amendments at the annual general meeting to be convened; and
- (b) the approval, waiver and/or consent of any other relevant authorities and/or persons, if required.

6. INTER-CONDITIONALITY OF THE PROPOSALS

The Proposed Dividend In-Specie is not conditional upon the Proposed Increase In Authorised Share Capital or the Proposed M&A Amendments.

The Proposed Increase In Authorised Share Capital and the Proposed M&A Amendments are inter-conditional upon each other.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the directors and major shareholders of the Company as well as persons connected with them have any interest, direct and/or indirect, in the Proposals.

8. DEPARTURE FROM THE EQUITY GUIDELINES OF THE SECURITIES COMMISSION ("SC GUIDELINES")

To the best of the knowledge of the Board, the Proposals do not depart from the SC Guidelines.

9. DIRECTORS' STATEMENT

After having considered all aspects of the Proposals, the Board is of the opinion that the Proposals are in the best interest of D&O.

10. ADVISERS

AmlInvestment Bank has been appointed as Adviser to D&O for the Proposals.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposals are expected to be completed in the third (3rd) quarter of 2010.

12. CIRCULAR TO SHAREHOLDERS

A circular to shareholders setting out the details of the Proposed Increase In Authorised Share Capital and the Proposed M&A Amendments will be sent to shareholders in due course.

This Announcement is dated 13 May 2010.