

D & O GREEN TECHNOLOGIES BERHAD

(Formerly Known As D & O Ventures Berhad)

(Incorporated in Malaysia)

Company No : 645371 - V

FINANCIAL REPORT

for the financial year ended 31 December 2009

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D & O GREEN TECHNOLOGIES BERHAD

(Formerly Known As D & O Ventures Berhad)
(Incorporated in Malaysia)
Company No : 645371 - V

DIRECTORS' REPORT

The Directors of D & O Green Technologies Berhad (formerly known as D & O Ventures Berhad) have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2009.

CHANGE OF NAME

On 9 February 2010, the Company changed its name from D & O Ventures Berhad to D & O Green Technologies Berhad.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	THE GROUP RM'000	THE COMPANY RM'000
Profit/(loss) after taxation for the financial year	18,461	(336)
Attributable to:-		
Equity holders of the Company	13,817	(336)
Minority interests	4,644	-
	18,461	(336)

DIVIDENDS

A first and final tax-exempt dividend of 0.35 sen per ordinary share amounting to RM2,555,000 for the financial year ended 31 December 2008 was approved by the shareholders at the Annual General Meeting held on 23 June 2009 and paid on 31 July 2009.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

D & O GREEN TECHNOLOGIES BERHAD

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DIRECTORS' REPORT

ISSUES OF SHARES AND DEBENTURES

During the financial year,

- (a) there were no changes in the authorised and issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

EMPLOYEES' SHARE OPTION SCHEME

The Employees' Share Option Scheme ("ESOS") of the Company is governed by the ESOS By-Laws and was approved by shareholders on 10 September 2004. The ESOS is to be in force for a period of ten years effective from 15 October 2004.

The main features of the ESOS are as follows:-

- (a) Eligible persons are employees and/or directors of the Group, save for companies which are dormant, who have been confirmed in the employment of the Group and have served for at least one year before the date of the offer.
- (b) The maximum number of new shares of the Company, which may be available under the Scheme, shall not exceed in aggregate fifteen percent (15%), or any such amount or percentage as may be permitted by the relevant authorities of the issued and paid-up share capital of the Company at any one time during the existence of the ESOS.
- (c) The option price shall be determined by the Option Committee based on the five (5)-day weighted average market price of shares of the Company immediately preceding the offer date of the option, with a discount of not more than ten percent (10%), or at the par value of shares of the Company, whichever is higher.
- (d) The option may be exercised by the Grantee by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new shares of the Company comprised in the Option.
- (e) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new shares.

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DIRECTORS' REPORT

EMPLOYEES' SHARE OPTION SCHEME (CONT'D)

The option price and the details in the movement of the options are as follows:-

	OPTION PRICE RM	OPTIONS OVER ORDINARY SHARES OF RM0.10 EACH '000
Balance as of 1.1.2009	0.38	5,305
Lapsed	0.38	(700)
Balance as of 31.12.2009	0.38	<u>4,605</u>

The options which lapsed during the financial year were due to resignations of employees.

The Company has been granted an exemption by the Companies Commission of Malaysia from having to disclose the names of option holders of less than 250,000 shares. The names of the option holders as at 31 December 2009 who have been granted options of 250,000 shares or more are disclosed as follows:

	EXERCISE PRICE RM	NUMBER OF SHARE OPTIONS '000
WEE HU SHING	0.38	250
MARY SZE	0.38	250
GARY LIM BOON CHEONG	0.38	350
CHEAM DAU PENG	0.38	420
TAY KHENG CHIONG	0.38	700

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for doubtful debts in the financial statements of the Group and of the Company.

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DIRECTORS' REPORT

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

The contingent liability is disclosed in Note 36 to the financial statements. At the date of this report, there does not exist:-

- (i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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DIRECTORS' REPORT

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in the financial statements.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

The directors who served since the date of the last report are as follows:-

DATO' MOHAMMED AZLAN BIN HASHIM
TAY KHENG CHIONG
CHEAM DAU PENG
GOH NAM SENG
GOH NAN YANG
DR. LIM THIAN SOO
WONG MENG TAK
LIM CHONG PUANG
YEOW SEE YUEN
LOW TEK BENG (ALTERNATE TO CHEAM DAU PENG)
LAI KIN SHIN (ALTERNATE TO GOH NAN YANG)

Pursuant to Article 129 of the Articles of Association of the Company, Tay Kheng Chiong, Goh Nan Yang and Yeow See Yuen retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

D & O GREEN TECHNOLOGIES BERHAD

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DIRECTORS' REPORT

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares in the Company and its related corporations during the financial year are as follows:-

	NUMBER OF ORDINARY SHARES OF RM0.10 EACH			
	AT 1.1.2009 / DATE OF APPOINTMENT	BOUGHT	SOLD	AT 31.12.2009
<i>DIRECT INTERESTS</i>				
DATO' MOHAMMED AZLAN BIN HASHIM	80,609,477	-	-	80,609,477
TAY KHENG CHIONG	3,867,439	-	-	3,867,439
CHEAM DAU PENG	7,163,682	-	-	7,163,682
GOH NAM SENG	3,000,000	-	-	3,000,000
GOH NAN YANG	100,000	-	-	100,000
DR. LIM THIAN SOO	23,740,232	-	-	23,740,232
WONG MENG TAK	100,000	-	-	100,000
LIM CHONG PUANG	100,000	-	-	100,000
YEOW SEE YUEN	2,240,100	-	-	2,240,100
LOW TEK BENG	100,000	-	-	100,000
(ALTERNATE TO CHEAM DAU PENG)				
LAI KIN SHIN	100,000	-	-	100,000
(ALTERNATE TO GOH NAN YANG)				

	NUMBER OF ORDINARY SHARES OF RM0.10 EACH			
	AT 1.1.2009 / DATE OF APPOINTMENT	BOUGHT	SOLD	AT 31.12.2009
<i>INDIRECT INTERESTS</i>				
DATO' MOHAMMED AZLAN BIN HASHIM *	138,569,512	-	102,466,000	36,103,512
GOH NAN YANG **	84,587,805	-	-	84,587,805
DR. LIM THIAN SOO ^	48,513,770	2,040,200	-	50,553,970

* Deemed interest by virtue of Section 6A of the Companies Act 1965 (shareholding held through his spouse, Datin Nonadiah Binti Abdullah and the latter's shareholding in Ruang Kirana Sdn. Bhd.)

** Deemed interest by virtue of Section 6A of the Companies Act 1965 (shareholding held through Omega Riang Sdn. Bhd.)

^ Deemed interest by virtue of Section 6A of the Companies Act 1965 (shareholding held through Kema Development Sdn. Bhd., Chin Bee & Sons Sdn. Bhd., Geo-Mobile Asia Sdn. Bhd., Lanai Etika Sdn. Bhd., Mega First Housing Development Sdn. Bhd. and RCI Ventures Sdn. Bhd.)

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DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONT'D)

In addition to the above, the following executive directors are deemed to have interests in the shares of the Company to the extent of the options granted to them pursuant to the ESOS of the Company as follows:-

	OPTIONS OVER ORDINARY SHARES OF RM0.10 EACH			
	AT 1.1.2009	GRANTED	EXERCISED	AT 31.12.2009
TAY KHENG CHIONG	700,000 *	-	-	700,000
CHEAM DAU PENG	420,000 *	-	-	420,000

* *Granted on 20 December 2004.*

By virtue of their shareholdings in the Company, Dato' Mohammed Azlan Bin Hashim, Goh Nan Yang and Dr. Lim Thian Soo are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interest, in accordance with Section 6A of the Companies Act 1965.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 37 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate other than the options granted to certain directors pursuant to the ESOS of the Company.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 43 to the financial statements.

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DIRECTORS' REPORT

AUDITORS

The auditors, Messrs. Crowe Horwath (formerly known as Messrs. Horwath), have expressed their willingness to continue in office.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 24 FEBRUARY 2010**

Dato' Mohammed Azlan Bin Hashim

Tay Kheng Chiong

D & O GREEN TECHNOLOGIES BERHAD

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STATEMENT BY DIRECTORS

We, Dato' Mohammed Azlan Bin Hashim and Tay Kheng Chiong, being two of the directors of D & O Green Technologies Berhad (formerly known as D & O Ventures Berhad), state that, in the opinion of the directors, the financial statements set out on pages 12 to 77 are drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2009 and of their results and cash flows for the financial year ended on that date.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS DATED 24 FEBRUARY 2010

Dato' Mohammed Azlan Bin Hashim

Tay Kheng Chiong

STATUTORY DECLARATION

I, Chong Yew Leong, I/C No. 701116-04-5377, being the officer primarily responsible for the financial management of D & O Green Technologies Berhad (formerly known as D & O Ventures Berhad), do solemnly and sincerely declare that the financial statements set out on pages 12 to 77 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Chong Yew Leong, I/C No. 701116-04-5377,
at Kuala Lumpur in the Federal Territory
on this 24 February 2010

Chong Yew Leong

Before me

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF D & O GREEN TECHNOLOGIES BERHAD

(Formerly Known As D & O Ventures Berhad)
(Incorporated in Malaysia)
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Report on the Financial Statements

We have audited the financial statements of D & O Green Technologies Berhad (formerly known as D & O Ventures Berhad), which comprise the balance sheets as at 31 December 2009 and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 12 to 77.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF D & O GREEN TECHNOLOGIES BERHAD (CONT'D)

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Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2009 and of their financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:-

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, which are indicated in Note 6 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur
24 February 2010

Lee Kok Wai
Approval No: 2760/06/10 (J)
Chartered Accountant

D & O GREEN TECHNOLOGIES BERHAD

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BALANCE SHEETS AT 31 DECEMBER 2009

	NOTE	THE GROUP		THE COMPANY	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	6	-	-	67,740	67,740
Property, plant and equipment	7	140,664	129,698	6	7
Prepaid land lease payments	8	4,214	4,266	-	-
Other investments	9	3,249	2,574	-	-
Intangible assets	10	3,905	4,149	-	-
Goodwill on consolidation	11	24,207	19,983	-	-
		<u>176,239</u>	<u>160,670</u>	<u>67,746</u>	<u>67,747</u>
CURRENT ASSETS					
Inventories	12	88,329	62,659	-	-
Trade receivables	13	54,928	33,741	-	-
Other receivables, deposits and prepayments	14	11,342	6,557	3	-
Dividend receivable		-	-	-	3,100
Amount owing by subsidiaries	15	-	-	30,282	30,108
Tax refundable		1,961	82	-	-
Investment in marketable securities	16	44,713	4,362	-	-
Fixed deposits with licensed banks	17	2,071	31,544	1,735	1,680
Cash and bank balances		23,505	9,054	60	101
		<u>226,849</u>	<u>147,999</u>	<u>32,080</u>	<u>34,989</u>
TOTAL ASSETS		<u>403,088</u>	<u>308,669</u>	<u>99,826</u>	<u>102,736</u>

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BALANCE SHEETS AT 31 DECEMBER 2009 (CONT'D)

	NOTE	THE GROUP		THE COMPANY	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	18	73,000	73,000	73,000	73,000
Share premium	19	26,948	26,948	26,948	26,948
Reserves	20	89,195	78,054	(296)	2,595
SHAREHOLDERS' EQUITY		189,143	178,002	99,652	102,543
MINORITY INTERESTS		65,529	46,479	-	-
TOTAL EQUITY		254,672	224,481	99,652	102,543
NON-CURRENT LIABILITIES					
Long-term borrowings	21	5,356	5,361	-	-
Deferred taxation	22	7,935	8,567	-	-
		13,291	13,928	-	-
CURRENT LIABILITIES					
Trade payables	23	68,131	14,291	-	-
Other payables and accruals	24	14,951	14,343	136	155
Provision for taxation		577	-	38	38
Short-term borrowings	25	34,549	29,143	-	-
Bank overdrafts	27	16,917	12,483	-	-
		135,125	70,260	174	193
TOTAL LIABILITIES		148,416	84,188	174	193
TOTAL EQUITY AND LIABILITIES		403,088	308,669	99,826	102,736
NET ASSETS PER SHARE (SEN)	28	25.91	24.38		

D & O GREEN TECHNOLOGIES BERHAD

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INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

		THE GROUP		THE COMPANY	
	NOTE	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
REVENUE	29	208,059	108,271	1,508	3,100
COST OF SALES		(170,629)	(89,474)	-	-
GROSS PROFIT		37,430	18,797	1,508	3,100
OTHER INCOME		18,731	2,657	36	183
		56,161	21,454	1,544	3,283
SELLING AND DISTRIBUTION EXPENSES		(4,610)	(397)	(14)	(63)
ADMINISTRATIVE EXPENSES		(23,543)	(4,634)	(1,862)	(642)
OTHER EXPENSES		(7,335)	-	-	-
FINANCE COSTS		(1,868)	(640)	-	-
		18,805	15,783	(332)	2,578
SHARE OF PROFIT OF AN ASSOCIATE		-	131	-	-
PROFIT/(LOSS) BEFORE TAXATION	30	18,805	15,914	(332)	2,578
INCOME TAX EXPENSE	31	(344)	(2,111)	(4)	(47)
PROFIT/(LOSS) AFTER TAXATION		18,461	13,803	(336)	2,531
ATTRIBUTABLE TO:- EQUITY HOLDERS OF THE COMPANY		13,817	13,834	(336)	2,531
MINORITY INTERESTS		4,644	(31)	-	-
		18,461	13,803	(336)	2,531
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (SEN):-					
BASIC	32	1.89	1.90		
DILUTED	32	1.89	N/A		

D & O GREEN TECHNOLOGIES BERHAD

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STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	NOTE	←——— ATTRIBUTABLE TO EQUITY HOLDERS ———→					MINORITY INTERESTS RM'000	TOTAL EQUITY RM'000
		SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000		
THE GROUP								
Balance at 1.1.2008		73,000	26,948	-	68,589	168,537	-	168,537
Profit for the financial year		-	-	-	13,834	13,834	(31)	13,803
Arising from acquisition of subsidiaries		-	-	(614)	-	(614)	46,510	45,896
Currency translation difference		-	-	(105)	-	(105)	-	(105)
Dividend paid	33	-	-	-	(3,650)	(3,650)	-	(3,650)
Balance at 31.12.2008/1.1.2009		73,000	26,948	(719)	78,773	178,002	46,479	224,481

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STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

NOTE	←——— ATTRIBUTABLE TO EQUITY HOLDERS ———→				TOTAL RM'000	MINORITY INTERESTS RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	NON-DISTRIBUTABLE FOREIGN CURRENCY TRANSLATION RESERVE RM'000	RETAINED PROFITS RM'000			
THE GROUP							
Balance at 1.1.2009	73,000	26,948	(719)	78,773	178,002	46,479	224,481
Profit for the financial year	-	-	-	13,817	13,817	4,644	18,461
Arising from subscription of new shares in subsidiaries	-	-	-	-	-	10,268	10,268
Arising from acquisition of a subsidiary	-	-	-	-	-	3	3
Minority shares of unpaid share premium in a subsidiary, now paid	-	-	-	-	-	4,224	4,224
Currency translation difference	-	-	(121)	-	(121)	(89)	(210)
Dividend paid	33	-	-	(2,555)	(2,555)	-	(2,555)
Balance at 31.12.2009	73,000	26,948	(840)	90,035	189,143	65,529	254,672

The annexed notes form an integral part of these financial statements.

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STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

	NOTE	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	RETAINED PROFITS/ (ACCUMULATED LOSSES) RM'000	TOTAL RM'000
THE COMPANY					
Balance at 1.1.2008		73,000	26,948	3,714	103,662
Profit for the financial year		-	-	2,531	2,531
Dividend paid	33	-	-	(3,650)	(3,650)
Balance at 31.12.2008/1.1.2009		73,000	26,948	2,595	102,543
Loss for the financial year		-	-	(336)	(336)
Dividend paid	33	-	-	(2,555)	(2,555)
Balance at 31.12.2009		73,000	26,948	(296)	99,652

D & O GREEN TECHNOLOGIES BERHAD

(Formerly Known As D & O Ventures Berhad)
(Incorporated in Malaysia)
Company No : 645371 - V

CASH FLOW STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	NOTE	THE GROUP		THE COMPANY	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit/(Loss) before taxation		18,805	15,914	(332)	2,578
Adjustments for:-					
Allowance for doubtful debts		735	-	-	-
Amortisation of intangible assets		244	609	-	-
Amortisation of prepaid land lease payments		52	51	-	-
Bad debts written off		378	-	-	-
Deposits written off		205	-	-	-
Depreciation of property, plant and equipment		20,400	11,018	1	1
Interest expense		1,579	504	-	-
Loss on dilution of investment in a subsidiary		4,996	-	-	-
Plant and equipment written off		1,005	1,588	-	-
Preliminary expenses written off		151	-	-	-
(Reversal)/Provision of foreseeable losses		(2,526)	2,526	-	-
Loss/(Gain) on disposal of property, plant and equipment		9	(13)	-	-
Dividend income		(1,655)	(195)	-	(3,100)
Gain on disposal of quoted shares		(13,908)	-	-	-
Interest income		(185)	(383)	(36)	(183)
Negative goodwill from acquisition of a subsidiary		(19)	-	-	-
Share of profit of an associate		-	(131)	-	-
Writeback of allowance for doubtful debts		(145)	-	-	-
Operating profit/(loss) before working capital changes		30,121	31,488	(367)	(704)
(Increase)/Decrease in inventories		(25,670)	4,508	-	-
(Increase)/Decrease in trade and other receivables		(27,296)	22,336	(3)	-
Increase/(Decrease) in trade and other payables		56,974	(5,723)	(19)	31
CASH FROM/(FOR) OPERATIONS		34,129	52,609	(389)	(673)
Income tax paid		(2,278)	(1,603)	(4)	(46)
Interest paid		(1,579)	(504)	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES		30,272	50,502	(393)	(719)
CARRIED FORWARD		30,272	50,502	(393)	(719)

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CASH FLOW STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

	NOTE	THE GROUP		THE COMPANY	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
NET CASH FROM/(FOR) OPERATING ACTIVITIES BROUGHT FORWARD		30,272	50,502	(393)	(719)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Advances to subsidiaries		-	-	(174)	(2,939)
Interest received		185	383	36	183
Dividend received		1,655	195	3,100	4,300
Purchase of marketable securities		(93,018)	-	-	-
Purchase of unquoted shares		(675)	-	-	-
Net cash inflow from/(outflow for) acquisition of subsidiaries	34	22	(11,578)	-	-
Proceeds from disposal of property, plant and equipment		192	172	-	-
Proceeds from disposal of marketable securities		66,575	-	-	-
Purchase of property, plant and equipment		(32,672)	(9,843)	-	-
Shares issued to minority shareholders by subsidiaries		5,272	-	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(52,464)	(20,671)	2,962	1,544
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividend paid		(2,555)	(3,650)	(2,555)	(3,650)
Drawdown of term loan		8,240	-	-	-
Net repayment of bankers' acceptances		(13,697)	(7,303)	-	-
Drawdown of revolving credit		15,000	-	-	-
Repayment of term loans		(4,142)	(614)	-	-
Repayment of hire purchase obligations		-	(29)	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		2,846	(11,596)	(2,555)	(3,650)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS CARRIED FORWARD		(19,346)	18,235	14	(2,825)

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CASH FLOW STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

	NOTE	THE GROUP		THE COMPANY	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BROUGHT FORWARD		(19,346)	18,235	14	(2,825)
CURRENCY TRANSLATION DIFFERENCE		(110)	(105)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		28,115	9,985	1,781	4,606
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	35	8,659	28,115	1,795	1,781

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office : No. 15, Bukit Ledang, Off Jalan Duta,
50480 Kuala Lumpur.

Principal place of business : Lot 6, Batu Berendam Free Trade Zone, Phase III,
75350 Melaka.

On 9 February 2010, the Company changed its name from D & O Ventures Berhad to D & O Green Technologies Berhad.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 24 February 2010.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

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3. FINANCIAL RISK MANAGEMENT POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its market, credit, liquidity and cash flow risks. The policies in respect of the major areas of treasury activity are as follows:

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign exchange risk arising mainly from normal trading transactions that are denominated in foreign currencies.

It manages its foreign exchange exposure by a policy of matching as far as possible receipts and payments in each individual currency.

The Group's foreign currency transactions and balances are substantially denominated in United States Dollar and Chinese Renminbi.

Foreign currency risk is managed to an acceptable level.

(ii) Interest Rate Risk

The Group's exposure to interest rate risk arises mainly from bank borrowings. Its policy is to obtain the most favourable interest rates available.

The Group monitors the interest rate on borrowings closely to ensure that the borrowings are maintained at favourable rates.

Any surplus funds of the Group will be placed with licensed financial institutions at the most favourable interest rate to generate interest income.

(iii) Price Risk

The Group's principal exposure to price risk arises mainly from changes in quoted securities prices. Price risk is monitored closely and managed to an acceptable level.

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3. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The Group's exposure to credit risks, or the risk of counterparties defaulting, arises mainly from receivables. The maximum exposure to credit risks is represented by the carrying amounts of these financial assets in the balance sheet reduced by the effects of any netting arrangements with counterparties.

The Group's major concentration of credit risks relates to the amounts owing by four major customers which made up 50% of its total receivables at the balance sheet date.

The Group manages its credit risk by monitoring receivables regularly and by mostly trading with reputable and creditworthy customers.

(c) Liquidity and Cash Flow Risks

The Group's exposure to liquidity and cash flow risks arises mainly from general funding and business activities.

The Group's policy on liquidity and cash flow risk management is to maintain sufficient cash and the availability of funding through adequate amounts of committed credit facilities.

4. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Financial Reporting Standards ("FRS") and the Companies Act 1965 in Malaysia.

The Group has not applied in advance the following accounting standards (including its consequential amendments) and interpretations that have been issued by MASB but are not yet effective for the current financial year:

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

4. BASIS OF PREPARATION (CONT'D)

FRSs/IC Interpretations	Effective date
Revised FRS 1 (2010) First-time Adoption of Financial Reporting Standards	1 July 2010
Revised FRS 3 (2010) Business Combinations	1 July 2010
FRS 4 Insurance Contracts	1 January 2010
FRS 7 Financial Instruments: Disclosures	1 January 2010
FRS 8 Operating Segments	1 July 2009
Revised FRS 101 (2009) Presentation of Financial Statements	1 January 2010
Revised FRS 123 (2009) Borrowing Costs	1 January 2010
Revised FRS 127 (2010) Consolidated and Separate Financial Statements	1 July 2010
Revised FRS 139 (2010) Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 2: Scope of FRS 2 and Revised FRS 3 (2010)	1 July 2010
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7, FRS 139 and IC Interpretation 9	1 January 2010
Amendments to FRS 138: Consequential Amendments Arising from Revised FRS 3 (2010)	1 July 2010
IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 Interim Financial Reporting and Impairment	1 January 2010

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4. BASIS OF PREPARATION (CONT'D)

FRSs/IC Interpretations	Effective date
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and Revised FRS 3 (2010)	1 July 2010
Annual Improvements to FRSs (2009)	1 January 2010

The above FRSs, IC Interpretations and amendments are not relevant to the Group's operations except as follows:

The revised FRS 3 (2010) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

The Group considers financial guarantee contracts entered into to be insurance arrangements and accounts for them under FRS 4. In this respect, the Group treats the guarantee contract as a contingent liability until such a time as it becomes probable that the Group will be required to make a payment under the guarantee. The adoption of FRS 4 is expected to have no material impact on the financial statements of the Group.

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4. BASIS OF PREPARATION (CONT'D)

The possible impacts of FRS 7 (including the subsequent amendments) and the revised FRS 139 (2010) on the financial statements upon their initial applications are not disclosed by virtue of the exemptions given in these standards.

FRS 8 replaces FRS 114₂₀₀₄ Segment Reporting and requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard only impacts the form and content of disclosures presented in the financial statements of the Group. This FRS is expected to have no material impact on the financial statements of the Group upon its initial application.

The revised FRS 101 (2009) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The adoption of this revised standard will only impact the form and content of the presentation of the Group’s financial statements in the next financial year.

The revised FRS 127 (2010) requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of the revised FRS 127 (2010) prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

Amendments to FRS 1 and FRS 127 remove the definition of “cost method” currently set out in FRS 127, and instead require an investor to recognise all dividend from subsidiaries, jointly controlled entities or associates as income in its separate financial statements. In addition, FRS 127 has also been amended to deal with situations where a parent reorganises its group by establishing a new entity as its new parent. Under this circumstance, the new parent shall measure the cost of its investment in the original parent at the carrying amount of its share of the equity items shown in the separate financial statements of the original parent at the reorganisation date. The amendments will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Company for the current financial year but may impact the accounting for future transactions or arrangements.

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4. BASIS OF PREPARATION (CONT'D)

Amendments to FRS 2: Vesting Conditions and Cancellation clarify the definition of vesting conditions for the purposes of FRS 2, introduce the concept of 'non-vesting' conditions, and clarify the accounting treatment for cancellations. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

Amendments to FRS 2: Scope of FRS 2 and Revised FRS 3 (2010) clarify that business combination among entities under common control and the contribution of a business upon the formation of a joint venture will not be accounted for under FRS 2. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

Amendments to FRS 138 clarify the requirements under the revised FRS 3 (2010) regarding accounting for intangible assets acquired in a business combination. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

IC Interpretation 9 requires embedded derivatives to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date the entity first became a party to the contract. The possible impacts of IC Interpretation 9 on the financial statements upon its initial application are not disclosed by virtue of the exemptions given under the revised FRS 139 (2010).

IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

IC Interpretation 11 provides guidance on whether share-based transactions involving treasury shares or involving group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash settled share-based payment transactions in the separate financial statements of the parent and group companies. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

Amendments to IC Interpretation 9 are a consequential amendment from the revised FRS 3 (2010). These amendments are expected to have no material impact on the financial statements of the Group upon its initial application.

Annual Improvements to FRSs (2009) contain amendments to 21 accounting standards that result in accounting changes for presentation, recognition or measurement purposes and terminology or editorial amendments. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

5. SIGNIFICANT ACCOUNTING POLICIES

(a) Critical Accounting Estimates and Judgments

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(i) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Critical Accounting Estimates and Judgments (Cont'd)

(iii) *Impairment of Assets*

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(iv) *Amortisation of Development Costs/Patent Licence*

Changes in the expected level of usage and technological development could impact the economic useful lives, therefore future amortisation charges could be revised.

(v) *Allowance for Doubtful Debts of Receivables*

The Group makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for doubtful debts of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

(vi) *Allowance for Inventories*

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group or the Company has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group or the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments recognised in the balance sheet are disclosed in the individual policy statement associated with each item.

(c) Functional and Foreign Currencies

(i) Functional and Presentation Currency

The functional currency of the Group's entity is the currency of the primary economic environment in which that entity operates.

The consolidated financial statements are presented in Ringgit Malaysia ("RM") which is the Group's functional and presentation currency.

(ii) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the balance sheet date are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are taken to the income statement.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Functional and Foreign Currency (Cont'd)

(iii) Foreign Operations

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency for consolidation purposes on the following basis:-

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;
- (ii) income and expense for the income statement are translated at the average exchange rates for the year; and
- (iii) all resulting exchange differences are recognised as a separate component of equity, as a foreign currency translation reserve. On disposal, accumulated translation differences are recognised in the consolidated income statements as part of the gain or loss on sale.

(d) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to 31 December 2009.

A subsidiary is defined as a company in which the parent company has the power, directly or indirectly, to exercise control over its financial and operating policies so as to obtain benefits from its activities.

All subsidiaries are consolidated using the purchase method. Under the purchase method, the results of the subsidiaries acquired or disposed of are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the consolidated financial statements. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Basis of Consolidation (Cont'd)

Intragroup transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Minority interests in the consolidated balance sheet consist of the minorities' share of fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition and the minorities' share of movements in the acquiree's equity.

Minority interests are presented in the consolidated balance sheet of the Group within equity, separately from the Company's equity holders, and are separately disclosed in the consolidated income statement of the Group.

The gain or loss on the disposal of a subsidiary is the difference between the net disposal proceeds and the Group's share of its net assets.

(e) Goodwill on Consolidation

Goodwill on consolidation represents the excess of the fair value of the purchase consideration over the Group's share of the fair values of the identifiable net assets of the subsidiaries at the date of acquisition.

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in the consolidated income statement. An impairment loss recognised for goodwill is not reversed in a subsequent period.

If, after reassessment, the Group's interest in the fair values of the identifiable net assets of the subsidiaries exceeds the cost of the business combinations, the excess is recognised immediately in the consolidated income statement.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Intangible Assets

An intangible asset shall be recognised if, and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and that the cost of the asset can be measured reliably. An entity shall assess the probability of the expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. An intangible asset shall be measured initially at cost.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Intangible Assets (Cont'd)

(i) *Research and Development Expenditure*

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that expenditure incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if all the following can be demonstrated:-

- (a) its ability to measure reliably the expenditure attributable to the asset under development;
- (b) the product or process is technically and commercially feasible;
- (c) its future economic benefits are probable;
- (d) its ability to use or sell the developed asset; and
- (e) the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight-line method over a period of 2 to 3 years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

(ii) *Patent Licence*

The purchased patent licence is stated at cost less accumulated amortisation and impairment losses, if any. The patent licence is amortised on a straight-line basis over a period of 20 years. In the event that the expected future economic benefits are no longer probable of being recovered, the patent licence is written down to its recoverable amount.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Investments

(i) Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the balance sheet of the Company, and are reviewed for impairment at the end of the financial year if events or changes in circumstances indicate that their carrying values may not be recoverable.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is taken to the income statement.

(ii) Other Investments

Other investments held on a long-term basis are stated at cost less allowance for permanent diminution in value.

On the disposal of these investments, the difference between the net disposal proceeds and the carrying amount of the investments is taken to the income statement.

(iii) Marketable Securities

Marketable securities are carried at the lower of cost and market value, determined on an aggregate basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of marketable securities are recognised as profit or loss. On the disposal of marketable securities, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives.

Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Buildings	5%
Renovation	20%
Plant and machinery	10 - 19%
Motor vehicles	19 - 20%
Furniture and fittings, office equipment and electrical installation	10 - 33.33%
Tooling and dieset modification	33.33%

The depreciation method, useful life and residual values are reviewed, and adjusted if appropriate, at each balance sheet date to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

Capital work-in-progress represents assets under construction, and which are not ready for commercial use at the balance sheet date. Capital work-in-progress is stated at cost, and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use. Cost of capital work-in-progress includes direct costs, related expenditure and interest cost on borrowings taken to finance the construction or acquisition of the assets to the date that the assets are completed and put into use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is included in the income statement in the year the asset is derecognised.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of Assets

The carrying value of assets other than those to which FRS 136 - Impairment of Assets does not apply, are reviewed at each balance sheet date for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' net selling price and its value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is charged to the income statement immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to the revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

(j) Prepaid Land Lease Payments

Leases of land under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases. Lease prepayment for land use rights is stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement on a straight-line basis over the terms of the leases of 90 to 97 years.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw material is determined on the weighted average basis, and comprises the purchase price and incidentals incurred in bringing the raw materials to their present location and condition.

Cost of finished goods and work-in-progress is determined using the standard cost basis, which approximates the actual costs and includes the cost of materials, labour and an appropriate proportion of production overheads.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

Where necessary, due allowance is made for all damaged, obsolete and slow-moving items.

(l) Receivables

Receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

(m) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(n) Provisions

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is stated at the present value of the estimated expenditure required to settle the obligation.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Income Taxes

Income taxes for the year comprise current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Interest-bearing Borrowings

Interest-bearing borrowings are recorded at the amount of proceeds received, net of transaction costs.

All borrowing costs are charged to the income statement as expenses in the period in which they are incurred.

(q) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(r) Segmental Information

Segment revenue and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of property, plant and equipment (net of accumulated depreciation, where applicable), other investments, prepaid land lease payments, intangible assets, inventories, receivables, fixed deposits with licensed banks and cash and bank balances.

Most segment assets can be directly attributed to the segments on a reasonable basis. Segment assets do not include income tax assets, whilst segment liabilities do not include income tax liabilities and borrowings from financial institutions.

Segment revenue, expenses and results include transfers between segments. The prices charged on inter-segment transactions are based on normal commercial terms. These transfers are eliminated on consolidation.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(t) Employee Benefits

(i) Short-Term Benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Defined Contribution Plans

The Group's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

(iii) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits as a liability and an expense when it is demonstrably committed to either terminate the employment of current employees according to a detailed plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after balance sheet date are discounted to present value.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) Employee Benefits (Cont'd)

(iv) Share-based Payment Transactions

At grant date, the fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

(u) Related Parties

A party is related to an entity if:-

- (a) directly, or indirectly through one or more intermediaries, the party:-
 - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the entity that gives it significant influence over the entity; or
 - (iii) has joint control over the entity;
- (b) the party is an associate of the entity;
- (c) the party is a joint venture in which the entity is a venturer;
- (d) the party is a member of the key management personnel of the entity or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

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5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

(w) Revenue Recognition

(i) Sale of Goods

Revenue is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(ii) Interest Income

Interest income is recognised on an accrual basis, based on the effective yield on the investment.

(iii) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(iv) Rental Income

Rental income is recognised on an accrual basis.

(v) Management Fee

Management fees are recognised when services are rendered.

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6. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2009 RM'000	2008 RM'000
Unquoted shares, at cost	67,740	67,740

Details of the subsidiaries are as follows:-

Name of Company	Country of Incorporation	Effective Group Equity Interest		Principal Activities
		2009 %	2008 %	
Omega Semiconductor Sdn. Bhd. ("OSSB")	Malaysia	100	100	Provide "full turnkey" contract manufacturing of semiconductor components.
Omega Semiconductor Technology Sdn. Bhd. ("OSTSB")	Malaysia	100	100	Dormant.
Omega Photonics Packaging Sdn. Bhd. *	Malaysia	51	51	Dormant.
Aeopto Technologies Co., Ltd ** #	The People's Republic of China	51	51	Research and development of semiconductor application technologies, manufacturing, selling and assembling of semiconductor electronic and electrical components, light emitting diode ("LED") lighting illumination and display application and module.
Dominant Opto Technologies Sdn. Bhd. (Formerly Known As Dominant Semiconductors Sdn. Bhd. ("DOTSB") **	Malaysia	51.31	57.34	Manufacturing semiconductor components and machineries.

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6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of Company	Country of Incorporation	Effective Group Equity Interest		Principal Activities
		2009 %	2008 %	
Aeopto Technologies (HK) Company Limited ("AEopto HK") ** #	Hong Kong	51	-	An investment holding company that principally invests in semiconductor business in China.
Equity Group Investment Limited ("EGIL") ** #	The British Virgin Islands	100	-	An investment holding company.
Dominant Opto Technologies Sdn. Bhd. (Formerly Known As Dominant Semiconductors Sdn. Bhd.) (Shanghai Representative Office) *** #	The People's Republic of China	51.31	57.34	Introduction and sales coordination for products manufactured by DOTSB.
Dominant Semiconductors ShenZhen Co. Ltd *** #	The People's Republic of China	51.31	57.34	Dormant.
Dominant Semiconductors (Europe GmbH) *** #	Germany	43.61	48.74	Merchandising semiconductors components.
Dominant Semiconductors Korea Inc *** #	Korea	34.89	38.99	Merchandising semiconductors components.
Domilight Technologies Sdn. Bhd. ***	Malaysia	27.71	30.96	Dormant.
Dominant Semiconductors (Singapore) Pte. Ltd ("Dominant Singapore") *** #	Singapore	51.31	-	An investment holding company.

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6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of Company	Country of Incorporation	Effective Group Equity Interest		Principal Activities
		2009 %	2008 %	
Dominant Semiconductors (Lao) Sole Co., Ltd **** #	The Lao People's Democratic Republic	51.31	-	Dormant.

Notes:-

- * *Held through OSTSB*
- ** *Held through OSSB*
- *** *Held through DOTSB*
- **** *Held through Dominant Singapore*
- # *Not audited by Messrs. Crowe Horwath*

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7. PROPERTY, PLANT AND EQUIPMENT

	AT 1.1.2009 RM'000	ADDITIONS RM'000	DISPOSALS RM'000	WRITE-OFFS RM'000	TRANSFERS RM'000	CURRENCY TRANSLATION DIFFERENCES RM'000	DEPRECIATION CHARGE RM'000	AT 31.12.2009 RM'000
THE GROUP								
NET BOOK VALUE								
Buildings	16,827	334	-	-	-	-	(1,314)	15,847
Renovation	1,206	1,805	-	-	165	1	(477)	2,700
Plant and machinery	89,380	6,368	-	(126)	7,494	(92)	(15,695)	87,329
Motor vehicles	436	126	(103)	-	-	(12)	(177)	270
Furniture and fittings, office equipment and electrical installation	7,323	1,311	(98)	-	(82)	11	(1,300)	7,165
Tooling and dieset modification	2,350	92	-	(2)	-	-	(1,437)	1,003
Capital work-in-progress	12,176	22,636	-	(877)	(7,577)	(8)	-	26,350
	129,698	32,672	(201)	(1,005)	-	(100)	(20,400)	140,664

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7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	AT 1.1.2008 RM'000	ADDITIONS RM'000	DISPOSAL RM'000	WRITE-OFFS RM'000	TRANSFERS RM'000	ACQUISITION OF SUBSIDIARIES RM'000	DEPRECIATION CHARGE RM'000	AT 31.12.2008 RM'000
THE GROUP								
NET BOOK VALUE								
Buildings	15,935	357	-	-	-	1,367	(832)	16,827
Renovation	1,561	98	-	-	-	-	(453)	1,206
Plant and machinery	47,821	7,259	(159)	-	5,570	35,991	(7,102)	89,380
Motor vehicles	333	-	-	-	-	228	(125)	436
Furniture and fittings, office equipment and electrical installation	5,978	430	-	(2)	-	1,861	(944)	7,323
Tooling and dieset modification	2,903	1,009	-	-	-	-	(1,562)	2,350
Capital work-in-progress	6,930	690	-	(1,586)	(5,570)	11,712	-	12,176
	81,461	9,843	(159)	(1,588)	-	51,159	(11,018)	129,698

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7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	CURRENCY TRANSLATION DIFFERENCES RM'000	NET BOOK VALUE RM'000
At 31.12.2009				
Buildings	26,365	(10,518)	-	15,847
Renovation	5,805	(3,106)	1	2,700
Plant and machinery	170,218	(82,783)	(106)	87,329
Motor vehicles	1,534	(1,087)	(177)	270
Furniture and fittings, office equipment and electrical installation	14,588	(7,381)	(42)	7,165
Tooling and dieset modification	6,649	(5,646)	-	1,003
Capital work-in-progress	26,356	-	(6)	26,350
	251,515	(110,521)	(330)	140,664
At 31.12.2008				
Buildings	26,030	(9,203)	-	16,827
Renovation	3,799	(2,593)	-	1,206
Plant and machinery	156,827	(67,447)	-	89,380
Motor vehicles	1,633	(1,197)	-	436
Furniture and fittings, office equipment and electrical installation	13,473	(6,150)	-	7,323
Tooling and dieset modification	6,561	(4,211)	-	2,350
Capital work-in-progress	12,176	-	-	12,176
	220,499	(90,801)	-	129,698

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7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	AT 1.1.2009 RM'000	DEPRECIATION RM'000	AT 31.12.2009 RM'000
THE COMPANY			
NET BOOK VALUE			
Office equipment	7	(1)	6

	AT 1.1.2008 RM'000	DEPRECIATION RM'000	AT 31.12.2008 RM'000
THE COMPANY			
NET BOOK VALUE			
Office equipment	8	(1)	7

	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	NET BOOK VALUE RM'000
THE COMPANY			
At 31.12.2009			
Office equipment	9	(3)	6
At 31.12.2008			
Office equipment	9	(2)	7

Capital work-in-progress represents plant and machinery under construction which are not ready for commercial use at the balance sheet date.

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8. PREPAID LAND LEASE PAYMENTS

	THE GROUP	
	2009 RM'000	2008 RM'000
Cost	4,692	4,692
Accumulated amortisation	(478)	(426)
Net book value	<u>4,214</u>	<u>4,266</u>
Accumulated amortisation:-		
At 1 January	(426)	(375)
Amortisation for the financial year	(52)	(51)
At 31 December	<u>(478)</u>	<u>(426)</u>

9. OTHER INVESTMENTS

	THE GROUP	
	2009 RM'000	2008 RM'000
Unquoted shares outside Malaysia		
At 1 January	2,574	401
Addition during the financial year	675	2,173
At 31 December	<u>3,249</u>	<u>2,574</u>

On 19 May 2009, the Group acquired a 20% equity interest in TongFang Optoelectronic (HK) Limited, a company incorporated in Hong Kong for a total cash consideration of RM673,442.

The Group does not consider this investment as an associate as the Group has no significant influence over its financial and operating policy decisions.

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10. INTANGIBLE ASSETS

	THE GROUP	
	2009 RM'000	2008 RM'000
At Cost:		
- Development expenditure	1,218	1,218
- Patent licence	4,881	4,881
	<hr/>	<hr/>
	6,099	6,099
Less: Accumulated amortisation:		
- Development expenditure	(1,218)	(1,218)
- Patent licence	(976)	(732)
	<hr/>	<hr/>
	(2,194)	(1,950)
	<hr/>	<hr/>
Net book value	3,905	4,149
	<hr/>	<hr/>
Accumulated amortisation: At 1 January		
- Development expenditure	(1,218)	(609)
- Patent licence	(732)	(732)
	<hr/>	<hr/>
	(1,950)	(1,341)
	<hr/>	<hr/>
Amortisation during the financial year:		
- Development expenditure	-	(609)
- Patent licence	(244)	-
	<hr/>	<hr/>
	(244)	(609)
	<hr/>	<hr/>
At 31 December		
- Development expenditure	(1,218)	(1,218)
- Patent licence	(976)	(732)
	<hr/>	<hr/>
	(2,194)	(1,950)
	<hr/>	<hr/>

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11. GOODWILL ON CONSOLIDATION

	THE GROUP	
	2009 RM'000	2008 RM'000
Goodwill	24,207	19,983

The goodwill arose from the investment in subsidiaries and is reviewed for impairment annually.

During the financial year, the Group assessed the recoverable amount of goodwill on consolidation, and determined that goodwill is not impaired.

The recoverable amount of the semiconductor cash-generating unit ("CGU") is determined based on value-in-use calculations using pre-tax cash flow projections based on financial budgets approved by management covering a period of five years using estimated growth rates which are based on past performance and their expectations of market developments and are discounted at pre-tax discount rate of 7.75%.

In assessing the value-in-use, the management is of the view that no foreseeable changes to their assumptions would cause the carrying amount of CGU to materially exceed its recoverable amounts.

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12. INVENTORIES

	THE GROUP	
	2009 RM'000	2008 RM'000
At Cost:-		
Raw materials	35,523	23,856
Work-in-progress	39,964	30,508
Finished goods	12,842	8,295
	<hr/>	<hr/>
	88,329	62,659
	<hr/>	<hr/>

None of the inventories is carried at net realisable value.

13. TRADE RECEIVABLES

	THE GROUP	
	2009 RM'000	2008 RM'000
Trade receivables	55,561	33,904
Less: Allowance for doubtful debts	(633)	(163)
	<hr/>	<hr/>
	54,928	33,741
	<hr/>	<hr/>
Allowance for doubtful debts:-		
At 1 January	(163)	-
Acquisition of subsidiaries	-	(163)
Addition during the financial year	(735)	-
Written off during the financial year	120	-
Writeback during the financial year	145	-
	<hr/>	<hr/>
At 31 December	(633)	(163)
	<hr/>	<hr/>

The Group's normal trade credit terms range from 30 to 60 days. Other credit terms are assessed and approved on a case-by-case basis.

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13. TRADE RECEIVABLES (CONT'D)

Included in trade receivables is an amount owing by the related parties amounting to RM1,044,896 (2008 - RM1,061,293). The amount owing is unsecured, interest-free and repayable according to the normal trade credit terms. The amount owing is to be settled in cash.

The nature of the related party relationship and details of the transactions involved are disclosed in Note 37 to the financial statements.

The currency exposure profile of the trade receivables is as follows:-

	THE GROUP	
	2009 RM'000	2008 RM'000
Ringgit Malaysia	1,752	3,732
United States Dollar	33,845	25,684
Korean Won	3,731	4,316
Chinese Renminbi	14,408	9
Euro	1,192	-
	<u>54,928</u>	<u>33,741</u>

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Other receivables	3,552	1,808	3	-
Deposits	2,083	3,153	-	-
Prepayments	4,772	1,045	-	-
Others	935	551	-	-
	<u>11,342</u>	<u>6,557</u>	<u>3</u>	<u>-</u>

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14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

The currency exposure profile of the other receivables, deposits and prepayments is as follows:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Ringgit Malaysia	1,507	3,489	3	-
United States Dollar	1,113	864	-	-
Hong Kong Dollar	2,693	-	-	-
Korean Won	2,199	1,480	-	-
Chinese Renminbi	3,623	301	-	-
Japanese Yen	-	178	-	-
Euro	207	245	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	11,342	6,557	3	-
	<hr/>	<hr/>	<hr/>	<hr/>

15. AMOUNT OWING BY SUBSIDIARIES

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

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16. INVESTMENT IN MARKETABLE SECURITIES

	THE GROUP	
	2009 RM'000	2008 RM'000
At Cost		
Quoted shares in Malaysia		
At 1 January	4,362	4,362
Additions during the financial year	10,675	-
Disposals during the financial year	(7,458)	-
At 31 December	7,579	4,362
Quoted shares outside Malaysia		
At 1 January	-	-
Additions during the financial year	82,343	-
Disposals during the financial year	(45,209)	-
At 31 December	37,134	4,362
	44,713	4,362
At Market Value		
Quoted shares in Malaysia	9,335	3,763
Quoted shares outside Malaysia	36,770	-
	46,105	3,763

17. FIXED DEPOSITS WITH LICENSED BANKS

The effective interest rates of the fixed deposits at the balance sheet date ranged from 1.95% to 2.0% (2008 - 0.1% to 4.8%) per annum. The fixed deposits have maturity periods of 1 month (2008 - 1 month). The currency exposure profile of the fixed deposits is disclosed in Note 35 to the financial statements.

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18. SHARE CAPITAL

	PAR VALUE RM	THE GROUP/THE COMPANY			
		2009 NUMBER OF SHARES '000	2008 NUMBER OF SHARES '000	2009 RM'000	2008 RM'000
ORDINARY SHARES					
AUTHORISED	0.10	1,000,000	1,000,000	100,000	100,000
ISSUED AND FULLY PAID-UP	0.10	730,000	730,000	73,000	73,000

During the financial year, there were no ordinary shares issued pursuant to the exercise of options under the Company's ESOS. As at 31 December 2009, options over 4,605,000 (2008 - 5,305,000) unissued ordinary shares remained outstanding.

19. SHARE PREMIUM

The share premium is not distributable by way of cash dividends and may be utilised in the manner as set out in Section 60(3) of the Companies Act 1965.

20. RESERVES

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Distributable reserve:- Retained profits/ (Accumulated losses)	90,035	78,773	(296)	2,595
Non-distributable reserve:- Foreign currency translation reserve	(840)	(719)	-	-
	<u>89,195</u>	<u>78,054</u>	<u>(296)</u>	<u>2,595</u>

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20. RESERVES (CONT'D)

Foreign Exchange Translation Reserve

Foreign exchange differences arising from the translation of foreign controlled entities are taken to the translation reserve as described in the accounting policies.

21. LONG-TERM BORROWINGS

	THE GROUP	
	2009 RM'000	2008 RM'000
Non-current portion:- Term loans (Note 26)	5,356	5,361

22. DEFERRED TAXATION

	THE GROUP	
	2009 RM'000	2008 RM'000
At 1 January	8,567	7,476
Acquisition of a subsidiary	-	37
Transfer (to)/from income statements (Note 31)	(632)	1,054
At 31 December	7,935	8,567

The deferred taxation relates to temporary differences between depreciation and capital allowances on the qualifying cost of property, plant and equipment.

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23. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 60 days.

The currency exposure profile of the trade payables is as follows:-

	THE GROUP	
	2009 RM'000	2008 RM'000
Ringgit Malaysia	10,833	6,254
United States Dollar	30,085	6,855
Singapore Dollar	143	208
Japanese Yen	399	675
Euro	749	276
Chinese Renminbi	25,922	23
	<hr/>	<hr/>
	68,131	14,291
	<hr/>	<hr/>

Included in trade payables is an amount owing to related parties amounting to RM1,108,470 (2008 - RM199,071). The amount owing is unsecured, interest-free and according to the normal trade credit terms. The amount owing is to be settled in cash.

The nature of the related party relationship and details of the transactions involved are disclosed in Note 37 to the financial statements.

24. OTHER PAYABLES AND ACCRUALS

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Other payables	10,804	5,634	-	-
Accruals	3,471	8,667	136	155
Advances/deposits received	676	42	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	14,951	14,343	136	155
	<hr/>	<hr/>	<hr/>	<hr/>

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24. OTHER PAYABLES AND ACCRUALS (CONT'D)

The currency exposure profile of the other payables and accruals is as follows:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Ringgit Malaysia	7,059	12,922	136	155
United States Dollar	3,303	755	-	-
Singapore Dollar	60	-	-	-
Korean Won	473	487	-	-
Chinese Renminbi	3,626	115	-	-
Euro	430	64	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	14,951	14,343	136	155
	<hr/>	<hr/>	<hr/>	<hr/>

25. SHORT-TERM BORROWINGS

	THE GROUP	
	2009 RM'000	2008 RM'000
Bankers' acceptances	13,843	27,540
Term loans (current portion) (Note 26)	5,706	1,603
Revolving credits	15,000	-
	<hr/>	<hr/>
	34,549	29,143
	<hr/>	<hr/>

The currency exposure profile of the short-term borrowings is as follows:-

	THE GROUP	
	2009 RM'000	2008 RM'000
Ringgit Malaysia	31,955	29,143
United States Dollar	2,594	-
	<hr/>	<hr/>
	34,549	29,143
	<hr/>	<hr/>

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25. SHORT-TERM BORROWINGS (CONT'D)

The effective interest rates at the balance sheet date for short-term borrowings except for term loans are as follows:-

	THE GROUP	
	2009 %	2008 %
Bankers' acceptances	1.89 to 2.60	3.09 to 4.42
Revolving credits	4.55	-

The short-term borrowings are secured by:

- (i) a corporate guarantee of the Company;
- (ii) a debenture incorporating a fixed and floating charge over the present and future assets of a subsidiary; and
- (iii) a joint and several guarantee of certain directors of a subsidiary.

26. TERM LOANS

	THE GROUP	
	2009 RM'000	2008 RM'000
Current portion: - repayable within one year (Note 25)	5,706	1,603
Non-current portion (Note 21): - repayable between one and two years	1,624	5,361
- repayable between two to five years	3,732	-
	5,356	5,361
	11,062	6,964

The Malaysian Ringgit denominated term loans at the balance sheet date bore effective interest rates ranging from 5.00% to 6.15% (2008 - 5.90% to 6.00%) per annum. The term loans are secured in the same manner as the short-term borrowings disclosed in Note 25 to the financial statements.

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27. BANK OVERDRAFTS

The bank overdrafts as at the balance sheet date bore effective interest rates ranging from 6.05% to 7.75% (2008 - 7.00% to 7.75%) per annum. The bank overdrafts are secured in the same manner as the short-term borrowings as disclosed in Note 25 to the financial statements. The currency profile of the bank overdrafts is disclosed in Note 35.

28. NET ASSETS PER SHARE

The net assets per share of the Group is calculated based on the net assets value at the balance sheet date of RM189,143,000 (2008 - RM178,002,000) divided by the number of ordinary shares in issue at the balance sheet date of 730,000,000 (2008 - 730,000,000).

29. REVENUE

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Dividend income	-	-	-	3,100
Management fee	-	-	1,508	-
Sale of goods	208,059	108,271	-	-
	<u>208,059</u>	<u>108,271</u>	<u>1,508</u>	<u>3,100</u>

Revenue of the Group represents the invoiced value of the goods sold less returns and trade discounts. Revenue of the Company represents gross dividend income and management fee.

30. PROFIT/(LOSS) BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit/(Loss) before taxation is arrived at after charging/ (crediting) the following:-				
Audit fee	136	40	13	13
Allowance for doubtful debts	735	-	-	-
Amortisation of prepaid land lease payments	52	51	-	-

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30. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Amortisation of intangible assets	244	609	-	-
Bad debts written off	378	-	-	-
Deposits written off	205	-	-	-
Depreciation of property, plant and equipment	20,400	11,018	1	1
Directors' non-fee emoluments	1,246	1,271	493	270
Directors' fee	123	135	123	135
Interest expense:				
- bank overdrafts	723	-	-	-
- bankers' acceptances	370	470	-	-
- hire purchase	-	2	-	-
- term loans	486	32	-	-
Loss on dilution of investment in a subsidiary	4,996	-	-	-
Preliminary expenses written off	151	-	-	-
Plant and equipment written off	1,005	1,588	-	-
Rental of cylinder	48	45	-	-
Rental of factory	24	24	-	-
Research and development	3,878	2,952	-	-
Staff costs	32,595	19,661	1,069	92
Loss/(Gain) on disposal of property, plant and equipment	9	(13)	-	-
Dividend income	(1,655)	(195)	-	(3,100)
Gain on foreign exchange				
- realised	(676)	(1,570)	-	-
Gain on disposal of quoted shares	(13,908)	-	-	-
Interest income	(185)	(383)	(36)	(183)
Negative goodwill from acquisition of a subsidiary	(19)	-	-	-
Rental income	(16)	(14)	-	-
Writeback of allowance for doubtful debts	(145)	-	-	-
(Reversal)/Provision of foreseeable losses	(2,526)	2,526	-	-

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31. INCOME TAX EXPENSE

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current tax for the financial year				
- Malaysian taxation	240	1,057	-	47
- Foreign taxation	554	-	-	-
Underprovision in the previous financial year				
- Malaysian taxation	182	-	4	-
	<u>976</u>	<u>1,057</u>	<u>4</u>	<u>47</u>
Deferred taxation for the financial year (Note 22):				
- Malaysian taxation	-	1,054	-	-
Overprovision in the previous financial year				
- Malaysian taxation	(632)	-	-	-
	<u>(632)</u>	<u>1,054</u>	<u>-</u>	<u>-</u>
	<u>344</u>	<u>2,111</u>	<u>4</u>	<u>47</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008 - 26%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at rates prevailing in the respective jurisdictions.

During the financial year, the Malaysian statutory tax rate was reduced from 26% to 25%, as announced in the Malaysian Budget 2008.

As gazetted in the Finance Act 2009, the subsidiaries of the Company will no longer enjoy the preferential tax rate of 20% on their chargeable income of up to RM500,000 effective from year of assessment 2009 as the Company has a paid-up share capital exceeding RM2,500,000.

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31. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit/(Loss) before taxation	18,805	15,914	(332)	2,578
Tax at the statutory tax rate of 25% (2008 - 26%)	4,701	4,138	(83)	670
Tax effects of:-				
Non-deductible expenses	1,822	392	33	188
Non-taxable income	(4,963)	(64)	-	(811)
Deferred tax asset not recognised during the year	50	-	50	-
Utilisation of reinvestment allowances	-	(2,355)	-	-
Under/(Over)provision in previous financial years:				
- Current tax	182	-	4	-
- Deferred tax	(632)	-	-	-
Tax-exempt pioneer income	(816)	-	-	-
Tax for the financial year	344	2,111	4	47

No deferred tax asset/(liability) is recognised for the following items:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deferred tax asset:-				
Unutilised tax losses	206	-	206	-
Deferred tax liability:-				
Accelerated depreciation over capital allowances	(6)	-	(6)	-
	200	-	200	-

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32. EARNINGS PER SHARE

	THE GROUP	
	2009 RM'000	2008 RM'000
Basic earnings per share:-		
Profit for the period attributable to ordinary equity holders of the Company	13,817	13,834
Number of ordinary shares in issue ('000)	730,000	730,000
Basic earnings per share (sen)	<u>1.89</u>	<u>1.90</u>
Diluted earnings per share:-		
Profit for the period attributable to ordinary equity holders of the Company	13,817	N/A
Dilutive effects of outstanding employees' share options	96	N/A
Diluted earnings	<u>13,913</u>	<u>N/A</u>
Number of ordinary shares in issue ('000)	730,000	N/A
Adjustment for share options ('000)	4,605	N/A
Weighted average number of ordinary shares used in the calculation of diluted earnings per share ('000)	<u>734,605</u>	<u>N/A</u>
Diluted earnings per share (sen)	<u>1.89</u>	<u>N/A</u>

The fully diluted earnings per share for the Group in the financial year 2008 was not presented as the assumed conversion from the exercise of the share options under the ESOS would be anti-dilutive.

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33. DIVIDEND PAID

	THE GROUP/THE COMPANY	
	2009	2008
	RM'000	RM'000
First and final tax-exempt dividend of 0.35 sen (2008 - 0.50 sen) for the financial year ended 31 December 2008/2007	2,555	3,650

34. ACQUISITION OF SUBSIDIARIES

During the financial year, the Company via its subsidiary, OSSB acquired EGIL and AEopto HK.

The details of the acquisition are disclosed in Note 43 to the financial statements.

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34. ACQUISITION OF SUBSIDIARIES (CONT'D)

The details of net assets acquired and cash flow arising from the acquisition of subsidiaries are as follows:

	THE GROUP	
	2009	2008
	RM'000	RM'000
Non-current assets	-	57,481
Current assets	211	102,780
Non-current liabilities	-	(5,398)
Current liabilities	(187)	(48,983)
Currency reserve	-	614
	<hr/>	<hr/>
Fair value of net assets	24	106,494
Less: Minority interests	(3)	(46,510)
	<hr/>	<hr/>
Group's share of net assets (Negative Goodwill)/Goodwill on consolidation	21 (19)	59,984 19,983
	<hr/>	<hr/>
Purchase consideration	2	79,967
Less: Attributable to share of post-acquisition profits retained as an associate	-	(14,272)
	<hr/>	<hr/>
Total investment	2	65,695
Less: Investment in an associate	-	(56,100)
	<hr/>	<hr/>
Current year investment	2	9,595
Less: Cash and cash equivalent acquired	(24)	1,983
	<hr/>	<hr/>
Net cash (inflow from)/outflow for acquisition of subsidiaries	(22)	11,578

The carrying amounts of the net assets acquired approximated their fair values at the date of acquisition.

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35. CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statements, cash and cash equivalents comprise the following:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Fixed deposits with licensed banks	2,071	31,544	1,735	1,680
Cash and bank balances	23,505	9,054	60	101
Bank overdrafts	(16,917)	(12,483)	-	-
	<u>8,659</u>	<u>28,115</u>	<u>1,795</u>	<u>1,781</u>

The currency exposure profile of the cash and cash equivalents at the balance sheet date was as follows:-

	THE GROUP	
	2009 RM'000	2008 RM'000
Ringgit Malaysia	(11,605)	(8,400)
United States Dollar	12,401	30,481
Korean Won	5,039	2,284
Chinese Renminbi	1,083	3,608
Euro	192	142
Singapore Dollar	1,342	-
Hong Kong Dollar	207	-
	<u>8,659</u>	<u>28,115</u>

36. CONTINGENT LIABILITY

	THE COMPANY	
	2009 RM'000	2008 RM'000
Corporate guarantees given to financial institutions for credit facilities extended to subsidiaries	<u>17,218</u>	<u>9,318</u>

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37. RELATED PARTY DISCLOSURES

- (a) For the purpose of the financial statements, the Group and the Company have related party relationships with:-
- (i) its subsidiaries as disclosed in Note 6 to the financial statements;
 - (ii) an entity controlled by directors; and
 - (iii) the directors who are the key management personnel.
- (b) In addition to the information disclosed elsewhere in the financial statements, the Group and the Company carried out the following transactions with its related parties during the financial year:

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
(i) Associate:				
- sales	-	669	-	-
- rental income	-	1,920	-	-
(ii) Subsidiaries				
- management fee	-	-	1,508	-
- dividend income	-	-	-	3,100
(iii) Related parties:				
- purchases	3,077	748	-	-
- sales	2,858	-	-	-
(iv) Key management personnel (including directors):				
- short-term employee benefits	1,987	1,514	477	253

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38. DIRECTORS' REMUNERATION

The aggregate amount of remuneration received and receivable by the Directors of the Group and of the Company during the financial year are as follows:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Executive directors:				
- basic salaries, bonus and Employees Provident Fund	751	651	477	253
Non-executive directors:				
- allowances	495	620	16	17
- fee	123	135	123	135
	<u>1,369</u>	<u>1,406</u>	<u>616</u>	<u>405</u>

The details of directors' remuneration received and receivable for the financial year in bands of RM50,000 are as follows:-

	THE GROUP		THE COMPANY	
	2009 Number	2008 Number	2009 Number	2008 Number
Executive directors:				
- RM50,001 - RM100,000	-	-	2	-
- RM150,001 - RM200,000	1	1	-	-
- RM200,001 - RM250,000	1	-	-	-
- RM250,001 - RM300,000	-	-	-	1
- RM350,001 - RM400,000	-	-	1	-
- RM450,001 - RM500,000	1	1	-	-
Non-executive directors:				
- Below RM50,000	5	5	6	7
- RM50,001 - RM100,000	1	2	-	-
- RM450,001 - RM500,000	2	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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39. CAPITAL COMMITMENT

Capital commitment authorised but not provided for in the financial statements:-

	THE GROUP	
	2009 RM'000	2008 RM'000
Property, plant and equipment:		
- Contracted	8,291	6,119
- Not contracted	40,778	4,239
	<u>49,069</u>	<u>10,358</u>

40. SEGMENTAL INFORMATION

Information on business segments is not presented as the Group operates primarily in the semiconductor industry.

The following is an analysis of the Group's geographical segment:-

	ASIA RM'000	EUROPE RM'000	UNITED STATES OF AMERICA RM'000	OTHER COUNTRIES RM'000	TOTAL RM'000
31 December 2009					
Revenue	183,322	12,748	11,281	708	208,059
Segment assets	400,935	1,947	-	206	403,088
Capital expenditure	32,655	15	-	-	32,670
31 December 2008					
Revenue	106,470	1,086	715	-	108,271
Segment assets	308,669	-	-	-	308,669
Capital expenditure	9,843	-	-	-	9,843

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41. FOREIGN EXCHANGE RATES

The applicable closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to Ringgit Malaysia equivalent) for the translation of the foreign currency balances at the balance sheet date are as follows:-

	THE GROUP	
	2009 RM	2008 RM
United States Dollar	3.39	3.46
Singapore Dollar	2.44	2.41
Japanese Yen	0.04	0.04
Korea Won 100	0.29	0.24
Chinese Renminbi	0.50	0.51
Euro	5.06	4.88
Hong Kong Dollar	0.44	-

42. FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced sale or liquidation.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:-

(a) Cash and Bank Balances and Other Liquid Funds and Short-Term Receivables

The carrying amounts approximated their fair values due to the relatively short-term maturity of these instruments.

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42. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

(b) Quoted and Unquoted Investments

The fair values of quoted investments are estimated based on quoted market prices for these investments.

For unquoted investments, it is not practicable to determine the fair values because of the lack of quoted market prices and the assumptions used in valuation models to value these investments cannot be reasonably determined. However, the Group believes that the carrying amount represents the recoverable amount.

(c) Short-Term Borrowings and Other Current Liabilities

The carrying amounts approximated their fair values because of the short period to maturity of these instruments.

(d) Long-Term Bank Loans

The carrying amounts approximated their fair values as these instruments bear interest at variable rates.

(e) Contingent Liability

The nominal amount and net fair value of financial instruments not recognised in the balance sheets of the Company are as follows:

		THE COMPANY	
	Note	Nominal Amount RM'000	Net Fair Value RM'000
At 31 December 2009			
Contingent liability	36	17,218	*
		<hr/>	<hr/>
At 31 December 2008			
Contingent liability	36	9,318	*
		<hr/>	<hr/>

* The net fair value of the contingent liability is estimated to be minimal as the subsidiaries are expected to fulfill their obligations to repay their borrowings.

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43. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The details of the significant events during the financial year are as follows:-

- (i) On 8 May 2009, Omega Semiconductor Sdn Bhd (“OSSB”), a wholly-owned subsidiary of the Company, subscribed for 5,100 ordinary shares of HKD1 each in AEopto Technology (HK) Company Limited, representing 51% of the issued and paid-up share capital, for a cash consideration of HKD5,100 equivalent to approximately RM2,398;
- (ii) On 1 July 2009, OSSB, a wholly-owned subsidiary of the Company, subscribed for the additional share capital of 5,355,000 ordinary shares of RMB1 each in Aeopto Technologies Co., Ltd for a total cash consideration of RM2,780,507 to retain its equity interest of 51%;
- (iii) On 17 July 2009, Dominant Opto Technologies Sdn Bhd (Formerly Known As Dominant Semiconductors Sdn Bhd) (“DOTSB”), a subsidiary of OSSB, increased its issued and paid-up share capital from 44,300,000 ordinary shares to 49,500,000 ordinary shares by the allotment of 5,200,000 new ordinary shares of RM1 each at an issue price of RM2 per share. OSSB did not subscribe for the new ordinary shares and hence its equity interest was diluted from 57.34% to 51.31%;
- (iv) On 8 October 2009, DOTSB, a subsidiary of the OSSB, incorporated a wholly owned subsidiary, namely Dominant Semiconductors (Singapore) Pte Ltd (“Dominant Singapore”), a company incorporated in Singapore of which 1,000,000 ordinary shares of USD1 each have been issued and fully paid-up;
- (v) On 16 October 2009, OSSB, a wholly-owned subsidiary of the Company, acquired 1 fully paid share of USD1 each, representing 100% of the issued and paid-up of Equity Group Investments Limited (“EGIL”) for a cash consideration of USD1; and
- (vi) On 14 December 2009, Dominant Singapore, a wholly-owned subsidiary of DOTSB, incorporated a wholly-owned subsidiary, Dominant Semiconductors (Lao) Sole Co., Ltd, a Company incorporated in The Lao People’s Democratic Republic of which 2,000,000 ordinary shares of USD1 each have been issued and fully paid-up.

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44. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with the presentation of the current financial year.

	THE GROUP	
	As Restated RM'000	As Previously Reported RM'000
Balance sheets (extract):-		
Other investments	2,574	6,936
Intangible assets	4,149	24,132
Goodwill on consolidation	19,983	-
Investment in marketable securities	4,362	-
