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The Combined Entity derives all its revenues from its sole customer, Inner Mongolia Power (Group) Co., Ltd., for the wind power dispatched in Inner Mongolia. The Combined Entity expects revenues from the customer to continue to represent a substantial portion of its revenue in the future. Any factors adversely affecting the wind power industry in the PRC or the business operation of the customer will have a material effect on the Combined Entity's business, financial position and results of operations.

2 Cash and restricted cash

Cash consists of the following:

	<u>December 31,</u>	<u>March 31,</u>
	<u>2014</u>	<u>2015</u>
	<u>US\$</u>	<u>US\$</u>
RMB denominated bank deposits with financial institutions in the PRC	4,300	4,138
US dollar denominated bank deposits with financial institutions in HK SAR	60	327
Great Britain Pound denominated bank deposits with financial institutions in HK SAR	—	4
US dollar denominated bank deposits with financial institutions in the PRC	6	6
Total	4,366	4,475

Cash deposits in bank that are restricted as to withdrawal or usage for up to 12 months are reported as restricted cash in the condensed combined balance sheets and excluded from cash in the condensed combined statements of cash flows. Cash deposits that are restricted for period beyond 12 months from the balance sheet date are included in other non-current assets in the condensed combined balance sheets. Cash deposits that are pledged as collateral for long-term bank loans are reported as restricted cash and amounted to US\$3,251 and US\$4,262 as of December 31, 2014 and March 31, 2015, respectively (note 8). Cash deposits totaling US\$1,718 were restricted due to the arbitration and lawsuit as of March 31, 2015 (note 10), of which US\$1,327 is included in restricted cash and US\$391 is included in other non-current assets.

3 Property, plant and equipment, net

Property, plant and equipment consist of the following:

	<u>December 31,</u>	<u>March 31,</u>
	<u>2014</u>	<u>2015</u>
	<u>US\$</u>	<u>US\$</u>
Machinery and equipment	271,371	270,362
Buildings	3,282	3,270
Equipment and furniture	311	310
Vehicles	294	275
	275,258	274,217
Less: Accumulated depreciation	(66,420)	(69,932)
Property, plant and equipment, net	208,838	204,285

Depreciation expense for property, plant and equipment was US\$3,737 and US\$3,779 for the three months ended March 31, 2014 and 2015 respectively. As of December 31, 2014 and March 31, 2015, the Combined Entity has pledged property, plant and equipment with a total net amount of US\$205,965 and US\$201,481, respectively, to secure bank borrowings.

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