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In the combined balance sheets, shareholder's net investment represents BTSA Netherlands Cooperatie U.A. and all shareholders historical investment in Klipheuvel-Dassiefontein Wind Energy Facility (RF) Proprietary Limited, Sevenstones 159 (RF) Proprietary Limited and Limarco 77 (RF) Proprietary Limited, their accumulated net earnings, including accumulated other comprehensive loss.

3. Property, plant and equipment, net

Property, plant and equipment consist of the following:

<u>In US dollar</u>	<u>2014</u>	<u>2013</u>
Construction in Progress	—	87,871,017
Wind Energy Facility	43,784,220	—
Solar Energy Facility	45,689,053	—
Substation	4,239,816	—
Total property, plant and equipment, at cost	93,713,089	87,871,017
Less accumulated depreciation	(5,177,697)	—
Effect of movements in exchange rates	404,231	—
Total property, plant and equipment, net	88,939,623	87,871,017

Depreciation expense was \$5.2M and \$0 for the years ended 31 December 2014 and 2013 respectively.

A special notarial bond and a general notarial bond has been registered over the Company's present and future movable property for an amount of \$92.7M plus an additional amount of \$18.5M, as security for the \$85.1M first ranking debt. Refer to Note 7 for further details.

4. Deferred tax

Deferred tax assets and liabilities are non-current and are attributable to the following:

<u>In US dollar</u>	<u>2014</u>	<u>2013</u>
Deferred tax assets		
Tax losses	10,078,644	2,579,820
Asset retirement obligation	117,830	—
Total deferred tax assets	10,196,474	2,579,820
Deferred tax liabilities		
Property, plant and equipment	(11,073,009)	(2,375,391)
Prepayments	(106,924)	—
Total deferred tax liabilities	(11,179,933)	(2,375,391)
Total net deferred tax (liability)/asset	(983,459)	204,429

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the

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