

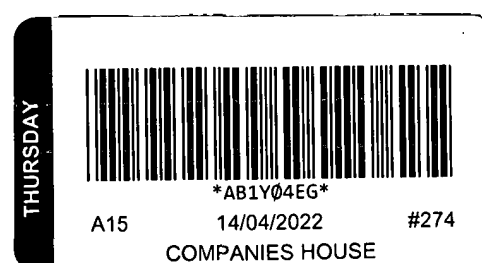
BlackRock.

Annual report and audited financial statements

GRP III Regional Holdings Ltd

Company number: 12411178

For the financial year ended 31 December 2021



GRP III REGIONAL HOLDINGS LTD

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GRP III REGIONAL HOLDINGS LTD

GENERAL INFORMATION

Board of Directors

Julia Rhodes Journeay (British)
Patrick O'Kane (Irish)
Peter Raftery (British)

Investment Manager

BlackRock Financial Management, Inc.
Park Avenue Plaza
55 East 52nd Street
New York, NY 10055
United States of America

Administrator

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Custodian

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Valuation Advisors

Grant Thornton UK LLP
30 Finsbury Square
London, EC2P 2YU
United Kingdom

Marshall & Stevens Incorporated

350 5th Avenue, Suite 4320
New York, NY 10118
United States of America

Registered Office

1 Bartholomew Lane
London, EC2N 2AX
United Kingdom

Secretary

Intertrust (UK) Limited
1 Bartholomew Lane
London, EC2N 2AX
United Kingdom

Independent Auditor

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

Legal Advisor

Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

GRP III REGIONAL HOLDINGS LTD

BACKGROUND

GRP III Regional Holdings Ltd (the "Entity") was incorporated on 17 January 2020 as a UK registered company, pursuant to the provisions of the Companies Act, 2006.

The Entity was established to provide investment into renewable power assets through equity, focusing on acquiring wind, solar and EV charging power projects primarily in Japan, Chile, South Korea and Australia. The Entity is funded through the issuance of interest bearing loan and equity instruments. Global Renewable Power Fund III Finance Designated Activity Company (the "DAC"), an Ireland designated company, has subscribed to the Interest bearing loan and BlackRock Infrastructure Funds ICAV – Global Renewable Power Fund III (the "ICAV"), an Irish Collective Asset-management Vehicle, subscribed to the equity instruments. Global Renewable Power Fund III, SCSp, an aggregator of Global Renewable Power Infrastructure Fund III (A), L.P., Global Renewable Power Infrastructure Fund III (B), L.P., Global Renewable Power Fund III (C), SCSp, Global Renewable Power Infrastructure Fund III (D), L.P. and Global Renewable Power Infrastructure Fund III (E), L.P. (collectively the "Fund"), has an interest in the Entity through its investment in the equity of the ICAV. The Entity ultimately invests its assets in Brite Energy Partners Co., Ltd., GRP III Offshore Wind SK Ltd., Influx Offshore Wind Power Holdings KK, Influx Inc., Jolt Charge Holding Pty Limited, Genesis Solar SK Bid Co Limited and Solek Holding SE (the "Investment Entities"). GRP III Offshore Wind SK Ltd. and Genesis Solar SK Bid Co Limited in turn invests substantially all of its assets in Kredo Holdings Ltd. (formerly known as IGIS Private Equity Co., Ltd.) and Haemil 3 Co Ltd., respectively.

The ultimate parent undertaking and controlling party of the Entity is considered to be the Fund. The immediate parent company of the Entity is the ICAV.

The term "BlackRock" and "Investment Manager" are used to represent Blackrock Financial Management, Inc. as appropriate. The term "Directors" means the directors of the Entity.

Further details, including the investment objectives, are set out in the Entity's private placement memorandum.

Changes to the Entity during the financial year

On 4 March 2021, the Entity commenced operations.

On 27 May 2021, the Entity changed its name from GRP III South Korea UK Ltd to GRP III Regional Holdings Ltd.

On 5 July 2021, Julia Rhodes Journey was reappointed as director.

On 1 October 2021, the Administrator, International Fund Services (Ireland) Limited merged into State Street Fund Services (Ireland) Limited.

Outbreak of COVID-19

The infectious respiratory illness caused by a novel coronavirus known as COVID-19 has had a profound impact on all aspects of society in recent years. The impact of this significant event on the Entity's financial risk exposure is disclosed in Note 3.

The Directors have assessed the impact of market conditions arising from the COVID-19 outbreak on the Entity's ability to meet its investment objective. Based on the latest available information, the Entity continues to be managed in line with its investment objective, with no disruption to the operations of the Entity.

GRP III REGIONAL HOLDINGS LTD

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of GRP III Regional Holdings Ltd (the "Entity") for the financial year ended 31 December 2021.

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the audited financial statements in accordance with UK adopted international accounting standards.

Under UK law, the Directors shall not approve the audited financial statements unless they are satisfied that they give a true and fair view of the Entity's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Entity for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Entity will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the audited financial statements.

The Directors are responsible for ensuring that the Entity keeps or causes to be kept adequate accounting records which:

- correctly record and explain the transactions of the Entity;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Entity to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Section 396 of the Companies Act 2006 and enable those financial statements to be audited.

The measures taken by the Directors to secure compliance with the Entity's obligation to keep adequate accounting records are the appointment of State Street Fund Services (Ireland) Limited (the "Administrator") for the purpose of maintaining adequate accounting records. Accordingly, the accounting records are kept at the following address on behalf of the Administrator: 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

The Directors are also responsible for safeguarding the assets of the Entity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The results for the financial year of the Entity are set out in the statement of comprehensive income. The Directors do not recommend the payment of a dividend (2020: \$Nil).

Review of business and future developments

As at 31 December 2021, the Entity had the following investment holdings:

Type of investment	31 December 2021		31 December 2020	
	Number of holdings	Fair value \$'000	Number of holdings	Fair value \$'000
Debt instruments	1	16,505	-	-
Equity instruments	8	66,770	-	-

As at 31 December 2020, the Entity had not commenced operations.

The Directors expect the current level of activities to continue for the foreseeable future. The Entity's aggregate total commitment subscribed or to be subscribed is disclosed in the notes to the financial statements.

GRP III REGIONAL HOLDINGS LTD

DIRECTORS' REPORT (continued)

Review of business and future developments (continued)

A description of the Entity and its principal activities can be found in the Background section.

A review of the potential implications of the COVID-19 outbreak, which could impact the Entity's business is included in the Background section.

Risk management objectives and policies

The risks facing the Entity relate to the financial instruments held by it and are set out in the Financial Risks section of the financial statements.

Subsequent events after the financial year end

The subsequent events which have occurred since the statement of financial position date are set out in the notes to the financial statements.

Going concern

The financial statements of the Entity have been prepared on a going concern basis. The Entity is able to meet all of its liabilities from its assets. The performance and risks of the Entity are reviewed on a regular basis throughout the financial year/period. Therefore, the Directors believe that the Entity will continue in operational existence for the foreseeable future and is financially sound. The Directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements of the Entity.

Directors' and Secretary's interests and transactions

The Directors and Secretary had no interests in the shares of the Entity during or at the end of the financial year/period (2020: \$Nil). No Director had at any time during the financial year, a material interest in any contract of significance, in relation to the business of the Entity (2020: \$Nil).

Patrick O'Kane and Peter Raftery are Directors of the Entity and also employees of the BlackRock Group. There were no fees paid in respect of compensation to the Directors for their services in managing the Entity.

Employees

The Entity has no direct employees. Services are provided by the Investment Manager, the Administrator and the Secretary. Due to the nature of the services provided, it is not possible to separately ascertain specific employee numbers.

Independent auditor

The auditor, Deloitte Ireland LLP, was appointed in accordance with Section 485 of the Companies Act 2006.

Statement of relevant audit information

So far as the Directors are aware, there is no relevant audit information of which the Entity's auditors are unaware. The Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Entity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 485 of the Companies Act 2006.

On behalf of the Directors



Patrick O'Kane
Director

23 March 2022



Peter Raftery
Director

23 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRP III REGIONAL HOLDINGS LTD

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of GRP III Regional Holdings Ltd (the 'Entity'):

- give a true and fair view of the state of the Entity's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in directors' interests;
- the statement of cash flows; and
- the related notes 1 to 18, including a summary of significant accounting policies as set out in note 2.

The financial reporting framework that has been applied in their preparation is the Companies Act 2006 and UK adopted International Accounting Standards ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRP III REGIONAL HOLDINGS LTD

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), the auditor exercises professional judgment and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the entity's (or where relevant, the consolidated) financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit 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 entity's (or where relevant, the group's) internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concludes on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's (or where relevant, the group's) ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRP III REGIONAL HOLDINGS LTD

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team, including relevant internal specialists, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in relation to revenue recognition, specifically in relation to the unrealised gain/loss movement on financial assets at fair value through profit or loss, and our specific procedures performed to address this risk are described below:

- We performed an unrealised gain/loss reconciliation by comparing the opening and closing unrealised gain/loss balances to the movement in the statement of comprehensive.
- We obtained an understanding and assessed the design and implementation of the internal controls relating to the unrealised gain/loss movement on financial assets at fair value through profit or loss.
- We recalculated the fair value of financial assets at fair value through profit or loss, by testing the accuracy of the valuation models and agreeing material inputs to supporting documentation and observable market data, where appropriate.
- We used an internal valuation specialist to perform an evaluation of the valuation models which included the following procedures:
 - considering the appropriateness of the valuation methodology used; and
 - assessing the reasonableness of the valuation assumptions, including significant inputs used in the models, based on their market experience.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRP III REGIONAL HOLDINGS LTD

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Keogh
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2
01 April 2022

GRP III REGIONAL HOLDINGS LTD

STATEMENT OF COMPREHENSIVE INCOME For the financial year ended 31 December 2021

		2021	2020*
	Note	\$'000	(unaudited) \$'000
Dividend income	5	191	-
Net losses on financial instruments	6	(5,386)	-
Total investment loss		(5,195)	-
Operating expenses	7	(61)	-
Operating loss		(5,256)	-
Finance costs			
Interest expense	10	(574)	-
Total finance costs		(574)	-
Net loss before taxation		(5,830)	-
Taxation	8	-	-
Loss for the year/period		(5,830)	-

* The Entity was incorporated on 17 January 2020 and commenced operations on 4 March 2021. The comparative information is for the period from the date of incorporation on 17 January 2020 to 31 December 2020.

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

GRP III REGIONAL HOLDINGS LTD

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

		31 December 2021	31 December 2020*
	Note	\$'000	(unaudited) \$'000
ASSETS			
Financial assets at fair value through profit or loss	4	83,275	-
Dividend receivable		191	-
Cash and cash equivalents		872	-
Total assets		84,338	-
EQUITY			
Share capital	12	9,152	-
Share premium		53,609	-
Retained earnings		(5,830)	-
Total equity		56,931	-
LIABILITIES			
Financial liabilities at fair value through profit or loss	4,10	26,773	-
Interest payable	10	574	-
Other payables	9	60	-
Total liabilities		27,407	-
Total equity and liabilities		84,338	-

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

On behalf of the Directors



Patrick O'Kane
Director

23 March 2022



Peter Raftery
Director

23 March 2022

GRP III REGIONAL HOLDINGS LTD

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

	Note	2021 \$'000	2020* (unaudited) \$'000
Balance at beginning of the financial year/period		-	-
Loss for the year/period		(5,830)	-
Share transactions:			
Share capital issued	12	9,152	-
Share premium	12	53,609	-
Increase in net assets resulting from capital transactions		62,761	-
Balance at end of the financial year/period		56,931	-

* The Entity was incorporated on 17 January 2020 and commenced operations on 4 March 2021. The comparative information is for the period from the date of incorporation on 17 January 2020 to 31 December 2020.

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

GRP III REGIONAL HOLDINGS LTD

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2021

	2021 \$'000	2020* (unaudited) \$'000
Cash flows from operating activities		
Loss for the year/period	(5,830)	-
Adjustments for:		
<i>(Increase)/decrease in operating assets:</i>		
Increase in financial assets at fair value through profit or loss	(83,275)	-
<i>Increase/(decrease) in operating liabilities:</i>		
Increase in other payables	60	-
<i>Other adjustments:</i>		
- Dividend income	(191)	-
- Interest expense	574	-
- Effect of exchange rate changes on cash and cash equivalents	9	-
	(82,823)	-
Net cash used in operating activities	(88,653)	-
Cash flows provided by financing activities		
Proceeds from issue of shares	62,761	-
Proceeds from loans payable	26,773	-
Net cash provided by financing activities	89,534	-
Net increase in cash and cash equivalents	881	-
Cash and cash equivalents at beginning of the financial year/period	-	-
Effect of exchange rate changes on cash and cash equivalents	(9)	-
Cash and cash equivalents at end of the financial year/period	872	-

* The Entity was incorporated on 17 January 2020 and commenced operations on 4 March 2021. The comparative information is for the period from the date of incorporation on 17 January 2020 to 31 December 2020.

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

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS

1. General information

GRP III Regional Holdings Ltd (the "Entity") was incorporated on 17 January 2020 as a UK registered company, pursuant to the provisions of the Companies Act, 2006. The registered office of the Entity is located at 1 Bartholomew Lane, London, United Kingdom. The Entity commenced operations on 4 March 2021.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with UK adopted international accounting standards.

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The principal accounting policies and notes are set out below, all of which are applied for the financial year/period ended 31 December 2021 and 31 December 2020. Comparative information is presented for the financial period from 17 January 2020 (date of incorporation) to 31 December 2020. For the financial period ended 31 December 2020, the Entity was dormant, and the comparative information presented is unaudited.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.2 Financial instruments

2.2.1 Classification

A financial asset is classified as measured at: amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets is based on the business model in which a financial asset is managed and on its contractual cash flow characteristics.

Investments in debt instruments and equity instruments are managed and their performance is evaluated on a fair value basis. The Entity is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Entity has not taken the option to irrevocably designate any equity instruments as fair value through other comprehensive income. Consequently, all investments in debt instruments and equity instruments are classified as being measured at fair value through profit or loss.

All other financial assets and liabilities including payables are classified as being measured at amortised cost using the effective interest method.

2.2.2 Recognition and derecognition

The Entity recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases and sales of investments are recognised on the day the trade takes place. Realised gains and losses on disposals of financial instruments are calculated using the First-In-First-Out cost method.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or the risks and rewards of ownership have all been substantially transferred. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

2.2.3 Measurement

All financial instruments are initially recognised at fair value.

Financial assets and financial liabilities at fair value through profit or loss are subsequently measured at fair value. Transaction costs on purchases or sales of investments and gains and losses arising from changes in the fair value of financial assets or financial liabilities at fair value through profit or loss are presented in the statement of comprehensive income within "Net losses on financial instruments", in the period in which they arise.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Significant accounting policies (continued)

2.2 Financial instruments (continued)

2.2.3 Measurement (continued)

Financial assets and financial liabilities, other than those classified as at fair value through profit or loss, are subsequently measured at amortised cost. For these financial assets measured at amortised cost, the Entity has chosen to apply the simplified approach for expected credit losses under IFRS 9 "Financial Instruments". Therefore, the Entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance might be required.

2.2.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The estimation of fair value, after initial recognition, is determined as outlined below.

Investments in debt and equity instruments which are quoted, listed, traded or dealt on a market or exchange are valued based on quoted market prices which, for the purposes of the financial statements is in line with the valuation methodology prescribed in the Entity's private placement memorandum. Depending on the nature of the underlying investment, the value taken could be either at the closing price, closing mid-market price or bid price on the relevant market.

In the case of an investment which is not quoted, listed or dealt on a recognised market, or in respect of which a listed, traded or dealt price or quotation is not available at the time of valuation, the fair value of such investment shall be estimated with care and in good faith by a competent professional person, body, firm or corporation (appointed for such purpose by the Directors in consultation with the Investment Manager), and such fair value shall be determined using valuation techniques. The Entity uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

Valuation techniques used for non-standardised financial instruments include those detailed in the fair value hierarchy note and are commonly used by market participants, making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

2.2.5 Share capital

Share capital classifies as an equity instrument when it meets all of the following conditions:

- It entitles the holder to a pro-rata share of the Entity's net assets in the event of the Entity's liquidation;
- It is in the class of instruments that is subordinate to all other classes of instruments;
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- It does not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro-rata share of the Entity's net assets; and
- The total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Entity over the life of the instrument.

The Entity's share capital meets these conditions and is classified as equity.

2.2.6 Cash and cash equivalents

Cash in the statement of financial position includes cash deposits held on call with banks. Cash equivalents include short-term liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.3 Foreign currency

2.3.1 Functional and presentation currency

Foreign currency items included in the financial statements are measured in the Entity's functional currency which is United States Dollars ("USD"). The Directors consider that USD most accurately represents the economic effects of the underlying transactions, events and conditions of the Entity. The Entity's presentation currency is the same as the functional currency.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Significant accounting policies (continued)

2.3 Foreign currency (continued)

2.3.2 Transactions and balances

Transactions in foreign currencies are translated into the functional currency of the Entity at the foreign currency exchange rate in effect at the date of the transaction. Foreign currency assets and liabilities, including investments, are translated at the exchange rate prevailing at the reporting date. The foreign exchange gain or loss based on the translation of the investments, as well as the gain or loss arising on the translation of other assets and liabilities, is included in the statement of comprehensive income in "Net losses on financial instruments".

2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the Entity's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that the Entity's financial statements, therefore, present the Entity's financial position and its results fairly. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

2.4.1 Assumptions and estimation uncertainties

2.4.1.1 Fair value of financial instruments with significant unobservable inputs

The fair value of such instruments is determined using valuation techniques including inputs not based on market data and where significant entity determined adjustments or assumptions are applied, as detailed in the fair value hierarchy note to the financial statements.

Where limited or no market data is available, the Entity may value positions using its own models, which use observable data to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The sensitivity to unobservable inputs is based on management's expectation of reasonable possible shifts in these inputs, taking into consideration historical volatility and estimations of future market movements.

2.4.2 Judgements

2.4.2.1 Assessment as investment entities

IFRS 10 "Consolidated Financial Statements" requires investment entities to fair value relevant subsidiaries, including structured entities, through profit or loss rather than consolidate their results.

The Fund, the ICAV and the Entity were formed in connection with each other for legal, regulatory, tax or similar requirements. When considered together, they display the following typical characteristics of an investment entity:

- a) The Fund and the ICAV indirectly hold more than one investment;
- b) Although the ICAV, and as a result, indirectly the Entity, are wholly capitalised by the Fund through the purchase of equity, the Fund itself is funded by many investors who are unrelated to the Fund. The Fund does not own the equity of the ICAV nor the Entity; and
- c) Ownership in the Entity is represented by equity or similar interests.

The Directors have concluded that the Fund, the ICAV and the Entity each meet the definition of an investment entity as the following conditions exist:

- d) The Fund and the ICAV have obtained funds for the purpose of providing investors with investment management services; and
- e) The investments held by the Entity are measured and evaluated on a fair value basis and information about those investments is provided to investors on a fair value basis through the Entity.

2.5 Interest income and interest expense

Interest income and expense for all interest-bearing financial instruments are recognised in the statement of comprehensive income using the effective interest method.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Significant accounting policies (continued)

2.6 Fees and expenses

Expenses are recognised in the statement of comprehensive income on an accruals basis, except for transaction charges relating to the acquisition and realisation of investments which are charged for as incurred.

2.7 Taxation

2.7.1 Current tax

Current tax, including UK corporation tax and foreign tax, is recognised for the amount of income tax payable in respect of the Entity's taxable profits using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7.2 Deferred tax

A provision for deferred tax payable is recognised in respect of material timing differences that have originated but not reversed at the statement of financial position date. A deferred tax asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Timing differences are differences between the Entity's taxable profits and its results as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

2.8 Changes in accounting standards and policies

2.8.1 New standards and amendments adopted during the financial year

The following standards and amendments applied for the first time to financial reporting periods commencing on or after 1 January 2021:

Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one.

The Phase 2 amendments provide the following reliefs:

- When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the statement of comprehensive income.
- The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

Affected entities need to disclose information about the nature and extent of risks arising from IBOR reform to which the entity is exposed, how the entity manages those risks, and the entity's progress in completing the transition to alternative benchmark rates and how it is managing that transition. Given the pervasive nature of IBOR-based contracts, the reliefs could affect entities in all industries. The Entity has adopted the Phase 2 amendments from 1 January 2021. This has no significant effect on the financial statements of the Entity.

2.8.2 New standards and amendments effective after 31 December 2021 which have not been early adopted

Certain new standards and amendments to standards are effective for annual periods beginning on or after 31 December 2021 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Entity.

3. Financial risks

The Entity's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The following information is not intended to be a comprehensive summary of all risks and the shareholders should refer to the private placement memorandum for a more detailed discussion of the risks inherent in investing in the Entity.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risks (continued)

3.1 Risk management framework

The Directors review investment performance reports from the Investment Manager covering the Entity's performance and risk profile during the financial year. The Directors have delegated the day-to-day administration of the investment programme to the Investment Manager. The Investment Manager is also responsible for ensuring that the Entity is managed within the terms of its investment guidelines and limits set out in the private placement memorandum. The Directors reserve to themselves the investment performance, product risk monitoring and oversight and the responsibility for the monitoring and oversight of regulatory and operational risk for the Entity. The Directors rely on members of the BlackRock Risk and Quantitative Analysis Group ("RQA Group") for daily risk management. The RQA Group is a centralised group which performs an independent risk management function. The RQA Group independently identifies, measures and monitors investment risk. The RQA Group tracks the actual risk management practices being deployed by the Entity. By breaking down the components of the process, the RQA Group has the ability to determine if the appropriate risk management processes are in place by the Entity. This captures the risk management tools employed, how the levels of risk are controlled, ensuring risk/return is considered in portfolio construction and reviewing outcomes.

3.2 Market risk

Market risk arises mainly from uncertainty about future values of financial instruments influenced by currency, interest rate and price movements. It represents the potential loss the Entity may suffer through holding market positions in the face of market movements.

3.2.1 Market risk arising from foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Exposure to foreign currency risk

The Entity may invest in financial instruments denominated in currencies other than its functional currency. Consequently, the Entity is exposed, directly and/or indirectly, to risks that the exchange rate of its functional currency relative to other currencies may change in a manner which has an adverse effect on the value of the portion of the Entity's assets which are denominated in currencies other than its own functional currency.

The following table sets out the Entity's total exposure to foreign currency risk and the net exposure to foreign currencies as at 31 December 2021:

	Monetary assets \$'000	Monetary liabilities \$'000	Net exposure \$'000
31 December 2021			
AUD	10,372	-	10,372
EUR	-	(18)	(18)
KRW	26,965	-	26,965
JPY	47,740	-	47,740
Total	85,077	(18)	85,059

As at 31 December 2020, the Entity was dormant and held no assets or liabilities, therefore no comparative information is presented.

If the exchange rates as at 31 December 2021 between the Entity's functional currency and all other currencies had weakened or strengthened by 5% with all other variables held constant, this would have increased/decreased the net assets of the Entity by approximately \$4,252,929 (2020: \$Nil).

Management of foreign currency risk

The Investment Manager monitors foreign currency risk exposure on a regular basis to minimise the effect of currency movements between the currencies of the investments held by the Entity and the Entity's functional currency. The Investment Manager reviews this exposure against pre-determined tolerances and, when necessary, implements appropriate measures.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risks (continued)

3.2 Market risk (continued)

3.2.2 Market risk arising from interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk

The following table details the Entity's exposure to interest rate risk as at 31 December 2021:

	Fixed \$'000	Floating \$'000	Non- interest bearing \$'000	Total \$'000
31 December 2021				
Assets				
Financial assets at fair value through profit	-	-	83,275	83,275
Dividend receivable	-	-	191	191
Cash and cash equivalents	-	-	872	872
Total	-	-	84,338	84,338
Liabilities				
Financial liabilities at fair value through profit or loss	(26,773)	-	-	(26,773)
Interest payable	-	-	(574)	(574)
Other payable	-	-	(60)	(60)
Total	(26,773)	-	(634)	(27,407)
Net exposure	(26,773)	-	83,704	56,931

As at 31 December 2020, the Entity was dormant and held no assets or liabilities, therefore no comparative information is presented.

The Entity has interest rate risk exposure on the valuation of its interest-bearing liabilities. The Entity holds fixed rate liabilities which expose it to fair value interest rate risk.

As at 31 December 2021, if interest rates on fixed rate financial liabilities had been higher/lower by 500 basis points, with all other variables held constant, the increase/decrease in net assets would have been \$28,677/(\$28,677). This arises from the increase/decrease in the fair value of fixed rate financial liabilities at fair value through profit or loss.

Management of interest rate risk

Interest rate risk exposure is managed by constantly monitoring the position for deviations outside of a pre-determined tolerance level and, when necessary, rebalancing back to the original desired parameters.

3.2.3 Market risk arising from price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the Entity and the market prices of its investments.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risks (continued)

3.2 Market risk (continued)

3.2.3 Market risk arising from price risk (continued)

The coronavirus outbreak has had a profound impact on all aspects of society in recent years. While there is a growing consensus in developed economies that the worst of the impact is now over, there is an expectation that travel restrictions, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, cancellations, supply chain disruptions, and lower consumer demand will create ongoing challenges. While widescale vaccination programmes are now in place in many countries and are having a positive effect, the impact of COVID-19 continues to adversely affect the economies of many nations across the globe and this impact may be greater where vaccination rates are lower, such as in certain emerging markets. Although it is difficult to make timing predictions, it is expected that the economic effects of COVID-19 will continue to be felt for a period after the virus itself has moved from being pandemic to endemic in nature, and this in turn may continue to impact investments held by the Entity.

Exposure to price risk

The Entity is exposed to price risk arising from its investments in financial instruments. The exposure of the Entity to price risk is the fair value of the investments held as shown in the statement of financial position.

Due to the nature of the investment portfolio as at 31 December 2021, price risk is a factor of credit risk (including concentration risk) and interest rate risk. Credit risk and interest rate risk are discussed elsewhere in this note; therefore, a separate sensitivity analysis has not been presented.

Given the geographic specific nature of the investments to which the Entity is exposed, the exposure of the Entity will be highly concentrated in assets located in a limited number of target jurisdictions. The Entity may at certain times hold large positions in a relatively limited number of issuers or investments, including in a concentrated number of countries, subject to pre-defined constraints. The Entity could be subject to significant losses if it holds a relatively large position in a single country, issuer or a particular type of investment that declines in value and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

Price movements of debt instruments, equity instruments and other financial assets in which the Entity may be indirectly invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, amongst other things, interest rate fluctuations.

There are a number of other financial risks that have a significant impact on the carrying value of the Entity's investments with regard to discounting future cash flows. These are the discount factor, useful life, inflation rate, earnings multiplier, the price at which the power and associated benefits can be sold, the amount of electricity the assets are expected to produce and project operating costs. Changes in these estimates or assumptions can result in significant variations in the carrying value and amounts charged or credited to the statement of comprehensive income in specific financial periods.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risks (continued)

3.2 Market risk (continued)

3.2.3 Market risk arising from price risk (continued)

Exposure to price risk (continued)

The Entity's financial assets exposed to price risk were concentrated in the following industries and geographic locations as at 31 December 2021:

31 December 2021		Fair value	Fair value
Industry type	Geographic region	\$'000	%
Debt instruments			
Power generation – Wind platform	Japan	16,505	19.82%
Equity instruments			
Power generation – Wind platform	Japan	31,235	37.51%
Power generation – Solar platform	South Korea	25,395	30.50%
Power generation – EV Charging platform	Australia	10,372	12.46%
Power generation – Solar platform	Chile	408	0.49%
Power generation – Solar platform	United Kingdom	1,455	1.74%
Power generation – Wind platform	United Kingdom	(2,095)	(2.52)%
Total		83,275	100.00%

As at 31 December 2020, the Entity was dormant and held no assets or liabilities, therefore no comparative information is presented.

Management of price risk

To manage price risk, the Entity performs extensive initial and ongoing due diligence on investments into underlying companies. The underlying companies that own, construct and/or operate the wind and solar projects are required to provide the Entity with reports on a daily, monthly or quarterly basis and monitor the internal controls and operational infrastructure of the managers of these companies.

By diversifying the portfolio, where this is appropriate and consistent with the Entity's objectives, the risk that a price change of a particular investment will have a material impact on the Entity's net assets is minimised. The performance of the Entity's investments is monitored on a regular basis by the Investment Manager.

3.3 Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with financial liabilities.

Exposure to liquidity risk

The Entity's principal liquidity risks arise from the ability of the shareholders to effect redemption requests and the liquidity of the underlying investments the Entity has invested in.

Debt and equity instruments owned or acquired by the Entity are not expected to be actively traded. Depending on market activity, volatility, applicable laws and other factors, the Entity may not be able to promptly liquidate investments at an attractive price or at all. In addition, the Entity may acquire investments which cannot be sold publicly, for legal or contractual reasons, absent registration or qualification under applicable securities laws (which may be prohibitively expensive or otherwise restricted or unavailable). The types of debt and equity instruments in which the Entity may intend to invest are frequently illiquid and may remain so for an indefinite period of time. Liquidation of investments may be subject to delays and additional costs and may be possible only at substantial discounts. Given the uncertainty inherent in the valuation of assets of the Entity that lack a readily ascertainable market value, the value of such assets as reflected in the Entity's statement of financial position may differ materially from the prices at which the Entity would be able to liquidate such assets.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risks (continued)

3.3 Liquidity risk (continued)

Exposure to liquidity risk (continued)

As at 31 December 2021, the Entity's financial liabilities classified into relevant maturity groupings based on the remaining period to the contractual maturity date were as follows:

	Less than 1 month \$'000	1 - 3 months \$'000	3 months to 1 year \$'000	Over 1 year \$'000	Total \$'000
31 December 2021					
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	(26,773)	(26,773)
Interest payable	-	-	(574)	-	(574)
Other payables	(60)	-	-	-	(60)
Total	(60)	-	(574)	(26,773)	(27,407)

As at 31 December 2020, the Entity was dormant and held no assets or liabilities, therefore no comparative information is presented.

Management of liquidity risk

The Entity's liquidity risk is managed by the Investment Manager in accordance with established policies and procedures in place. The Entity's approach to managing this risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions. The analysis and management of liquidity risks are monitored and assessed at all stages in the investment selection process. The liquidity management systems and procedures employed by the Investment Manager will allow them to apply various tools and arrangements to respond appropriately to the requirement to liquidate the assets of the Entity.

3.4 Counterparty credit risk

Counterparty credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Exposure to counterparty credit risk

The Entity is exposed to counterparty credit risk from the parties with which it trades and will bear the risk of settlement default. The carrying value of financial assets best represents the Entity's maximum exposure to counterparty credit risk at the reporting date.

As at 31 December 2021 and 31 December 2020, the Entity's financial assets exposed to credit risk amounted to the following:

	31 December 2021 \$'000	31 December 2020 (unaudited) \$'000
Assets		
Financial assets at fair value through profit or loss	83,275	-
Dividend receivable	191	-
Cash and cash equivalents	872	-
Total	84,338	-

There were no past due or impaired balances in relation to transactions with counterparties as at 31 December 2021 or 31 December 2020.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risks (continued)

3.4 Counterparty credit risk (continued)

Management of counterparty credit risk

Counterparty credit risk is monitored and managed by the BlackRock RQA Counterparty and Concentration Risk Team. The team is headed by BlackRock's Chief Counterparty Credit Officer who reports to the Global Head of RQA. Credit authority resides with the Chief Counterparty Credit Officer and selected team members to whom specific credit authority has been delegated. As such, counterparty approvals may be granted by the Chief Counterparty Credit Officer, or by identified RQA Credit Risk Officers who have been formally delegated authority by the Chief Counterparty Credit Officer.

The BlackRock RQA Counterparty and Concentration Risk Team completes a formal review of each new counterparty, monitors and reviews all approved counterparties on an ongoing basis and maintains an active oversight of counterparty exposures and the collateral management process.

3.4.1 Custodian

The shareholders will also be exposed to the credit risk of the Custodian in respect of the portfolio, in the form of investments or cash held by the Custodian, and where applicable, the credit risk of any bank, broker, clearing house or financial intermediary that holds any such investments or cash for the account of the Custodian. Any default in its payment obligations by the Custodian, or any such bank, broker, clearing house or financial intermediary may have a material adverse effect on the amounts recoverable, which may, in turn, lead to a reduced recovery on the investment. All of the cash balances of the Entity are held with the Custodian.

To mitigate the Entity's exposure to the Custodian, the Investment Manager employs specific procedures to ensure that the Custodian is a reputable institution and that the counterparty credit risk is acceptable to the Entity. The Entity only transacts with custodians that are regulated entities, subject to prudential supervision or with "high credit ratings" assigned by international credit rating agencies. The long-term credit rating of the parent company of the Custodian, State Street Bank & Trust Company at 31 December 2021 is Aa1 (31 December 2020: Aa1) (Moody's rating).

4. Fair value hierarchy

The Entity classifies assets and liabilities measured at fair value using a fair value hierarchy. The fair value hierarchy has the following categories:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the Entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly. This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability. This category includes all instruments where the valuation techniques used include inputs not based on market data and these inputs could have a significant impact on the instrument's valuation. This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' inputs requires significant judgement. The Directors consider observable inputs to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Fair value hierarchy (continued)

4.1 Valuation techniques

Valuation techniques used by the Entity include net present value and discounted cash flow valuation models, comparison with similar instruments for which observable market prices exist and other valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used and determination of expected future cash flows on the financial instrument being valued.

Model inputs and values are calibrated against historical data and published forecasts and, when possible, against current or recent observed transactions. This calibration process is inherently subjective, and it yields ranges of possible inputs and estimates of fair value, and management judgement is required to select the most appropriate point in the range.

Debt instruments

The fair value of debt instruments is estimated using the prices from recent investment transactions.

4.2 Fair value hierarchy – Assets and liabilities measured at fair value

The following table provides an analysis of the Entity's financial assets and financial liabilities measured at fair value as at 31 December 2021:

	Level 1	Level 2	Level 3	Total
31 December 2021	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss:				
– Equity instruments	-	-	66,770	66,770
– Debt instruments	-	-	16,505	16,505
Total	-	-	83,275	83,275
Financial liabilities at fair value through profit or loss:				
– Loans Payable	-	(26,773)	-	(26,773)
Total	-	(26,773)	-	(26,773)

As at 31 December 2020, the Entity was dormant and held no assets or liabilities, therefore no comparative information is presented.

The Entity held Level 2 and Level 3 assets and liabilities measured at fair value during the financial year 31 December 2021. There were no transfers between levels during the financial year ended financial year ended 31 December 2021.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Fair value hierarchy (continued)

4.2 Fair value hierarchy – Assets and liabilities measured at fair value (continued)

The following table presents the movement in Level 3 assets and liabilities for the financial year/period ended 31 December 2021 and 31 December 2020:

	31 December 2021 \$'000	31 December 2020 (unaudited) \$'000
Financial assets at fair value through profit or loss:		
Opening balance	-	-
Purchases	88,652	-
Total gains/(losses) recognised in profit or loss		
- Other net changes in fair value on financial assets at fair value through profit or loss	(5,377)	-
Closing balance	83,275	-

For fair value measurements categorised within Level 3 of the fair value hierarchy, an entity shall provide quantitative information about the significant unobservable inputs used in the fair value measurement. A sensitivity analysis is considered not to be representative of the total effect on the Entity's net assets as quantitative unobservable inputs were not developed by the Entity when measuring fair value, and therefore has not been presented.

4.3 Financial instruments not measured at fair value

All financial assets and liabilities not measured at fair value at the financial year/period end are classified as Level 2.

The carrying values of assets and liabilities carried at amortised cost are a reasonable approximation of fair value.

5. Dividend income

	2021 \$'000	2020 (unaudited) \$'000
Dividend income	191	-
Total	191	-

6. Net gains/(losses) on financial instruments

	2021 \$'000	2020 (unaudited) \$'000
Net change in unrealised losses on financial assets at fair value through profit or loss	(5,377)	-
Net losses on foreign exchange	(9)	-
Total	(5,386)	-

Net change in unrealised losses on financial assets at fair value through profit or loss relates to unrealised losses on foreign exchange of \$2,493,917 (2020: \$Nil) and unrealised losses on movement of \$2,883,391 (2020: \$Nil) on financial assets.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Operating expenses

	2021	2020
	(unaudited)	(unaudited)
	\$'000	\$'000
Administration fees	(24)	-
Audit fees	(18)	-
Valuation fees	(10)	-
Custody fees	(2)	-
Professional fees	(7)	-
Total	(61)	-

Administration fees

The Administrator receives an administration fee from the Entity in accordance with the terms of the Administrator Agreement.

Audit fees

Fees and expenses paid to the statutory auditor, Deloitte Ireland LLP, in respect of the financial year, entirely relate to the audit of the financial statements of the Entity. There were no fees and expenses paid in respect of other assurance, tax advisory or non-audit services provided by the auditor during the financial year/period ended 31 December 2021 and 31 December 2020.

Professional fees

Professional fees are costs incurred for professional services provided to the Entity. They may include advisory fees, legal fees, tax fees, secretarial fees, due diligence costs incurred for prospective investment acquisitions and other professional costs.

Management fees

The Investment Manager did not charge the Entity a fee for the services that it provides. For Global Renewable Power Fund III platform these fees were charged at the Global Renewable Power Fund III, SCSp.

8. Taxation

	2021	2020
	(unaudited)	(unaudited)
	\$'000	\$'000
Current tax		
Current year/period tax charge	-	-
Total	-	-

The reconciliation of tax on the operating income before tax, at the UK standard corporation rate, to the Entity's actual tax charge for the financial year/period ended 31 December 2021 and 31 December 2020, can be seen in the table below.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Taxation (continued)

	2021 \$'000	2020 (unaudited) \$'000
Operating loss before tax	(5,830)	-
Operating loss before tax multiplied by standard rate of corporation tax in the United Kingdom (19%)	(1,108)	-
Effects of:		
– Non-taxable fair value movement	1,023	-
– Non-deductible expenses	85	-
Tax for the financial period	-	-

9. Other payables

	31 December 2021 \$'000	31 December 2020 (unaudited) \$'000
Administration fees payable	(24)	-
Audit fees payable	(18)	-
Valuation fees payable	(10)	-
Custody fees payable	(2)	-
Professional fees payable	(6)	-
Total	(60)	-

10. Borrowings

The Entity entered a loan facility agreement with Global Renewable Power Fund III Finance Designated Activity Company which finance the Entity's investments. The total amount of facility was \$167,000,000 (2020: \$Nil). The loans mature on 31 December 2045.

As at 31 December 2021, there is \$26,773,392 (2020: \$Nil) amount outstanding on the loan. The loans are fully drawn down. Interest is charged at 8% per annum. The interest expense charged on loans amounted to \$573,540 (2020: \$Nil) which was outstanding as at 31 December 2021.

11. Reconciliation of liabilities arising from financing activities

	2021 \$'000	2020 (unaudited) \$'000
Opening balance	-	-
Cash flows:		
Proceeds from loans	26,773	-
Non-cash changes:		
Interest expense incurred during the financial year	574	-
Closing balance	27,347	-

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Share capital

Authorised

The authorised share capital of the Entity is 6,756,856 (2020: 100) ordinary shares of a par value of £1 each.

Issued share capital

A reconciliation of the number of shares outstanding for the financial year/period ended 31 December 2021 and 31 December 2020 is provided in the table below.

	31 December 2021 '000	31 December 2020 '000
Balance at beginning	-	-
Issue of shares	6,757	-
Balance at ending	6,757	-

As at 31 December 2021, the issued share capital of the Entity amounts to £6,756,756/\$9,151,688 (2020: £Nil/\$Nil) represented by an issued share capital of 6,756,856 (2020: 100) shares fully paid-up with a par value of £1 each. Share premium of \$53,609,279 (2020: \$Nil) represents the amount paid from shareholder in excess of the registered share capital.

13. Investment entities

The following table shows details of the entities that the Entity does not consolidate but in which it holds an interest. These entities are collectively known as the "Investment Entities".

Investment Entities held by the Entity

Name	Principal activity	Geographic region	Equity Ownership% Held 2021	2020
Brite Energy Partners Co., Ltd	Holding Company	South Korea	25%	-
GRP III Offshore Wind SK Ltd	Holding Company	United Kingdom	100%	-
Influx Co Ltd	Holding Company	Japan	50%	-
Influx Offshore Wind Power Holdings KK	Holding Company	Japan	50%	-
Jolt Charge Holding Pty Limited	Holding Company	Australia	22%	-
Genesis Solar SK Bidco Limited	Holding Company	United Kingdom	100%	-
Solek Holding SE	Holding Company	Chile	100%	-

14. Exchange rates

The rates of exchange as at 31 December 2021 and 31 December 2020 were:

Currency	31 December 2021	31 December 2020
USD = AUD	1.3754	1.2959
JPY	115.2074	103.2450
KRW	1,190.4762	-

15. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or is able to exercise significant influence over the other party, in making financial or operational decisions.

All related party transactions were carried out at arm's length in the ordinary course of business.

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Related party transactions (continued)

The Investment Manager is wholly owned subsidiaries of BlackRock, Inc. and related parties to the Entity.

15.1 Related party fees and expenses

As at 31 December 2021, Patrick O'Kane, Peter Raftery and Julia Rhodes Journeay were employees of BlackRock Inc. and its subsidiaries (the "BlackRock Group"). The Directors who are employees of the BlackRock Group are not entitled to receive Directors' fees.

15.2 Significant holdings

As at 31 December 2021, the shares of the Entity are fully held by other related parties of BlackRock.

The following investors are :

- a) funds managed by BlackRock or are affiliates of BlackRock, Inc. ("BlackRock Related Investors"); or
- b) investors (other than those listed in (a) above) who held 51% or more of the voting shares in issue in the Entity and are as a result, considered to be related parties to the Entity ("Significant Investors").

Total % interest held by Related BlackRock Funds	Total % of Interests held by Significant Investors who are not Related BlackRock Funds		Number of Significant Investors who are not affiliates of Related BlackRock Funds
100%		Nil	Nil

15.3 Other related party transactions

The following tables detail the Entity's other related party transactions during the financial year ended 31 December 2021, and the outstanding related party balances as at 31 December 2021:

	The DAC	GRP III Offshore Wind SK Ltd	IGIS Private Equity Co Ltd	Genesis Solar SK Bidco Limited	Solek Holding SE
31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000
Statement of comprehensive income					
Interest expense	(574)	-	-	-	-
Statement of financial position					
Financial assets at fair value through profit or loss	-	1,379	(2,095)	76	408
Financial liabilities at fair value through profit or loss	26,773	-	-	-	-

As at 31 December 2020, the Entity was dormant and held no assets or liabilities, therefore no comparative information is presented.

No provisions have been recognised by the Entity against amounts due from related parties at the financial period end date (31 December 2020: \$Nil). No amounts have been written off during the financial period in respect of amounts due to or from related parties (31 December 2020: \$Nil). No commitments secured or unsecured or guarantees have been entered into with related parties during the financial year/period (31 December 2020: \$Nil).

GRP III REGIONAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Related party transactions (continued)

15.3 Other related party transactions (continued)

The Entity has dividend receivable due from Brite Energy Partners Co., Ltd. of \$191,328.

There were no loans, quasi loans, credit transactions or remuneration between the Entity and its key management personnel or Directors for the financial year/period ended 31 December 2021 (31 December 2020: none).

16. Commitments and contingent liabilities

There were no significant commitments or contingent liabilities as at 31 December 2021 and 31 December 2020 other than those already disclosed in the financial statements.

17. Subsequent events

There have been no events subsequent to the financial year end, which, in the opinion of the Directors, may have had an impact on the financial statements for the financial year ended 31 December 2021.

18. Approval date

The financial statements were approved by the Directors on 23 March 2022.