

Company Registration No. 199403139W

**SuperBowl Holdings Limited
and its subsidiaries**

Annual Financial Statements
31 December 2021

SuperBowl Holdings Limited and its subsidiaries

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SuperBowl Holdings Limited and its subsidiaries

Directors' Statement

For the financial year ended 31 December 2021

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of SuperBowl Holdings Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") for the financial year ended 31 December 2021 and the statement of financial position of the Company as at 31 December 2021.

In the opinion of the Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and statement of cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The Directors of the Company in office at the date of this report are:

Teo Ho Beng
Roland Teo Ho Kang
Teo Poh Sim Agnes

Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

The following Directors who held office at the end of the financial year had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in the shares of the Company and related corporations (other than wholly-owned subsidiaries), as stated below:

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	As at 1.1.2021	As at 31.12.2021	As at 1.1.2021	As at 31.12.2021
(a) The Company <u>SuperBowl Holdings Limited</u> <u>(Ordinary shares)</u>				
Teo Ho Beng	—	—	322,407,480	322,412,480
Roland Teo Ho Kang	—	—	322,407,480	322,412,480

SuperBowl Holdings Limited and its subsidiaries

Directors' Statement

For the financial year ended 31 December 2021

Directors' interests in shares or debentures (cont'd)

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	As at 1.1.2021	As at 31.12.2021	As at 1.1.2021	As at 31.12.2021
(b) The ultimate holding company				
<u>Hiap Hoe Holdings Pte Ltd</u>				
<u>(Ordinary shares)</u>				
Teo Ho Beng	6,245,664	6,345,664	—	—
Roland Teo Ho Kang	4,133,689	4,133,689	—	—
Teo Poh Sim Agnes	262,258	262,258	—	—
(c) The intermediate holding company				
<u>Hiap Hoe Limited</u>				
<u>(Ordinary shares)</u>				
Teo Ho Beng	2,662,100	2,662,100	349,578,726	349,578,726
Roland Teo Ho Kang	—	—	349,578,726	349,578,726
Teo Poh Sim Agnes	156,250	156,250	—	—

By virtue of Section 7 of the Singapore Companies Act 1967, Mr Teo Ho Beng and Mr Roland Teo Ho Kang are deemed to have interests in the shares of each of the wholly-owned subsidiaries of Hiap Hoe Limited, Hiap Hoe Holdings Pte Ltd, and SuperBowl Holdings Limited.

Except as disclosed in this statement, no Director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of its related corporations, either at the beginning of the financial year, at his date of appointment as a Director during the financial year (as the case may be), or at the end of the financial year.

Share options granted

No options were granted during the financial year to take up unissued shares of the Company or of its subsidiaries.

No shares were issued by virtue of the exercise of options.

There were no unissued shares under option at the end of the financial year.

SuperBowl Holdings Limited and its subsidiaries

Directors' Statement

For the financial year ended 31 December 2021

Auditors

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors

TEO HO BENG

Director

ROLAND TEO HO KANG

Director

Singapore
27 May 2022

SuperBowl Holdings Limited and its subsidiaries

Independent Auditor's Report

For the financial year ended 31 December 2021

Independent Auditor's Report to the Members of SuperBowl Holdings Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of SuperBowl Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated statement of cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, 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.

SuperBowl Holdings Limited and its subsidiaries

Independent Auditor's Report

For the financial year ended 31 December 2021

Independent Auditor's Report to the Members of SuperBowl Holdings Limited

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

SuperBowl Holdings Limited and its subsidiaries

Independent Auditor's Report

For the financial year ended 31 December 2021

Independent Auditor's Report to the Members of SuperBowl Holdings Limited

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Evaluate 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Public Accountants and
Chartered Accountants

Singapore
27 May 2022

SuperBowl Holdings Limited and its subsidiaries

Statements of Financial Position As at 31 December 2021

		Group		Company	
		31	31	31	31
		December	December	December	December
		2021	2020	2021	2020
Note		\$	\$	\$	\$
Non-Current Assets					
Property, plant and equipment	4	35,810,985	39,164,684	–	97,831
Investment properties	5	17,316,690	18,046,244	–	–
Subsidiaries	7	–	–	14,401,971	15,243,062
Joint venture	8	22,856,656	21,067,654	5	5
Club membership	9	12,000	12,000	–	–
Trade and other receivables	10	61,356	140,190	–	–
		76,057,687	78,430,772	14,401,976	15,340,898
Current Assets					
Other assets	6	136,886	118,486	–	–
Due from subsidiaries	7	–	–	2,620,098	2,909,972
Due from fellow subsidiaries	12	14,879,384	20,219,670	13,491,600	20,219,670
Trade and other receivables	10	765,321	1,114,670	350,004	314,817
Other investments	13	117,565,191	102,306,302	117,565,191	102,306,302
Inventories, at cost	14	–	12,004	–	–
Prepayments		89,913	49,720	33,557	35,053
Derivatives - assets	15	61,135	152,250	61,135	152,250
Cash and bank balances	16	11,908,305	5,115,785	10,977,720	4,139,722
		145,406,135	129,088,887	145,099,305	130,077,786
Total assets		221,463,822	207,519,659	159,501,281	145,418,684
Capital and Reserves					
Share capital	17	74,028,806	74,028,806	74,028,806	74,028,806
Retained profits		84,060,540	77,817,181	58,741,772	52,707,808
Total equity		158,089,346	151,845,987	132,770,578	126,736,614
Non-Current Liabilities					
Deferred tax liabilities	11	80,456	145,062	–	–
Borrowings	18	28,482,779	30,474,509	–	–
Other liabilities	20	550,626	499,410	–	–
		29,113,861	31,118,981	–	–
Current Liabilities					
Trade and other payables	19	243,273	408,283	88,803	124,801
Other liabilities	20	1,541,749	1,743,647	388,489	269,376
Derivatives - liabilities	15	288,892	554,243	288,892	554,243
Borrowings	18	30,067,591	21,030,308	17,552,721	17,044,151
Due to a subsidiary	7	–	–	6,307,207	96,894
Due to joint venture	8	14,380	–	–	–
Due to a fellow subsidiary	12	783,699	–	783,699	–
Tax payable		1,321,031	818,210	1,320,892	592,605
		34,260,615	24,554,691	26,730,703	18,682,070
Total liabilities		63,374,476	55,673,672	26,730,703	18,682,070
Total equity and liabilities		221,463,822	207,519,659	159,501,281	145,418,684

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SuperBowl Holdings Limited and its subsidiaries

Consolidated Statement of Comprehensive Income For the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Revenue	21	11,646,948	11,578,019
Other items of income			
Dividend income		2,157,928	1,544,404
Other income	22	1,158,009	2,287,162
Impairment loss on trade receivables written back	32(iii)	68,777	—
Interest income	23	1,519,518	1,685,722
		4,904,232	5,517,288
Employee benefits expense	24	(4,829,945)	(4,590,122)
Depreciation of property, plant and equipment	4	(4,908,909)	(4,696,843)
Depreciation of investment properties	5	(729,554)	(729,556)
Finance cost	25	(1,592,460)	(1,547,660)
Fair value changes in financial instruments	26	6,278,487	1,135,144
Foreign exchange (loss)/gain		(359,020)	1,090,564
Impairment loss on trade receivables	32(iii)	(1,014,328)	(654,033)
Other expenses	27	(3,862,477)	(4,276,780)
Share of results in joint ventures, net of tax		1,789,003	1,510,258
Profit before tax		7,321,977	4,336,279
Income tax expense	28	(1,078,618)	(344,631)
Profit after tax representing total comprehensive income for the year		6,243,359	3,991,648

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SuperBowl Holdings Limited and its subsidiaries

Consolidated Statement of Changes in Equity For the financial year ended 31 December 2021

	Share capital \$	Retained profits \$	Total \$
Balance at 1 January 2020	74,028,806	77,080,777	151,109,583
Total comprehensive income for the year	—	3,991,648	3,991,648
One-tier tax exempt final dividend of 1.0 cent per share paid in respect of 2019	—	(3,255,244)	(3,255,244)
Balance at 31 December 2020 and 1 January 2021	74,028,806	77,817,181	151,845,987
Total comprehensive income for the year	—	6,243,359	6,243,359
Balance at 31 December 2021	74,028,806	84,060,540	158,089,346

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SuperBowl Holdings Limited and its subsidiaries

Consolidated Statement of Cash Flows For the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Operating activities			
Profit before taxation		7,321,977	4,336,279
Adjustments for:			
Exchange difference		428,284	(1,113,438)
Amortisation of deferred government grant income	22	(36,455)	–
Depreciation of property, plant and equipment	4	4,908,909	4,696,843
Depreciation of investment properties	5	729,554	729,556
Impairment loss on trade receivables	32(iii)	1,014,328	654,033
Impairment loss on trade receivables written back	32(iii)	(68,777)	–
Impairment of club membership	27	2,500	3,000
Interest income	23	(1,519,518)	(1,685,722)
Interest expense	25	1,592,460	1,547,660
Gain on disposal of property, plant and equipment	22	–	(935)
Share of results in joint ventures, net of tax		(1,789,003)	(1,510,258)
Loss on disposal of other investments	27	276,957	12,010
Fair value changes in other investments at FVPL	26	(6,282,620)	(1,083,165)
Fair value changes in derivative instruments	26	4,133	(51,979)
Effect of COVID-19 related rent waivers received from lessors	22	(342,479)	(416,969)
Dividend income from other investments		(2,157,928)	(1,544,404)
Operating cash flows before changes in working capital		4,082,322	4,572,511
Decrease/(increase) in:			
Inventories		12,004	(4,783)
Trade and other receivables		(536,875)	(849,350)
Prepayments		(40,193)	(851)
Other assets		(18,400)	51,198
Due from a fellow subsidiary		(30,711)	–
(Decrease)/increase in:			
Trade and other payables		(165,010)	(153,811)
Other liabilities		(55,901)	(815,621)
Due to joint venture (non-trade)		14,380	(5,402)
Cash generated from operations		3,261,616	2,793,891
Income tax paid		(640,403)	(350,836)
Net cash generated from operating activities		2,621,213	2,443,055
Investing activities			
Purchase of property, plant and equipment	A	(287,635)	(706,699)
Addition paid on club membership		(2,500)	–
Proceeds from disposal of property, plant and equipment		–	935
Interest income received		1,765,167	1,901,567
Purchase of other investments		(19,241,870)	(26,604,053)
Proceeds from disposal of other investments		9,747,549	18,769,889
Repayment of loans by joint venture		–	100,000
Repayment of loan from fellow subsidiaries		7,304,893	840,310
Loan to fellow subsidiaries		(2,890,100)	(1,021,533)
Loan to joint venture		–	(100,000)
Dividend income received		2,399,023	1,372,156
Net cash used in investing activities		(1,205,473)	(5,447,428)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SuperBowl Holdings Limited and its subsidiaries

Consolidated Statement of Cash Flows For the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Financing activities			
Dividends paid		–	(3,255,244)
Interest paid		(1,586,447)	(1,549,008)
Loans from a fellow subsidiary		779,845	–
Repayment of principal portion of lease liabilities		(2,886,764)	(2,335,251)
Proceeds from loans and borrowings		10,704,072	9,192,106
Repayment of bank borrowings		(1,597,331)	(200,000)
Cash and bank balances pledged		(6,794,275)	1,174,894
Net cash (used in)/generated from financing activities		(1,380,900)	3,027,497
Net increase in cash and cash equivalents		34,840	23,124
Effect of exchange rate changes on cash and cash equivalents		369	(265)
Cash and cash equivalents at beginning of year		1,064,867	1,042,008
Cash and cash equivalents at end of year	16	1,100,076	1,064,867

Note:

A. Purchase of property, plant and equipment

During the year, the Group acquired property, plant and equipment of \$1,555,210 (2020: \$4,098,430) which included non-cash additions to right-of-use assets of \$1,267,575 (2020: \$1,277,090) and a deposit of \$Nil (2020: \$2,114,641) paid in prior year. The balance of \$287,635 (2020: \$706,699) was made in cash.

B. Reconciliation of liabilities arising from financing activities

			Non-cash changes				
	1 January 2021	Cash flows	Rent waivers and other	Interest expense Note (25)	Foreign exchange movement	Additions/ Adjustments	31 December 2021
	\$	\$	\$	\$	\$	\$	\$
Borrowings	17,894,233	8,838,702	–	273,789	(105,270)	–	26,901,454
Lease liabilities	33,610,584	(4,205,172)	(342,479)	1,318,408	–	1,267,575	31,648,916
Due to a fellow subsidiary	–	779,845	–	263	3,591	–	783,699
	51,504,817	5,413,375	(342,479)	1,592,460	(101,679)	1,267,575	59,334,069

			Non-cash changes				
	1 January 2020	Cash flows	Rent waivers and other	Interest expense Note (25)	Foreign exchange movement	Additions/ Adjustments	31 December 2020
	\$	\$	\$	\$	\$	\$	\$
Borrowings	8,828,293	8,823,193	–	167,715	75,032	–	17,894,233
Lease liabilities	35,085,714	(3,715,196)	(416,969)	1,379,945	–	1,277,090	33,610,584
Due to joint venture	150	(150)	–	–	–	–	–
	43,914,157	5,107,847	(416,969)	1,547,660	75,032	1,277,090	51,504,817

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

1 General information

The financial statements of the Company and its subsidiaries for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Directors on the date of the Directors' statement.

Superbowl Holdings Limited (the "Company") is incorporated as a limited liability company and domiciled in the Republic of Singapore.

The registered office is located at 18 Ah Hood Road #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983.

The principal activities of the Company are those of investment holding and managers of recreation centres. The principal activities of the subsidiaries are as stated in Note 7 to the financial statements.

The immediate, intermediate and ultimate holding companies are Hiap Hoe Strategic Pte Ltd, Hiap Hoe Limited and Hiap Hoe Holdings Pte Ltd, respectively. All entities are incorporated in the Republic of Singapore.

2. Summary of significant account policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) [SFRS(I)].

The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or \$), unless otherwise stated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new SFRS(I) and Amendments to SFRS(I) that are effective for annual periods beginning on 1 January 2021. The adoption of these standards did not have any effect on the financial performance of the Group or financial position of the Group and the Company.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 3: <i>References to the Conceptual Framework</i>	1 January 2022
SFRS(I) 9 <i>Financial Instruments</i> – Fees in the '10 per cent' test for derecognition of financial liabilities	1 January 2022
Amendments to SFRS(I) 1-16: <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SFRS(I) 1-1 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to SFRS(I) 1-12: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023

The Group has performed a preliminary assessment and the directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application

2.4 Foreign currency

The financial statements are presented in SGD, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.5 Basis of consolidation (cont'd)

All intra-group balances, income and expenses and unrealised gains and losses resulting from intragroup transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Losses and other comprehensive income are attributable to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts as at that date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Transactions with Non-Controlling Interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.17. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.6 Property, plant and equipment and depreciation (cont'd)

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis to allocate the depreciable amount over the estimated useful lives (or lease term, if shorter). Leased assets are depreciated over the shorter of the lease terms and their useful lives unless it is reasonably certain that the Group will obtain ownership by end of the lease term.

The estimated useful lives of property, plant and equipment are as follows:

Leasehold land and properties	over remaining period of lease (subject to a maximum of 50 years)
Plant and machinery	3 to 15 years
Furniture, fixtures and fittings	2.25 to 15 years
Office equipment	1 to 5 years
Motor vehicles	3 to 10 years
Leased premises	over remaining period of lease

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation methods are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2.7 Investment properties

Investment properties are properties that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or for sale in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Right-of-use assets are classified as investment properties when the definition of an investment property is met.

Plant and machinery included under investment properties are initially measured at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on plant and machinery using a straight-line method to allocate the depreciable amounts over the estimated useful lives ranging from 3 to 15 years.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.7 Investment properties (cont'd)

Investment properties are initially measured at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, similar to the policy for property, plant and equipment. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated remaining useful lives of a maximum of 50 years for freehold properties, and the remaining period of lease or a maximum of 50 years, whichever is lower for leasehold properties. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at end of each reporting period. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. As the Group uses the cost model, transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

2.8 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less any impairment losses.

2.9 Joint ventures

Joint venture are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

The Group account for its investment in joint venture using the equity method from the date on which it becomes a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the joint venture's profit or loss in the period in which the investment is acquired.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.9 Joint ventures (cont'd)

Under the equity method, the investment in joint ventures are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The profit or loss reflects the share of results of the operations of the joint ventures. Distributions received from joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and joint venture are eliminated to the extent of the interest in the joint ventures.

When the Group's share of losses in the joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

In the Company's statement of financial position, investments in joint ventures are accounted for at cost less any impairment losses.

The financial statements of the joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.10 Impairment of non-financial assets (cont'd)

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase in other comprehensive income.

2.11 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.11 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

Investments in debt instruments (cont'd)

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. Amount presented in OCI shall not be subsequently transferred to profit or loss. However, the entity may transfer the cumulative gain or loss within equity. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derecognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.11 Financial instruments (cont'd)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2. Summary of significant account policies (cont'd)

2.12 Impairment of financial assets

The Group recognised an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognised a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and demand deposits. These also include bank overdrafts that form an integral part of the Group's cash management.

2.14 Inventories

Inventories, comprising consumables which include smart cards, spare parts and hotel supplies, are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis and includes all costs in bringing the inventories to their present location and condition. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

2.15 Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.15 Financial guarantees (cont'd)

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.12 and the amount initially recognised less, where appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.16 Leases

(a) As lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset as set of in Note 2.6.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets (except for those which meets the definition of an investment property) are presented within Property, plant and equipment in the statement of financial position (Note 4).

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.16 Leases (cont'd)

(a) As lessee (cont'd)

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented within Interest-bearing loans and borrowings in the statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.16 Leases (cont'd)

(a) As lessee (cont'd)

Lease liabilities (cont'd)

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- (i) the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- (ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- (iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term within "revenue" in profit or loss.

Intermediate lessor in sublease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the recognition exemption, then it classifies the sublease as an operating lease.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.16 Leases (cont'd)

(b) As lessor (cont'd)

Intermediate lessor in sublease (cont'd)

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "finance lease receivables" in the statement of financial position. Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statement of financial position, which represents the lease payments owed to the head lessor.

2.17 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition and construction of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are being incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.18 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.19 Dividends

Final dividends proposed by the directors are not deducted against shareholders' equity until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared because the articles of association of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

2.20 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period in countries where the Group operates and generates taxable income.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.20 Taxes (cont'd)

(a) Current income tax (cont'd)

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.20 Taxes (cont'd)

(b) Deferred tax (cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of taxes except:

- Where the taxes incurred on a purchase of assets or services are not recoverable from the taxation authorities, in which case the taxes are recognised as part of the cost of acquisition of the assets or as part of the expenses item as applicable; and
- Receivables and payables that are stated with the amount of taxes included.

The net amount of taxes recoverable from or payable to the taxation authorities are included as part of receivables or payables in the statement of financial position.

2.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.22 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled. In exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Management fee and other operating income

Management fee and other operating income are recognised on an accrual basis.

(d) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(e) Leisure income

Revenue from leisure activities are recognised when services are provided or goods consumed.

2.23 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to the defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

2. Summary of significant account policies (cont'd)

2.24 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

3. Significant accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Determination of lease term of contracts with extension options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend. There are no restrictions placed upon the Group by entering into these contracts and the Group negotiates extension options to provide flexibility in managing the leased assets and align with the Group's business needs.

(ii) Classification and measurement of financial assets

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group and the Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

3. Significant accounting estimates and judgements (cont'd)

3.1 Judgements made in applying accounting policies (cont'd)

(ii) Classification and measurement of financial assets (cont'd)

As stated in Note 13, the Group has investment portfolio which includes quoted and unquoted debt instruments. The Group has accounted for these debt instruments at fair value through profit or loss as they will be sold from time to time to realise capital appreciation or for liquidity management.

(iii) Impairment of investments in subsidiaries and joint venture companies

The Group and the Company assess at the end of each reporting period whether there is any indication that the investments in subsidiaries and joint venture may be impaired.

The assessment of indication of impairment involves judgment. In making these judgments, the Group and the Company evaluate, among other factors, the performance of the subsidiaries and joint venture companies.

The carrying amounts of investments in subsidiaries and joint venture at 31 December 2021 of the Group and the Company are disclosed in Notes 7 and 8 respectively.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Impairment of financial assets at amortised cost

The Group assesses at the end of each reporting period whether there is any expected credit loss of financial assets based on assumptions about risk of default and expected loss rates. The Group considers factors such as past collection history, existing market conditions as well as forward looking estimates at each reporting period.

The assessment of the correlation between historical observed default, economic conditions and expected credit loss is a significant estimate. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

The carrying amounts of trade and other receivables from third parties, related parties and fellow subsidiaries, and allowance for expected credit losses at the end of the reporting period are disclosed in Notes 10, 12 and 32 to the financial statements.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

3. Significant accounting estimates and judgements (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(ii) Impairment of non-financial assets

Investment properties

The Group carries its investment properties at cost less accumulated depreciation and accumulated impairment, with excess of carrying value over recoverable amount being recognised as impairment in profit or loss.

In determining the recoverable value, the Group considers both external and internal sources of information, including the fair value appraised by external valuers, in assessing whether the properties may have been impaired. The fair value assessment is complex and highly dependent on a range of assumptions such as discount rate, capitalisation rate, terminal yield and growth rate made by the valuers, and heightened by the increased level of estimation uncertainty arising from changes in market and economic conditions brought on by the COVID-19 pandemic.

The carrying amount of the investment properties as at 31 December 2021 is \$17,316,690 (2020: \$18,046,244). The fair value of the investment properties is approximately \$68,010,000 (2020: \$68,010,000).

Property, plant and equipment

The Group carries its property, plant and equipment at cost less accumulated depreciation and accumulated impairment. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. This requires estimates to be made including future revenues, operating costs, growth rates, capital expenditures and discount rates applicable to the cash flows.

The carrying amounts of the property, plant and equipment as at 31 December 2021 is \$35,810,985 (2020: \$39,164,684).

(iii) Valuation of unquoted investments

The Group has unquoted investments which include fixed income instruments, mutual and private equity funds. The fair values of unquoted investments are determined based on various valuation techniques which involve the use of assumptions and estimates determined by financial institutions managing these investments and application of management judgement. Estimation uncertainty exists for the valuation as these investments are not traded in an active market and the valuation techniques involve the use of significant unobservable inputs. Further, the risk around these judgements and estimates has increased in the current year due to continuously evolving impacts of COVID-19 pandemic on valuations.

The carrying amount of the unquoted investments as at 31 December 2021 is \$48,135,101 (2020: \$38,266,483). If the price of the unquoted investments had been 2% higher/lower with all other variables held constant, the Group's profit (2020: profit) net of tax would have been approximately \$799,000 (2020: \$635,000) higher/lower (2020: higher/lower), arising as a result of higher/lower fair value gains on other investments.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

3. Significant accounting estimates and judgements (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(iv) Estimation of incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses the incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group estimates the IBR relevant to each lease by using observable inputs such as market interest rate and asset yield when available, and that making certain lessee specific adjustments such as a group entity's credit rating.

The carrying amount of the Group's right-of-use assets and lease liabilities calculated on IBR are \$29,689,855 (2020: \$32,085,752) and \$31,647,541 (2020: \$33,592,541), respectively. The weighted average incremental borrowing rate was 4.58% (2020: 4.58%) per annum. If the incremental borrowing rate had been 50 basis point higher/lower with all other variables held constant, the Group's right-of use assets and lease liabilities would have been approximately lower/higher by \$791,566 (2020: \$894,282) and \$720,213 (2020: \$ 825,276) respectively.

(v) Income taxes

Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the timing and level of future taxable profits together with future tax planning strategies.

The carrying amount of the Company's tax payable at 31 December 2021 was \$1,320,892 (2020: \$592,605). Whereas, the carrying amount of the Group's tax payables and deferred tax liabilities at 31 December 2021 was \$1,321,031 (2020: \$818,210) and \$80,456 (2020: \$145,062) respectively.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

4. Property, plant and equipment

Group	Leasehold land and properties \$	Plant and machinery \$	Furniture, fixtures and fittings \$	Office equipment \$	Motor vehicles \$	Leased premises \$	Total \$
<u>Cost</u>							
At 1 January 2020	37,864,036	8,168,068	7,367,454	277,489	2,173,048	12,451,125	68,301,220
Additions/Adjustments	1,285,290	2,142,558	597,203	81,579	—	(8,200)	4,098,430
Disposals/Write-off	—	—	—	(5,200)	—	—	(5,200)
At 31 December 2020 and 1 January 2021	39,149,326	10,310,626	7,964,657	353,868	2,173,048	12,442,925	72,394,450
Additions/Adjustments	1,267,885	238,539	41,810	7,286	—	(310)	1,555,210
Transfers	—	—	6,739	(6,739)	—	—	—
Disposals/Write-off	—	—	(27,375)	(6,000)	—	—	(33,375)
At 31 December 2021	40,417,211	10,549,165	7,985,831	348,415	2,173,048	12,442,615	73,916,285

Accumulated depreciation and impairment losses

At 1 January 2020	14,600,365	5,055,465	6,717,664	237,768	885,501	1,041,360	28,538,123
Depreciation for the year	2,040,274	471,464	342,149	30,549	278,804	1,533,603	4,696,843
Disposals/Write-off	—	—	—	(5,200)	—	—	(5,200)
At 31 December 2020 and 1 January 2021	16,640,639	5,526,929	7,059,813	263,117	1,164,305	2,574,963	33,229,766
Depreciation for the year	2,153,489	550,210	358,817	64,346	253,637	1,528,410	4,908,909
Transfers	—	—	(6,739)	6,739	—	—	—
Disposals/Write-off	—	—	(27,375)	(6,000)	—	—	(33,375)
At 31 December 2021	18,794,128	6,077,139	7,384,516	328,202	1,417,942	4,103,373	38,105,300

Net book value

At 31 December 2021	21,623,083	4,472,026	601,315	20,213	755,106	8,339,242	35,810,985
At 31 December 2020	22,508,687	4,783,697	904,844	90,751	1,008,743	9,867,962	39,164,684

Company

	Office equipment \$	Motor vehicles \$	Total \$
<u>Cost</u>			
At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	61,104	614,988	676,092

Accumulated depreciation

At 1 January 2020	61,104	394,159	455,263
Depreciation for the year	—	122,998	122,998
At 31 December 2020 and 1 January 2021	61,104	517,157	578,261
Depreciation for the year	—	97,831	97,831
At 31 December 2021	61,104	614,988	676,092

Net carrying amount

At 31 December 2021	—	—	—
At 31 December 2020	—	97,831	97,831

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

4. Property, plant and equipment (cont'd)

(i) Right-of-use ("ROU") assets classified under property, plant and equipment

Group and Company

ROU assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such assets are disclosed below:

- (a) Additions/adjustments of ROU assets during the year was \$1,267,575 (2020: \$1,277,090).
- (b) Carrying amounts and related depreciation of ROU assets classified within property, plant and equipment are as follows:

	Group	
	2021	2020
	\$	\$
Carrying amounts of ROU assets		
Leasehold land	21,350,613	22,217,790
Motor vehicles	231,546	264,236
Leased premises	8,339,242	9,867,962
	29,921,401	32,349,988
Depreciation charge of ROU assets during the year		
	Group	
	2021	2020
	\$	\$
Leasehold land	2,135,062	2,019,799
Motor vehicles	32,690	37,712
Leased premises	1,528,410	1,533,603
	3,696,162	3,591,114

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

4. Property, plant and equipment (cont'd)

(ii) Assets pledged as security

Certain property, plant and equipment are mortgaged to secure bank facilities (Note 18.1).

(iii) Motor vehicles with carrying amount of \$523,386 (2020 - \$733,695) for the Group and \$Nil (2020 - \$97,833) for the Company are registered in the names of certain directors and employees. These are held in trust for the Company and the respective companies in the Group.

(iv) Details of the Group's properties included in property, plant and equipment as at 31 December 2021 are as follows:

Description of properties	Tenure	Existing use	Land area sq. m.
1 Yuan Ching Road	30-year leasehold from 1.1.2002	Land parcel, sports and recreation complex and carpark	21,754

(v) Carrying value of assets subject to operating leases

	2021 \$	2020 \$
Properties on leasehold land	272,472	290,897

5. Investment properties

	2021 \$	Group 2020 \$
<u>Cost</u>		
Balance at beginning and at end	34,137,428	34,137,428
<u>Accumulated depreciation</u>		
Balance at beginning	16,091,184	15,361,628
Depreciation for the year	729,554	729,556
Balance at end	16,820,738	16,091,184
Net carrying amount	17,316,690	18,046,244

The following amounts are recognised in profit or loss:

Rental income from investment properties		
- Minimum lease payments	1,789,006	2,896,508
Direct operating expenses (including repairs and maintenance)		
- Rental generating properties	2,585,505	1,677,256

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

5. Investment properties (cont'd)

Except as disclosed in Note 18.1, the Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Valuation of investment properties

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Valuation of investment properties is performed for bank covenant assessment, disclosure purpose and impairment assessments. The Group obtains external, independent valuations for its investment properties annually. These independent valuers have recognised and relevant professional qualification with relevant experience in the location and category of the properties being valued.

Fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The Group reviews the appropriateness of the valuation methodologies and assumptions adopted. The Group also evaluates the appropriateness and reliability of the inputs used in the valuations.

The valuation methods applied are further discussed in Note 33(d).

Assets pledged as security

Certain investment properties are mortgaged to secure bank facilities (Note 18.1).

Details of the investment properties as at 31 December 2021 are as follows:

Description of properties	Tenure	Existing use	Strata area sq. m.
1 Claymore Drive #B1-01/40 Orchard Towers	Freehold	Retail space	735
150 Orchard Road #09-01/02 Orchard Plaza	99-year leasehold from 2.6.1977	Retail space	1,424
1 Jalan Anak Bukit #B1-59/59A Bukit Timah Plaza	99-year leasehold from 30.8.1976	Retail space	112
35 Selegie Road #B1-04 to #B1-12, #B1-14 to #B1-18, #B1-20 to #B1-38 Parklane Shopping Mall	99-year leasehold from 1.12.1974	Retail space	2,352

6. Other assets

	2021 \$	Group 2020 \$
Other deposits	136,886	118,486

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

7. Subsidiaries

	Company 2021 \$	2020 \$
(a) Subsidiaries		
Unquoted equity investments, at cost	18,325,599	18,325,599
Allowance for impairment losses	(9,541,387)	(8,700,296)
	8,784,212	9,625,303
Loans to a subsidiary	5,617,759	5,617,759
	<u>14,401,971</u>	<u>15,243,062</u>

	Company 2021 \$	2020 \$
Movement in allowance for impairment:		
At 1 January	(8,700,296)	(7,236,296)
Current year allowance	(841,091)	(1,464,000)
At 31 December	<u>(9,541,387)</u>	<u>(8,700,296)</u>

The loans to a subsidiary represent an extension of its investment in the subsidiary. This amount is unsecured and interest-free with repayment terms at the discretion of the subsidiary.

During the year, the Company had provided impairment loss of \$841,091 (2020: \$1,464,000) which was to write down the carrying value of a subsidy to its recoverable amounts as the investment is no longer represented by net assets of the investee. The recoverable amount of the investment has been determined based on the subsidiary's revalued net assets of \$1,066,720 (2020: \$1,908,611) as at end of reporting period which is classified under level 3 of the fair value hierarchy.

	Company 2021 \$	2020 \$
(b) Due from/(to) subsidiaries		
Loans	2,373,927	2,715,667
Due from subsidiaries, trade	246,171	194,305
Total due from subsidiaries	<u>2,620,098</u>	<u>2,909,972</u>
Loans	(6,288,238)	–
Interest payable	(18,969)	–
Due to a subsidiary, trade	–	(96,894)
Total due to a subsidiary	<u>(6,307,207)</u>	<u>(96,894)</u>

Trade amounts due from subsidiaries are unsecured, interest-free and recoverable on demand.

Loans due from a subsidiary bear weighted average effective interest of 1.21% (2020: 1.13%) per annum, are unsecured and recoverable on demand. The fair value is not significantly different from its carrying value.

The trade amounts due to a subsidiary is unsecured, interest-free and repayable on demand.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

7. Subsidiaries (cont'd)

(b) Due from/(to) subsidiaries (cont'd)

Loans due to a subsidiary bear weighted average effective interest of 1.29% (2020: Nil%) per annum, are unsecured and repayable on demand. The fair value is not significantly different from its carrying value.

Balances denominated in foreign currency are as follows:

	Company	
	2021	2020
	\$	\$
United States Dollar	<u>(1,373,546)</u>	—

(c) Details of the subsidiaries are as follows:

<u>Name of subsidiaries</u>	<u>Country of incorporation/ principal place of business</u>	<u>Percentage of equity held</u>	<u>Principal activities</u>
		2021	2020
SuperBowl Jurong Pte Ltd	Singapore	100%	100%
SuperBowl Development Pte Ltd	Singapore	100%	100%
			Owners and operators of bowling centres and recreation centres
Super Funworld Pte Ltd	Singapore	100%	100%
			Property investment

The subsidiaries are audited by Ernst & Young LLP, Singapore.

8. Joint venture

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
(a) Joint venture				
Unquoted equity shares, at cost	5	5	5	5
Share of post-acquisition results, net of tax	22,856,651	21,067,649	—	—
Total	<u>22,856,656</u>	<u>21,067,654</u>	<u>5</u>	<u>5</u>

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

8. Joint venture (cont'd)

The details of the joint venture is as follows:

<u>Name of joint venture</u>	<u>Country of incorporation/ principal place of business</u>	<u>Percentage of equity held</u>		<u>Principal activities</u>
		2021	2020	
HH Properties Pte. Ltd. ("HHP")	Singapore	50%	50%	Property developer and owner

The joint venture is audited by Ernst & Young LLP, Singapore.

The Group has a 50% joint venture interest, at a cost of \$5, in HH Properties Pte. Ltd.

The Group jointly controls the venture with other partner and the appointment of its directors and the allocation of voting rights for key business decisions require the unanimous approval of its joint venturers.

Summary of financial information of the Group's joint venture, not adjusted for the proportion of ownership interest held by the Group, are set out below.

(i) Summarised Statements of Financial Position

	2021	HHP	2020
	\$		\$
Current assets	263,011,075		242,877,020
Non-current assets	175,090,358		181,639,701
Current liabilities	204,204,894		193,483,612
Non-current liabilities	188,183,216		188,897,792

(ii) Summarised Statements of Profit or Loss and Other Comprehensive Income

	2021	HHP	2020
	\$		\$
Revenue	32,996,360		30,760,256
Profit from continuing operations	3,578,006		3,020,516
Total comprehensive income for the year	3,578,006		3,020,516

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

8. Joint venture (cont'd)

Group	2021 \$	HHP 2020 \$
Net assets of the joint venture	45,713,323	42,135,317
Proportion of the Group's ownership interest in the joint venture	22,856,661	21,067,659
Other adjustments	(5)	(5)
Carrying amount of the Group's interest in the joint venture	22,856,656	21,067,654

(b) Due to joint venture

	2021 \$	Group 2020 \$
Non-trade balance	14,380	–
Total due to joint venture	14,380	–

Non-trade balances due to a joint venture represent payments made on behalf by the joint venture, are unsecured, interest-free and repayable on demand.

9. Club membership

	2021 \$	Group 2020 \$
Cost of membership rights	42,500	40,000
Provision for impairment	(30,500)	(28,000)
	12,000	12,000

The transferable membership rights in a club are registered in the name of three directors and are held in trust for a subsidiary.

During the year, the Group has provided impairment loss of \$2,500 (2020: \$3,000) which was to write down the carrying value to its recoverable amount (Note 27).

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

10. Trade and other receivables

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current				
Trade receivables	355,128	888,521	—	—
Allowance for impairment	(70,196)	(296,220)	—	—
GST receivables	3,571	—	—	—
	288,503	592,301	—	—
Other receivables:				
Interest receivables	349,959	311,140	349,959	311,137
Lease incentives	111,012	97,764	—	—
Sundry receivables	1,472	2,692	—	—
Interest-free staff loans	14,330	17,950	—	—
Government grant receivables	—	88,327	—	3,680
Due from related companies, non-trade	45	4,496	45	—
	476,818	522,369	350,004	314,817
	765,321	1,114,670	350,004	314,817
Non-current				
Lease incentives	54,326	120,130	—	—
Interest-free staff loans	7,030	20,060	—	—
	61,356	140,190	—	—
Trade and other receivables (current and non-current)	826,677	1,254,860	350,004	314,817
Add:				
Other assets	136,886	118,486	—	—
Due from subsidiaries	—	—	2,620,098	2,909,972
Due from fellow subsidiaries	14,879,384	20,219,670	13,491,600	20,219,670
Cash and bank balances	11,908,305	5,115,785	10,977,720	4,139,722
Less:				
GST receivable	(3,571)	—	—	—
Lease incentives	(165,338)	(217,894)	—	—
Government grant receivables	—	(88,327)	—	(3,680)
Total financial assets carried at amortised cost	27,582,343	26,402,580	27,439,422	27,580,501

Trade and other receivables denominated in foreign currencies at 31 December are as follows:

	Group	
	2021	2020
	\$	\$
Australian Dollar	533	—
United States Dollar	125,731	116,859

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

10. Trade and other receivables (cont'd)

Group and Company

Trade receivables are unsecured, normally due within 30 days and do not bear any effective interest rate.

Trade and other receivables are subject to credit risk exposure. The Group and the Company do not identify any significant concentration of credit risk as the receivables consist of balances from a large number of customers.

Certain interest receivables are pledged to secure bank facilities (Note 18.1).

Staff loans are unsecured and non-interest bearing. Non-current amounts have an average maturity of 3 years (2020: 4 years). These loans are recognised initially at fair value. The carrying amount of non-current staff loans approximates their fair value.

11. Deferred taxation

	Balance Sheet		Income Statement	
	2021	2020	2021	2020
	\$	\$	\$	\$
Deferred tax assets:				
Leases	198,516	139,718	58,798	66,533
Difference in depreciation for tax purposes	(20,100)	(31,400)	11,300	1,200
	178,416	108,318	70,098	67,733
Deferred tax liabilities:				
Leases	(138,870)	(121,362)	(17,508)	(77,682)
Difference in depreciation for tax purposes	397,742	374,742	23,000	(95,000)
	258,872	253,380	5,492	(172,682)
Net deferred tax liabilities	(80,456)	(145,062)	64,606	240,415

The balances comprise tax on excess of net book value over tax written down value of qualifying property, plant and equipment.

12. Due from/(to) fellow subsidiaries

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Loans	14,799,440	19,686,340	13,446,440	19,686,340
Interest receivables	49,233	533,330	45,160	533,330
Advances	30,711	—	—	—
Total due from fellow subsidiaries	14,879,384	20,219,670	13,491,600	20,219,670

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

12. Due from/(to) fellow subsidiaries (cont'd)

Balances denominated in foreign currency are as follows:

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Australian Dollar	13,491,600	16,555,743	13,491,600	16,555,743
United States Dollar	1,357,073	3,663,927	–	3,663,927

Loans due from fellow subsidiaries of the Group and the Company bear weighted average effective interest of 1.31% (2020: 1.25%) and 1.32% (2020: 1.25%) per annum respectively, are unsecured and repayable on demand. The fair values are not significantly different from their carrying values.

	Group and Company	
	2021	2020
	\$	\$
Loans	(783,436)	–
Interest payables	(263)	–
Total due to a fellow subsidiary	(783,699)	–

Balances denominated in foreign currency are as follows:

	Group and Company	
	2021	2020
	\$	\$
Australian Dollar	(783,699)	–

Loans due to a fellow subsidiary of the Group and the Company bear weighted average effective interest of 1.22% (2020: Nil%) per annum, are unsecured and repayable on demand. The fair values are not significantly different from their carrying values.

13. Other investments

	Group and Company	
	2021	2020
	\$	\$
At fair value through profit or loss:		
- Quoted investments (ii)	69,430,090	64,039,819
- Unquoted investments (iii)	48,135,101	38,266,483
	117,565,191	102,306,302

- (i) Other investments include debt instruments. The Group has reviewed its policy of classification and determined that these debt instruments will be sold from time to time to realise capital appreciation or for liquidity management. Accordingly, these debt instruments will continue to classify as FVPL in accordance with SFRS(I) 9 based on the Group's business model.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

13. Other investments (cont'd)

(ii) Quoted investments

The fair value of quoted investments is determined by reference to the respective stock exchange quoted bid price.

(iii) Unquoted investments

As the unquoted investments are not publicly traded, the fair values are determined based on various valuation techniques which involve the use of assumptions and estimates determined by financial institutions managing these investments (Note 33).

(iv) Certain trading investments pledged to secure bank facilities (Note 18.1).

(v) Other investments denominated in foreign currencies as at 31 December are as follows:

	Group and Company	
	2021	2020
	\$	\$
Australian Dollar	6,216,053	5,297,132
British Pound	2,336,931	1,923,061
Canadian Dollar	241,203	207,777
Euro	11,388,293	9,759,250
Hong Kong Dollar	7,282,855	9,445,697
Japanese Yen	287,469	264,127
Malaysia Ringgit	1,432,919	1,431,570
Swiss Franc	1,375,244	1,182,798
United States Dollar	50,943,680	43,309,083

(vi) During the financial year, the Group recognised fair value gain of \$6,282,620 (2020: \$1,083,165) on investments carried at FVPL (Note 26).

14. Inventories, at cost

	Group	
	2021	2020
	\$	\$
Consumables	—	12,004
Cost of inventories included in consumables used	—	8,750

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

15. Derivatives

	Group and Company			
	Asset	Liabilities	Asset	Liabilities
	2021	2021	2020	2020
	\$	\$	\$	\$
Currency swaps	61,135	–	152,250	–
Options	–	(288,892)	–	(554,243)
	61,135	(288,892)	152,250	(554,243)
Add: Other investments	117,565,191	–	102,306,302	–
Total financial assets/(liabilities) at fair value through profit or loss	117,626,326	(288,892)	102,458,552	(554,243)

During the financial year, the Group recognised fair value loss of \$4,133 (2020: gain of \$51,979) on derivative instruments (Note 26).

Currency swaps

Currency swaps are used to hedge foreign currency risk arising from the Group's and Company's trading investments denominated in foreign currencies.

Options

Options derivatives contracts are entered which gives the Group's and the Company's the right to buy or sell an underlying trading investment at a specified strike price on a specified date.

Derivatives of the Group denominated in foreign currencies are as follows:

	Group			
	Assets	Liabilities	Assets	Liabilities
	2021	2021	2020	2020
	\$	\$	\$	\$
Euro	–	–	–	(5,299)
Hong Kong Dollar	–	(288,892)	–	(531,981)
United States Dollar	61,135	–	152,250	(16,963)

16. Cash and bank balances

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Cash and bank balances	11,908,305	5,115,785	10,977,720	4,139,722
Less: amount pledged	(10,808,229)	(4,050,918)	(10,808,229)	(4,050,918)
Cash and cash equivalents	1,100,076	1,064,867	169,491	88,804

Group and Company

Certain cash and bank balances are pledged to secure bank facilities (Note 18.1).

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

16. Cash and bank balances (cont'd)

Cash and bank balances earn interest at floating rates based on daily bank deposit rates.

Cash and bank balances denominated in foreign currencies at 31 December are as follows:

	Group and Company	
	2021	2020
	\$	\$
Australian Dollar	6,915,103	1,612,005
British Pound	132,461	74,024
Canadian Dollar	29,466	18,557
Euro	634,304	102,296
Hong Kong Dollar	1,436,162	245,231
Japanese Yen	23,682	16,608
Malaysia Ringgit	124,788	61,297
Swiss Franc	86,322	58,136
United States Dollar	1,066,056	809,868

17. Share capital

	Group and Company			
	2021	2020	2021	2020
	Number of shares		\$	\$
Issued and fully paid ordinary shares, with no par value				
Balance at beginning and at end	325,524,440	325,524,440	74,028,806	74,028,806

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions at meeting of the Company. All shares rank equally with regards to the Company's residual assets.

18. Borrowings

	Effective interest rate ⁽¹⁾ (% per annum)		Maturity	Group		Company	
	2021	2020		2021	2020	2021	2020
				\$	\$	\$	\$
Current liabilities							
Secured bank borrowings	1.12	1.28	2022	26,889,363	17,887,891	17,548,125	17,037,891
Interest payable	–	–	2022	12,091	6,342	4,596	6,260
Lease liabilities (Note 18.3)	4.67	4.67	2022	3,166,137	3,136,075	–	–
				30,067,591	21,030,308	17,552,721	17,044,151
Non-current liabilities							
Lease liabilities (Note 18.3)	4.67	4.67	2023 – 2035	28,482,779	30,474,509	–	–
				28,482,779	30,474,509	–	–
Total				58,550,370	51,504,817	17,552,721	17,044,151

⁽¹⁾ Based on weighted average interest rates

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

18. Borrowings (cont'd)

18.1 The outstanding secured bank borrowings are secured by the following assets:

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Property, plant and equipment (Note 4)	21,623,083	22,508,687	—	—
Investment properties (Note 5)	17,316,690	13,187,235	—	—
Trade and other receivables (Note 10)	206,290	201,075	206,290	201,075
Other investments (Note 13)	88,673,688	73,014,233	88,673,688	73,014,233
Cash and bank balances (Note 16)	9,791,237	1,979,631	9,791,237	1,979,631
	<u>137,610,988</u>	<u>110,890,861</u>	<u>98,671,215</u>	<u>75,194,939</u>

18.2 The bank borrowings are secured by the following:

- (a) legal mortgages on the Group's property, plant and equipment and investment properties;
- (b) legal assignment of all rights and benefits under the tenancy agreements;
- (c) assignment of all insurance policies for certain properties;
- (d) deed of subordination to subordinate all loans and advances from the Company to the facilities;
- (e) corporate guarantees given by the Company, intermediate holding company and certain subsidiaries; and
- (f) a charge over certain trading investments, cash and bank balances.

The bank facility agreements include covenants that require the maintenance of certain financial ratios. Non-compliance with certain material covenants may result in these loans being repayable immediately.

18.3 Lease liabilities

The Group enters into leases for lease of land, building, leased premises and motor vehicles from non-related parties under non-cancellable lease agreements. There are no restrictions placed upon the Group by entering into these contracts.

The leases for certain leased premises contain extension periods for which the related lease payments had been included in lease liabilities as the Group is reasonably certain to exercise these extension options. The leases for certain leased premises also include termination options. The Group negotiates extension options to provide flexibility in managing the leased assets and align with the Group's business needs.

These non-cancellable lease payments included in the measurement of the lease liabilities comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

18. Borrowings (cont'd)

18.3 Lease liabilities (cont'd)

- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

Included in the interest-bearing loans and borrowings of the Group are the followings:

	Group	
	2021	2020
	\$	\$
Lease liabilities payable:		
Due not later than one year	4,456,806	4,518,344
Due later than one year but not later than five years	15,535,388	15,660,260
Due later than five years	19,027,180	21,927,890
	39,019,374	42,106,494
Finance charges allocated to future periods	(7,370,458)	(8,495,910)
Present value of lease liabilities	31,648,916	33,610,584
Present value of lease liabilities:		
Due not later than one year	3,166,137	3,136,075
Due later than one year but not later than five years	11,617,223	11,402,275
Due later than five years	16,865,556	19,072,234
	28,482,779	30,474,509
	31,648,916	33,610,584

As at 31 December 2021 and 2020, the Group's short-term lease commitments are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the year.

Lease payments recognised in the consolidated income statement was \$19,865 (2020: \$16,843). Contingent rents are payable subject to the related revenue exceeding a level stated in the respective agreements. Contingent lease payments recognised in the consolidated income statement during the year amounted to \$15,858 (2020: \$12,843).

Lease expenses not recognised in lease liabilities but recognised within "operating expenses" in profit or loss are set out below:

	Group	
	2021	2020
	\$	\$
Short-term leases	4,007	4,000
Variable lease expense due to payments not dependent on an index or rate	15,858	12,843
	19,865	16,843

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

18. Borrowings (cont'd)

18.4 Bank borrowings denominated in foreign currencies at 31 December are as follows:

	2021 \$	2020 \$
Group and Company		
Euro	4,425,408	4,794,453
Hong Kong Dollar	1,886,618	1,438,863
United States Dollar	7,785,774	4,658,319

19. Trade and other payables

	Group		Company	
	2021 \$	2020 \$	2021 \$	2020 \$
Current				
Trade payables				
- fellow subsidiaries	–	4,601	–	–
- external parties	49,122	130,759	1,616	58,756
GST payables	70,753	107,907	25,836	11,007
Revenue received in advance	65,411	90,515	–	–
Lease incentive	–	18,473	–	–
Due to directors	3,622	–	1,972	–
Due to related companies, trade	4,055	2,739	–	–
Due to related companies, non-trade	4,984	–	–	–
Government related grant	–	17,733	–	–
Others	45,326	35,556	59,379	55,038
Trade and other payables (current)	243,273	408,283	88,803	124,801
Add:				
Other liabilities	2,092,375	2,243,057	388,489	269,376
Borrowings	58,550,370	51,504,817	17,552,721	17,044,151
Due to a subsidiary	–	–	6,307,207	96,894
Due to joint venture	14,380	–	–	–
Due to a fellow subsidiary	783,699	–	783,699	–
Less:				
GST payables	(70,753)	(107,907)	(25,836)	(11,007)
Revenue received in advance	(65,411)	(90,515)	–	–
Lease incentive	–	(18,473)	–	–
Government related grant	–	(17,733)	–	–
Deferred government grant income	(94,825)	(94,782)	–	(5,980)
Total financial liabilities carried at amortised cost	61,453,108	53,826,747	25,095,083	17,518,235

Trade payables, including trade balances with fellow subsidiaries and related companies, are unsecured, interest-free, normally on 30 days credit terms.

The non-trade amounts due to related companies representing payments made on behalf, are unsecured, interest-free and repayable on demand.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

20. Other liabilities

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current				
Accrued operating expenses	545,081	235,967	77,032	39,322
Deposits received	366,439	815,005	–	–
Employee leave entitlement	47,071	56,931	–	–
Sponsorship monies	122,644	108,012	–	–
Deferred government grant income	94,825	94,782	–	5,980
Due to directors	365,689	432,950	311,457	224,074
	<u>1,541,749</u>	<u>1,743,647</u>	<u>388,489</u>	<u>269,376</u>
Non-Current				
Deposits received	<u>550,626</u>	<u>499,410</u>	<u>–</u>	<u>–</u>

Amounts due to directors relate to directors' remuneration to the directors.

Other liabilities denominated in foreign currencies at 31 December are as follows:

	Group and Company	
	2021	2020
	\$	\$
United States Dollar	<u>1,454</u>	<u>1,454</u>

21. Revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time for the following:

	Group	
	2021	2020
	\$	\$
Income from leisure activities	6,543,210	5,382,466
Rental income from investment properties and property, plant and equipment	<u>5,103,738</u>	<u>6,195,553</u>
	<u>11,646,948</u>	<u>11,578,019</u>

Timing of transfer of goods or services from contracts with customers*

At a point in time	6,512,428	5,377,280
Over time	<u>30,782</u>	<u>5,186</u>
	<u>6,543,210</u>	<u>5,382,466</u>

There are no performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

* Excludes rental income from lease of properties which is out of scope of SFRS(I) 15 *Revenue from Contracts with Customers*.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

22. Other income

	2021	Group 2020
	\$	\$
Amortisation of deferred government grant income ⁽¹⁾	36,455	—
Government grants ⁽¹⁾	748,375	1,835,881
Gain on disposal of property, plant and equipment	—	935
Effect of COVID-19 related rent waivers received from lessors	342,479	416,969
Sundry income	30,700	33,377
	1,158,009	2,287,162

⁽¹⁾ Government grants included an amount of \$327,701 (2020: \$469,977) relating to Job Support Scheme pay-out, Sports grants of \$261,894 (2020: \$Nil), an amount of \$Nil (2020: \$1,224,815) relating to grants received under the Rental Relief Framework and other grants of \$195,235 (2020: \$141,089).

23. Interest income

	2021	Group 2020
	\$	\$
Interest income		
- unquoted investments	1,207,709	1,313,630
- fellow subsidiaries [Note 29(a)]	240,025	277,735
- a joint venture [Note 29(a)]	—	98
- others	71,784	94,259
	1,519,518	1,685,722

24. Employee benefit expenses

	2021	Group 2020
	\$	\$
Salaries, wages and other related costs	4,505,381	4,278,098
Central Provident Fund contribution	324,564	312,024
	4,829,945	4,590,122

Employee benefits include compensation of key management personnel as disclosed in Note 29(b).

25. Finance cost

	2021	Group 2020
	\$	\$
Interest expense		
- bank borrowings	273,789	167,715
- lease liabilities	1,318,408	1,379,945
- a fellow subsidiary [Note 29(a)]	263	—
	1,592,460	1,547,660

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

26. Fair value changes in financial instruments

	2021	Group 2020
	\$	\$
Fair value changes in derivative instruments (Note 15)	(4,133)	51,979
Fair value changes in other investments at FVPL [Note 13(vi)]	6,282,620	1,083,165
	<u>6,278,487</u>	<u>1,135,144</u>

27. Other expenses

	2021	Group 2020
	\$	\$
Marketing and distribution expenses	126,249	81,186
Government grant expense ⁽¹⁾	—	990,601
Lease expenses (Note 18.3)	19,865	16,843
Professional fees	144,570	119,862
Property related taxes	753,068	804,578
Upkeep and maintenance of properties:		
- a fellow subsidiary [Note 29(a)]	211,200	220,800
- external parties	1,689,339	1,514,533
Transport	69,845	38,381
Tournament expense	15,560	13,718
Loss on disposal of other investments	276,957	12,010
Impairment of club membership (Note 9)	2,500	3,000
Other investment expense	369,840	286,826
Others	183,484	174,442
	<u>3,862,477</u>	<u>4,276,780</u>

(1) This pertains to property tax rebates received from the Singapore Government that were transferred to tenants in the form of rental rebates and waivers to eligible tenants under the rental relief framework.

28. Income tax expense

	2021	Group 2020
	\$	\$
Current income tax		
Current income taxation	1,401,114	733,363
Over provision in respect of prior years	(257,890)	(148,317)
	<u>1,143,224</u>	<u>585,046</u>
Deferred income tax		
Provision of temporary differences	(64,606)	(240,415)
Income tax expense recognised in profit or loss	<u>1,078,618</u>	<u>344,631</u>

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

28. Income tax expense (cont'd)

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2021 and 2020 is as follows:

	2021 \$	Group 2020 \$
Profit before taxation	7,321,977	4,336,279
Share of results in joint ventures, net of tax	<u>(1,789,003)</u>	<u>(1,510,258)</u>
	5,532,974	2,826,021
Tax at statutory rate of 17% (2020: 17%)	940,606	480,423
Tax effect on non-deductible expenses ⁽¹⁾	663,211	348,941
Tax effect on non-taxable income ⁽²⁾	(249,884)	(286,894)
Over provision of current taxation in respect of prior years	(257,890)	(148,317)
Singapore statutory stepped income exemption	<u>(17,425)</u>	<u>(49,522)</u>
	1,078,618	344,631

(1) Non-deductible expenses relate mainly to depreciation of non-qualifying assets and other disallowed expenses incurred in the ordinary course of business.

(2) This relates to non-taxable income occurred in the ordinary course of business. During the year, the non-taxable income relates mainly to exempt dividend received and government grants recognised.

Tax consequences of proposed dividends

There are no income tax consequences attached to the dividends to shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 35) for the years ended 31 December 2021 and 2020.

29. Related party transactions

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	2021 \$	Group 2020 \$
Income		
Interest income received from fellow subsidiaries	240,025	277,735
Interest income received from a joint venture	—	98
Supply of labour to a fellow subsidiary	<u>146,325</u>	<u>—</u>
Expenses		
Supply of labour by fellow subsidiaries	140,569	36,460
Upkeep and maintenance expenses charged by fellow subsidiary	211,200	220,800
Interest expense paid to a fellow subsidiary	<u>263</u>	<u>—</u>

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

29. Related party transactions (cont'd)

(b) Compensation of key management personnel

	Group 2021 \$	2020 \$
Short-term employee benefits	1,851,220	1,741,559
Central Provident Fund contributions	53,721	52,132
	<u>1,904,941</u>	<u>1,793,691</u>
Comprise amounts paid to:		
Directors of the Company	1,687,045	1,574,935
Other key management personnel	217,896	218,756
	<u>1,904,941</u>	<u>1,793,691</u>

30. Operating lease commitments – as lessor

The Group has entered into commercial property leases on its investment properties and leasehold properties included in property, plant and equipment. These non-cancellable leases have remaining non-cancellable lease term of up to 4 years (2020: 4 years). All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

The undiscounted lease payments from the operating leases to be received after 31 December 2021 and 2020 are disclosed below:

	Group 2021 \$	2020 \$
Undiscounted lease payments to be received:		
Year 1	4,714,834	4,271,712
Year 2	2,909,519	3,461,162
Year 3	818,513	1,767,102
Year 4	331,934	72,022
Year 5	–	2,700
	<u>8,774,800</u>	<u>9,574,698</u>

These leases are classified as operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred. The unguaranteed residual values do not represent a significant risk for the Group as they relate to properties which are located in locations with mainly constant increase in value. The Group has not identified any indications that this situation will change.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

31. Other commitments

(a) Corporate guarantees, unsecured

The Company has given corporate guarantees amounting to \$Nil (2020: \$4,300,000) in favour of a financial institution for credit facilities granted to a subsidiary in 2020. The liabilities of the Company are limited to the outstanding principal amounts due to the lender and bankers' guarantee issued by the financial institution of the subsidiary. As at end of current and prior reporting periods, no amounts were due to the financial institution by the said subsidiary.

(b) Capital and investment commitments

Capital expenditure contracted for as at end of the reporting period but not recognised in the financial statements are as follows:

	Group		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Property, plant and equipment	565,253	—	—	—
Unquoted investments	5,720,704	4,926,704	5,720,704	4,926,704

32. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, currency risk, credit risk, liquidity risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Executive Director and Chief Financial Officer. The Audit and Risk Committee of the subsidiary provides independent oversight to the effectiveness of the risk management process. It is and has been throughout the current and previous financial years, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

32. Financial risk management objectives and policies (cont'd)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in the market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their interest-bearing financial assets and financial liabilities. All of the Group's and the Company's financial assets and liabilities at floating rates are contractually repriced at intervals of less than 6 months (2020: less than 6 months) from the end of the reporting period.

The Group's exposure to the risks of changes in market interest rates relates primarily to loans to fellow subsidiaries and bank borrowings. The management reviews the interest rate strategies to minimise interest rate risk by taking into account the cash flow forecasts, term of debt obligation and market outlook.

The Group and the Company do not use any floating-to-fixed interest rate swaps or other derivatives to manage these cash flow interest rate risks at the end of the reporting period.

Sensitivity analysis for interest rate risk

At 31 December 2021, if SGD interest rates had been 100 (2020: 100) basis points higher with all other variables held constant, the Group's profit (2020: profit) net of tax would have been \$106,849 lower (2020: \$14,927 higher), arising as a result of higher interest income on loans to fellow subsidiaries, net off lower interest expense on secured bank borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility as in prior years.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group has some assets and liabilities denominated in foreign currencies and have exposure to foreign exchange risk mainly in Australian Dollar, British Pound, Canadian Dollar, Euro, Hong Kong Dollar, Malaysia Ringgit, United States Dollar, Japanese Yen and Swiss Franc. The following table demonstrates the sensitivity of the Group's profit (2020: profit) net of tax if the exchange rates had been 5% (2020: 5%) lower with all other variables held constant.

The Group and the Company do not use foreign currency forward exchange contracts for trading or hedging purposes. The Group and the Company's currencies exposure are disclosed in the respective notes to the financial statements.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Currency risk (cont'd)

	Group	
	2021	2020
	\$	\$
	Profit after tax	Profit after tax
Australian Dollar	286,999	753,962
British Pound	5,497	3,072
Canadian Dollar	1,223	770
Euro	(157,331)	(194,725)
Hong Kong Dollar	(30,683)	(49,536)
Japanese Yen	983	689
Malaysia Ringgit	5,179	2,544
Swiss Franc	3,582	2,413
United States Dollar	(271,053)	(2,868)

A 5% decrease in exchange rates with all other variables held constant will have a reverse impact of the same quantum as shown above.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables, amounts due from fellow subsidiaries and subsidiaries. For the other financial assets such as other investments, cash and short-term deposits, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. The Group does not expect to incur material credit losses on its financial instruments.

The Group and the Company develops and maintains its credit risk gradings to categorise exposures to its financial instruments according to their degree of risk of default. The Group uses its past collection history, existing market conditions as well as forward looking estimates to rate its receivables.

The Group's credit risk framework comprises the following categories:

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Category	Description	Basis for recognising expected credit losses ("ECL")
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The Group and the Company determines that its financial assets (including amounts due from joint venture, fellow subsidiaries and subsidiaries) are credit-impaired when:

- There is significant financial difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to meet a repayment plan with the Group and the Company. Where loans and receivables have been written off, the Group and the Company continue to engage enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Management assessed the recoverability of the amounts due from fellow subsidiaries and subsidiaries ("related parties") to determine if there is any credit default and expected credit loss. In determining the expected credit loss, management has taken into account the financial position of the related parties, adjusted for factors that are specific to the related parties and general economic conditions of the industry in which they operate, in estimating the probability of default of the loans due from related parties as well as the loss upon default.

Based on available information, management has assessed that amounts due from related parties have low credit risk. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12 months expected credit losses.

32. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

There has been no material change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for amounts due from related parties.

For trade receivables, the Group applies the simplified approach in calculating lifetime expected credit losses. The Group determines the expected credit losses on trade receivables by reference to its historical credit loss experience based on past due status of the debtors, adjusted for forward-looking factors specific to the debtors and the economic environment. For certain trade receivables, the Group have sufficient deposit to cover those debts that are overdue. The probability of default is nil for cases where deposits collected are greater than amounts outstanding.

Excessive risk concentration

Concentration arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

The Group is not exposed to any significant concentration of credit risk.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position.
- A nominal amount of \$Nil (2020: \$4,300,000) relating to corporate guarantee provided by the Company to a bank on a subsidiary's bank facilities. At the reporting date, the Company has no exposure under the intra-group financial guarantee as there are no outstanding amounts due to the bank by the said subsidiary.

(i) Financial assets that are neither past due nor impaired

Trade and other receivables, due from related parties and other assets that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits and other investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

(ii) Financial assets that are past due but not impaired

The aging analysis of trade receivables past due but not impaired is as follows:

	Group
	2021
	\$
	2020
	\$
Trade receivables past due:	
One month or less	160,235
More than one but less than two months	203,817
More than two but less than three months	7,145
More than three months	137,723
	508,920
	246,886

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of trade receivables past due. These receivables are mainly arising by customers that have a good credit record with the Group.

(iii) Financial assets that are past due and impaired

The Group provides for lifetime expected credit losses for trade receivables from customers by reference to past default experience of the debtors and an analysis of days past due, adjusted for forward-looking factors specific to the debtors and the economic environment.

Expected credit losses assessment

The following table provides information about the exposure to credit risk and expected credit losses for current trade receivables as at 31 December:

	Group
	2021
	\$
	2020
	\$
Movement in allowance accounts:	
At 1 January	123,103
Amount written off	(480,916)
Charge for the year	654,033
Write back of allowances	–
At 31 December	296,220
	70,196

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

	Less than 1 year \$	1 to 5 years \$	More than 5 years \$	Total \$
Group				
At 31 December 2021				
Trade and other payables ⁽¹⁾	107,109	–	–	107,109
Other liabilities ⁽²⁾	1,446,924	550,626	–	1,997,550
Derivatives-liabilities	288,892	–	–	288,892
Borrowings (excluding lease liabilities)	27,189,623	–	–	27,189,623
Lease liabilities	4,456,806	15,535,388	19,027,180	39,019,374
Due to joint venture	14,380	–	–	14,380
Due to a fellow subsidiary	793,218	–	–	793,218
Total undiscounted financial liabilities	34,296,952	16,086,014	19,027,180	69,410,146
At 31 December 2020				
Trade and other payables ⁽³⁾	173,655	–	–	173,655
Other liabilities ⁽²⁾	1,648,865	499,410	–	2,148,275
Derivatives-liabilities	554,243	–	–	554,243
Borrowings (excluding lease liabilities)	18,092,827	–	–	18,092,827
Lease liabilities	4,518,344	15,660,260	21,927,890	42,106,494
Total undiscounted financial liabilities	24,987,934	16,159,670	21,927,890	63,075,494
Company				
At 31 December 2021				
Trade and other payables ⁽⁴⁾	62,967	–	–	62,967
Other liabilities	388,489	–	–	388,489
Derivatives-liabilities	288,892	–	–	288,892
Borrowings	17,721,867	–	–	17,721,867
Due to a subsidiary	6,387,583	–	–	6,387,583
Due to a fellow subsidiary	793,218	–	–	793,218
Total undiscounted financial liabilities	25,643,016	–	–	25,643,016

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

Company	Less than 1 year \$	1 to 5 years \$	Total \$
At 31 December 2020			
Trade and other payables ⁽⁴⁾	113,794	—	113,794
Other liabilities ⁽²⁾	263,396	—	263,396
Derivatives-liabilities	554,243	—	554,243
Borrowings	17,230,407	—	17,230,407
Due to a subsidiary	96,894	—	96,894
Total undiscounted financial liabilities	18,258,734	—	18,258,734

(1) Excludes GST payable and revenue received in advance.

(2) Excludes deferred government grant income.

(3) Excludes GST payable, revenue received in advance, government related grant and lease incentives.

(4) Excludes GST payable.

The Group and Company maintain sufficient level of cash and cash equivalents and has available adequate amount of committed credit facilities from financial institutions.

The Group and Company have no exposure to financial guarantees contracts as at end of current and prior financial year end.

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to price risk arising from its other investments classified as held for trading financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for price risk

At the end of the reporting period, if the price of the shares held had been 1% (2020: 1%) higher/lower with all other variables held constant, the Group's profit (2020: profit) net of tax would have been \$973,901 higher/lower (2020: \$845,806 higher/lower) arising as a result of higher/lower fair value gains on other investments, and the Group's equity would have been \$973,901 (2020: \$845,806) higher/lower, arising as a result of an increase/decrease in the fair value of other investments.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

33. Fair value measurement

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

(b) Assets and liabilities measured at fair value

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group and Company	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments <u>Level 1</u>	Significant observable inputs other than quoted prices <u>Level 2</u>	Significant unobservable inputs <u>Level 3</u>	<u>Total</u>
	\$	\$	\$	\$
31 December 2021				
Financial assets				
<u>Financial assets at fair value through profit or loss (Note 13)</u>				
- Quoted investments	69,430,090	–	–	69,430,090
- Unquoted investments	–	–	48,135,101	48,135,101
Total held for trading financial assets	69,430,090	–	48,135,101	117,565,191
<u>Derivatives (Note 15)</u>				
- Currency swaps	–	–	61,135	61,135
Total derivatives	–	–	61,135	61,135
Financial assets as at 31 December 2021	69,430,090	–	48,196,236	117,626,326
Financial liabilities				
<u>Derivatives (Note 15)</u>				
- Options	–	–	(288,892)	(288,892)
Total derivatives	–	–	(288,892)	(288,892)
Financial liabilities as at 31 December 2021	–	–	(288,892)	(288,892)

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

33. Fair value measurement (cont'd)

(b) Assets and liabilities measured at fair value (cont'd)

Group and Company	Fair value measurements at the end of the reporting period using			Total
	Quoted prices in active markets for identical instruments <u>Level 1</u> \$	Significant observable inputs other than quoted prices <u>Level 2</u> \$	Significant unobservable inputs <u>Level 3</u> \$	
31 December 2020				
Financial assets				
Financial assets at fair value through profit or loss (Note 13)				
- Quoted investments	64,039,819	—	—	64,039,819
- Unquoted investments	—	—	38,266,483	38,266,483
Total held for trading financial assets	64,039,819	—	38,266,483	102,306,302
<u>Derivatives (Note 15)</u>				
- Currency swaps	—	—	152,250	152,250
Total derivatives	—	—	152,250	152,250
Financial assets as at 31 December 2020	64,039,819	—	38,418,733	102,458,552
Financial liabilities				
<u>Derivatives (Note 15)</u>				
- Options	—	—	(554,243)	(554,243)
Total derivatives	—	—	(554,243)	(554,243)
Financial liabilities as at 31 December 2020	—	—	(554,243)	(554,243)

(c) Level 3 fair value measurements

Information about significant unobservable inputs used in Level 3 fair value measurements

Financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) include unquoted investments and derivatives such as options and currency swaps.

To measure the fair values of the unquoted investments and derivatives, the Group relies on the valuations as provided by the respective financial institutions managing the other investments. These financial institutions in turn use their own valuation techniques, such as net asset value. Therefore, the unquoted investments and derivatives are reported in Level 3 of the fair value hierarchy, as the fair values are determined based on models with unobservable market inputs to derive the closing price.

For unquoted investments and derivative assets/(liabilities), a significant increase/decrease in the discount rate would result in a significantly lower/higher fair value measurement.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

33. Fair value measurement (cont'd)

(c) Level 3 fair value measurements (cont'd)

Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable input (Level 3):

Group and Company 31 December 2021	Fair value measurements using significant unobservable inputs (Level 3)		
	Unquoted investments \$	Derivatives assets/ (liabilities)	Total \$
		\$	
Opening balance	38,266,483	(401,993)	37,864,490
Loss on disposal of unquoted investments	(74,628)	–	(74,628)
Fair value changes included in profit and loss	1,777,057	17,400	1,794,457
Return on capital	(116,502)	–	(116,502)
Purchase of unquoted investments	9,941,862	–	9,941,862
Proceeds from disposal of unquoted investments	(1,659,171)	–	(1,659,171)
Settlement on derivative	–	156,836	156,836
Closing balance	48,135,101	(227,757)	47,907,344

Group and Company 31 December 2020	Fair value measurements using significant unobservable inputs (Level 3)		
	Unquoted investments \$	Derivatives assets/ (liabilities)	Total \$
		\$	
Opening balance	44,665,685	(58,618)	44,607,067
Loss on disposal of unquoted investments	(50,370)	–	(50,370)
Fair value changes included in profit and loss	1,187,014	51,979	1,238,993
Return on capital	(41,009)	–	(41,009)
Purchase of unquoted investments	10,492,728	–	10,492,728
Proceeds from disposal of unquoted investments	(3,785,876)	–	(3,785,876)
Settlement on derivative	–	(395,354)	(395,354)
Reclassification	(14,201,689)	–	(14,201,689)
Closing balance	38,266,483	(401,993)	37,864,490

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

33. Fair value measurement (cont'd)

(d) Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table shows an analysis of the Group's assets not measured at fair value but for which fair value is disclosed:

Group	Fair value measurements at the end of the reporting period using			Total
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
	\$	\$	\$	\$
31 December 2021				
Assets				
Investment properties			68,010,000	68,010,000
31 December 2020				
Assets				
Investment properties	—	—	68,010,000	68,010,000

Determination of fair value

The fair values of the investment properties as disclosed in the table above were based on the direct comparison method. The direct comparison method considers the sale of similar properties that have been transacted in the open market.

The valuations of the investment properties are based on the highest and best use. Current use, unless there is evidence to the contrary, is considered highest and best use.

(e) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and bank balances, trade and other receivables, due from/to fellow subsidiaries, due from/to subsidiaries, due to joint venture, trade and other payables and interest-bearing loans and borrowings are reasonable approximation of their fair values, either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rate on or near the end of the reporting period.

SuperBowl Holdings Limited and its subsidiaries

Notes to the Financial Statements For the financial year ended 31 December 2021

34. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders or issue new shares. The Group also considers the future capital requirements, prevailing and projected operating cash flows, projected capital expenditure and projected strategic investment opportunities.

Management monitors capital based on debt to equity ratio as it is a better indicator of the Group's performance.

	Group	
	2021	2020
	\$	\$
Borrowings (Note 18)	58,550,370	51,504,817
Shareholders' equity	158,089,346	151,845,987
Debt to equity ratio	37.0%	33.9%

35. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Directors on the date of the Directors' statement.

SUPERBOWL HOLDINGS LIMITED

(Company Registration Number: 199403139W)
(the "Company")

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held by way of electronic means on 30 June 2022 (Thursday) at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2021 together with the Auditors' Report.
(Resolution 1)
2. To re-appoint Ernst & Young LLP as Auditors of the Company to hold office until the next Annual General Meeting at a fee to be hereinafter determined by the Directors.
(Resolution 2)
3. To approve the retirement and re-election of Ms Teo Poh Sim as a Director of the Company under Regulation 95(2) of the Constitution of the Company.
(Resolution 3)
4. To transact any other ordinary business as may properly be transacted at an Annual General Meeting.

By Order of the Board

Ong Beng Hong
Joint Company Secretary
Singapore
14 June 2022

Notes:

1. The Annual General Meeting will be held by way of electronic means and a member will be able to watch the proceedings of the Annual General Meeting through a "live" audio-visual webcast via his/her/its mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, a member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by 11 a.m. on 27 June 2022 by email to superbowl@superbowl.com.sg. Members will need to identify themselves when registering by email by providing the following details:
 - (a) the member's full name as it appears on the share registrar records;
 - (b) the member's NRIC/Passport/UEN number; and
 - (c) the member's contact number and email address.

Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the Annual General Meeting by 11 a.m. on 29 June 2022. Members who have received the email instructions must not forward the email instructions to other persons who are not members or who are not entitled to attend the AGM. This is to avoid any technical disruption or overload to the "live" webcast or "live" audio feed.

Members may also submit questions related to the resolutions to be tabled for approval at the Annual General Meeting. To do so, all questions must be submitted by 11 a.m. on 21 June 2022:

- (a) in hard copy by sending by post and lodging the same at the Registered Office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983; or

(b) by email to superbowl@superbowl.com.sg.

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

- (a) the member's full name as it appears on the share registrar records;
- (b) the member's NRIC/Passport/UEN number; and
- (c) the member's contact number and email address.

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address all substantial and relevant questions received from members before 11 a.m. on 21 June 2022 relating to the resolutions tabled for approval at the Annual General Meeting by 24 June 2022 via an announcement to be published on the Company's website at the URL <https://www.superbowl.com.sg/investors/annual-general-meeting/2022>.

Please note that members will not be able to ask questions at the Annual General Meeting "live" during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the Annual General Meeting.

2. A member will not be able to attend the Annual General Meeting in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the Annual General Meeting, he/she/it must appoint the Chairman of the Annual General Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting. In appointing the Chairman of the Annual General Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the Annual General Meeting has been sent to members together with the Notice of AGM.
3. An instrument appointing a proxy must, if sent by post, be deposited at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983 or if submitted by email, be received by the Company at superbowl@superbowl.com.sg, not less than 72 hours before the time appointed for holding the Annual General Meeting.

A member who wishes to submit an instrument of proxy must complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Members are strongly encouraged to submit completed proxy forms electronically via email.

4. The financial statements for the financial year ended 31 December 2021 has been uploaded on the Company's website together with the Notice of AGM at the URL <https://www.superbowl.com.sg/investors/annual-financial-statements>.

Proxy Form

SUPERBOWL HOLDINGS LIMITED

Company Registration Number: 199403139W
(Incorporated in the Republic of Singapore)

I/We _____ (Name)

of _____ (Address)

being a member/members of SuperBowl Holdings Limited (the "**Company**") hereby appoint the Chairman of the Annual General Meeting (the "**Meeting**"), as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting of the Company, to be held by way of electronic means on **30 June 2022 (Thursday)** at **11:00 a.m.**, and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder.

(Please indicate your vote "For" or "Against" with an "X" within the box provided. If you wish to abstain from voting, please indicate your vote "Abstain" with an "X" within the box provided.)

No.	Resolutions Relating To:	For	Against	Abstain
Ordinary Resolutions				
1.	Adoption of Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2021			
2.	To re-appoint Ernst & Young LLP as Auditors of the Company to hold office until the next Annual General Meeting at a fee to be hereinafter determined by the Directors			
3.	Re-appointment of Ms Teo Poh Sim as a Director			

* If you wish to exercise all your votes "For" or "Against" the Resolution or to abstain from voting on the Resolution in respect of all your votes, please indicate your vote "For" or "Against" or "Abstain" with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2022.

Total number of Shares held

Signature of Shareholder(s) or Common Seal

Important: Please read notes overleaf

Notes:

1. A member will not be able to attend the Annual General Meeting in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the Annual General Meeting, he/she/it must appoint the Chairman of the Annual General Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
2. Please insert the total number of shares held by you. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
3. The Chairman of the Annual General Meeting, as proxy, need not be a member of the Company.
4. The instrument appointing a proxy or proxies must, if sent by post, be deposited at 18 Ah Hood Road #13-51, Hiap Hoe Building At Zhongshan Park, Singapore 329983 and if submitted by email, be received by the Company at superbowl@superbowl.com.sg, not less than 72 hours before the time set for the Meeting.

A member who wishes to submit an instrument of proxy must complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Members are strongly encouraged to submit completed proxy forms electronically via email.

5. The instrument appointing the Chairman of the Annual General Meeting as proxy of an individual must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Annual General Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where the instrument appointing the Chairman of the Annual General Meeting as proxy is submitted by email, it must be authorised in the following manner:
 - (a) by way of the affixation of an electronic signature by the appointer or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
 - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
7. Where an instrument appointing the Chairman of the Annual General Meeting as a proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form.

Personal Data Privacy:

By attending the Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.