SEC Number **A200008385**
File Number

SUPERCITY REALTY DEVELOPMENT CORPORATION
(Company's Full Name)

41st Floor Joy Nostalg Center
No. 17 ADB Avenue
Ortigas Center, Pasig City
(Company Address)

638-7779
(Telephone Number)

December 31
(Calendar Year Ending – Month & Day)

SEC Form 17-Q
(Form Type)

Amendment Designation (If Applicable)

March 31, 2019
Period Ended Date

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **March 31, 2019**

2. Commission identification number **A200008385** 3. BIR Tax Identification No. **206-816-824**

4. Exact name of issuer as specified in its charter
SUPERCITY REALTY DEVELOPMENT CORPORATION

5. Province, country or other jurisdiction of incorporation or organization
METRO MANILA, PHILIPPINES

6. Industry Classification Code: ________ (SEC Use Only)

7. Address of issuer's principal office — Postal Code
41st FLOOR JOY NOSTALG CENTER, NO. 17 ADB AVENUE
ORTIGAS CENTER, PASIG CITY — **1605**

8. Issuer's telephone number, including area code **(632)6387779**

9. Former name, former address and former fiscal year, if changed since last report
N/A

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class — Number of shares of common stock outstanding and amount of debt outstanding

COMMON SHARES – P 1 par value	**No. of Shares**	**Amount**
Authorized	**155,000,000**	**155,000,000.00**
Issued	**110,000,000**	**110,000,000.00**
Subscribed	**110,000,000**	**110,000,000.00**

11. Are any or all of the securities listed on a Stock Exchange?

Yes [**X**] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
PHILIPPINE STOCK EXCHANGE **COMMON STOCK**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [**X**] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [**X**] No [ ]

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Financial Position
As of March 31, 2019 and December 31, 2018

	31-Mar-19	*Based on Audited FS 31-Dec-18
ASSETS		
CURRENT ASSETS		
Cash & cash equivalents	11,772,735	11,995,819
Trade & other receivables (Note 1)	17,105,329	10,532,707
Prepayments and other current assets (Note 2)	28,302,083	27,129,437
Total current assets	**57,180,147**	**49,657,963**
TOTAL ASSETS	**57,180,147**	**49,657,963**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade and other payables (Note 3)	34,209,634	30,722,107
Due to related parties	11,608,805	11,608,805
Provision for repairs	133,032	133,032
Total current liabilities	**45,951,471**	**42,463,944**
EQUITY		
Capital stock	110,000,000	110,000,000
Additional paid-in capital	1,509,641	1,509,641
Revaluation Reserve	-	-
Retained earnings	(100,280,965)	(104,315,622)
Total equity	**11,228,676**	**7,194,019**
TOTAL LIABILITIES AND EQUITY	**57,180,147**	**49,657,963**

* December 31, 2018 figures were audited by Punongbayan & Araullo.

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Comprehensive Income
For the 3-month periods ended March 31, 2019 and 2018

Account Title	Jan - Mar 2019	Jan - Mar 2018
REVENUES	45,155,236	6,652,984
CONTRACT COSTS	38,383,590	6,088,817
GROSS PROFIT	6,771,646	564,167
OPERATING EXPENSES		
Administrative expenses (Note 4)	539,772	531,314
Other operating expenses (Note 5)	470,309	450,599
	1,010,081	981,913
OPERATING PROFIT/(LOSS)	5,761,566	(417,746)
OTHER INCOME (CHARGES)		
Finance costs	-	-
Other gains - net	2,230	1,031
	2,230	1,031
INCOME BEFORE TAX	5,763,795	(416,715)
TAX EXPENSE	1,729,139	-
NET INCOME	4,034,657	(416,715)
Earning (Loss) Per Share		
Net Income	4,034,657	(416,715)
Shares Outstanding	110,000,000	110,000,000
Earning (Loss) per share	**0.0367**	**(0.0038)**

Note 1

Trade & other receivables	**As Of 03/31/2019**	**12/31/2018**
Current:		
Contract receivable (net of impairment)	16,884,037	10,311,915
Advances to related parties	193,264	192,764
Others	28,028	28,028
	17,105,329	10,532,707

Note 2

Prepayments and other current assets	**As Of 03/31/2019**	**12/31/2018**
Creditable Withholding tax	18,256,901	19,084,844
Advances to suppliers and subcontractors	8,684,387	6,683,798
Deferred input VAT	1,106,044	1,106,044
Prepaid Expenses	254,751	254,751
	28,302,083	27,129,437

Note 3

Trade and other payables	**As Of 03/31/2019**	**12/31/2018**
Deferred output valued-added taxes	3,393,519	1,539,040
Advances from customers	11,661,393	11,661,393
Retention fees	11,978,651	8,576,189
Trade payables	6,446,563	7,378,798
Output VAT	355,936	1,159,428
Other payables and accrued expenses	373,572	407,259
Total	34,209,634	30,722,107

Note 4

	For the Quarter Ending 03/31/2019	**03/31/2018**
Administrative Expenses:		
Salaries and employee benefits	50,559	102,720
Taxes and licenses	169,213	106,494
Professional fees	320,000	322,100
	539,772	531,314

Note 5

	For the Quarter Ending 03/31/2019	**03/31/2018**
Other Operating Expenses:		
Subscription	250,000	256,000
Contractual and service fees	161,933	148,193
Communication, Light and water	8,096	8,185
Stationery and supplies	8,817	5,952
Miscellaneous	41,464	32,269
	470,309	450,599

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Changes in Equity
For the 3-month Periods Ended March 31, 2019 and 2018

	Capital Stock	Additional Paid-in Capital	Retained Earnings(Deficit)	Total
Balance at January 1, 2019	P 110,000,000	P 1,509,641	(P 104,315,622)	P 7,194,019
Net Income for the quarter	-	-	4,034,657	4,034,657
Balance at March 31, 2019	**P 110,000,000**	**P 1,509,641**	**(P100,280,965)**	**P 11,228,676**
Balance at January 1, 2018	P 110,000,000	P 1,509,641	(P 98,603,158)	P 12,906,483
Net Income for the quarter	-	-	(416,715)	(416,715)
Balance at March 31, 2018	P 110,000,000	P 1,509,641	(P99,019,873)	P 12,489,768

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Cash Flows
For the 3-month periods ended March 31, 2019 and 2018

	Jan - March 2019	Jan - March 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	5,763,795	(416,715)
Adjustments for:		
Interest income	(2,230)	(1,031)
Operating income before working capital changes	5,761,566	(417,746)
Decrease (Increase) in trade and other receivables	(6,572,622)	488,856
Decrease (Increase) in prepayments and other current assets	(1,172,646)	(2,044,714)
Increase (Decrease) in trade payables and other payables	3,487,527	3,232,690
Increase retirement benefit obligation	-	-
Cash Generated from (used in) Operations	1,503,825	1,259,086
Income tax expense (Cash paid for income taxes)	(1,729,139)	-
Net Cash From (Used in) Operating Activities	**(225,314)**	**1,259,086**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,230	1,031
Net Cash From (Used in) Investing Activities	**2,230**	**1,031**
NET INCREASE (DECREASE) IN CASH	**(223,084)**	**1,260,117**
CASH AT BEGINNING OF YEAR	**11,995,819**	**4,652,040**
CASH AT END OF PERIOD	**11,772,735**	**5,912,157**

SUPERCITY REALTY DEVELOPMENT CORPORATION
Schedule of Aging of Accounts Receivable Trade
As of March 31, 2019

Client	Current	1 - 30 days	31 - 60 days	61 - 90 days	Overdue	Total
Earth+Style (ESC)	-				42,159	42,159
Cenq	16,841,878				-	16,841,878
Total	16,841,878	-	-	-	42,159	16,884,037

Item 1.5. Earnings Per Share

The Company's earnings per share is presented on the face of the Income Statements on page 5 of this report. Said earnings per share is computed by dividing net income by the number of outstanding common shares.

Item 1.6. Disclosure that the issuer's interim financial report is in compliance with the accordance with generally accepted accounting principles in the Philippines as set forth in PFRSs

The interim financial report of the Company is in compliance with accordance with generally accepted accounting principles in the Philippines as set forth in PFRSs

Item 1.7. Notes to Financial Statements

Item 1.7.a. Accounting Policies and Methods

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. The principal accounting policies adopted in preparing the financial statements of the Company are as follows:

1. The financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board (IASB).

   The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expenses. The measurement bases are more fully described in the accounting policies that follow:

   NEW INTERPRETATIONS, REVISIONS AND AMENDMENTS TO PFRS

(a) New Interpretations, Revisions and Amendments adopted in 2018

The Company adopted for the first time the following PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2018:

PFRS 9 : Financial Instruments
PFRS 15 : Revenue from Contracts with Customers; Clarification to PFRS15

Discussed below are the relevant information about these new standards.

(i) PFRS 9, *Financial Instruments* (issued in 2014). This new standard on financial instruments replaced PAS 39, *Financial Instruments: Classification and Measurement,* and PFRS 9 (2009, 2010 and 2013 versions). This standard contains, among others, the following:

- three principal classification categories for financial assets based on the business model on how an entity is managing its financial instruments, i.e., financial assets at amortized costs, fair value through profit and loss (FVTPL), and fair value through other comprehensive income (FVOCI);
- an expected credit loss (ECL) model in determining impairment of all financial assets that are not measured at fair value through profit or loss (FVTPL), which generally depends on whether there has been a significant increase in credit risk since initial recognition of a financial asset; and,
- a new model on hedge accounting that provides significant improvements principally by aligning hedge accounting more closely with the risk management activities undertaken by entities when hedging their financial and non-financial risk exposures.

The adoption of this new standard had no significant impact on the Company's financial statements as to presentation and measurement of financial assets since they are continued to be measured at amortized cost. The adoption of PFRS 9 also had no significant impact on the Company's financial liabilities. However, the application of the ECL model, resulted in additional impairment losses amounting to P11.0 million as of January 1, 2018

(ii) PFRS 15, *Revenue from Contract with Customers,* together with the *Clarifications to PFRS 15* (herein referred to as PFRS 15). This standard replaced PAS 18, *Revenue*, and PAS 11, *Construction Contracts*, the related Interpretations on revenue recognition: International Financial Reporting Interpretations Committee (IFRIC) 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreement for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers* and Standing Interpretations Committee 31, *Revenue – Barter Transactions Involving Advertising Services*. This new standard establishes a comprehensive framework for determining when to recognize revenue and how much revenue to recognize. The core principle in the said framework is for an entity to recognize revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Company's adoption of PFRS 15 has resulted in changes in its accounting policies, but has not resulted in any adjustment to the amounts recognized in the Company's financial statements since management determined that the
Company's revenue pro cess, significant judgments or assumptions and recognition thereto based on the facts and circumstances surrounding its business activities related to the services rendered did not significantly change and remain appropriate prior to and upon adoption of PFRS 15

(b) Effective in 2018 that is not Relevant to the Company

The following amendments to existing standards are mandatorily effective for annual periods beginning on or after January 1, 2018 but are not relevant to the Company's financial statements:

PAS 40 (Amendments) : Investment Property – Reclassification to and from Investment Property
PFRS 2 (Amendments) : Share-based Payment – Classification and Measurement of Share-based Payment Transactions
PFRS 4 (Amendments) : Insurance Contracts – Applying PFRS 9 with PFRS 4
International Financial Reporting Interpretations Committee (IFRIC) 22 : Foreign Currency Transactions and Advance Consideration

Annual Improvements to PFRS (2014-2016 Cycle) PAS 28 (Amendments) : Investment in ssociates – Clarification on Fair Value Through Profit or Loss Classification
PFRS 1 (Amendments) : First-time Adoption of Philippine Financial Reporting Standards – Deletion of Short-term Exemptions

(c) Effective Subsequent to 2018 but not Adopted Early

There are new PFRS, amendments, interpretations and annual improvements to existing standards effective for annual periods subsequent to 2018, which are adopted by the FRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements:

(i) PFRS 9 (Amendments), *Financial Instruments – Prepayment Features with Negative Compensation* (effective from January 1, 2019). The amendments clarify that prepayment features with negative compensation attached to financial instruments may still qualify under the solely payments of principal and interest (SPPI) test. As such, the financial assets containing prepayment features with negative compensation may still be classified at amortized cost or at FVOCI.
(ii) IFRIC 23, *Uncertainty over Income Tax Treatments* (effective from January 1, 2019). The interpretation provides clarification on the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates when there is uncertainty over income tax treatments. The core principle of the interpretation requires the Company to consider the probability of the tax treatment being accepted by the taxation authority. When it is probable that the tax treatment will be accepted, the determination of the taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates shall be on the basis of the accepted tax treatment. Otherwise, the Company has to use the most likely amount or the expected value, depending on the surrounding circumstances, in determining the tax accounts identified immediately above.

(iii) Among the Annual Improvements to PFRS 2015-2017 Cycle (effective from January 1, 2019) only PAS 12 (Amendments), *Income Taxes – Tax Consequences of Dividends* is relevant to the Company but has no material impact on the Company's financial statements as these amendments merely clarify existing requirements. The amendments clarify that all income tax consequence of dividend payments should be recognized in profit or loss.

2. The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statement.* The Company presents all items of income and expenses in a single statement of comprehensive income.

3. The financial statements are presented in Philippine pesos, the Company's functional currency, and all values represent absolute amounts except when otherwise indicated.

4. Financial assets are classified into financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company's financial assets, which consist mainly of cash and trade receivables, are recognized on their trade date and are initially recognized at fair value, plus transaction costs.
5. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment losses. Any change in their value is recognized in profit or loss. Loans and receivables are presented as Trade and Other Receivables in the balance sheets.

Impairment loss is provided when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated cash flows.

6. Derecognition of financial assets occurs when the rights to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

7. Construction materials are valued at the lower of cost and net realizable value. Cost of construction materials is based on purchase cost on a moving average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

8. Property and equipment are stated at cost less accumulated depreciation, amortization and impairment in value, if any. The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use.

   Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

9. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Construction equipment	5-10 years
Transportation equipment	5 years
Furniture and fixtures	3 years

   Leasehold improvements are amortized over 3 years or the term of the lease, whichever is shorter.

   The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

   An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of income in the year the item is derecognized.

   The Company's property and equipment are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

   An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment loss is charged pro rata to the other assets in the cash generating unit.

   All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

10. Investment property is stated at cost less any impairment in value. The cost of investment property comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for maintenance are

charged to expense as incurred. When investment property are sold, retired or otherwise disposed of, their cost and impairment losses, if any, are removed from the accounts and any resulting gain or loss is reflected in income for the period.

The carrying amount of investment property is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The Company determined whether a property qualifies as investment property. In making its judgment, the Company considers whether the property generated cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

11. Non-Current Asset Classified as Held-for-sale include investment property that the Company intends to sell within one year from the date of classification as held-for-sale.
    Non-current asset classified as held-for-sale is measured at the lower of its carrying amount, immediately prior to the classification as held-for-sale, and its fair value less costs to sell. The profit or loss arising from the sale or revaluation of held-for-sale assets is recognized in the income statement.

12. Financial liabilities include bank loans and trade and other payables. Financial liabilities are recognized when the Company becomes a party to the contractual agreements of the instrument. All interest related charges are recognized as an expense in the statement of income under the caption Finance Costs.
    Trade payables are recognized initially at their nominal value and subsequently measured at amortized cost less settlement payments.
    Financial liabilities are derecognized from the balance sheet only when the obligations are extinguished either through discharge, cancellation or expiration.

13. Revenue and Cost Recognition*.* Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific revenue recognition criteria must also be met before revenue is recognized:

    - Revenues and costs from contracts – Revenue is recognized based on actual work done which is consistent with the percentage-of-completion method. Under this method, revenues are recognized in proportion to the actual stage of completion of the project as a percentage of total estimated costs for each contract as determined and certified by project engineers. Costs are recognized based on actual costs incurred. Adjustments in the contract price or the estimated costs are recorded prospectively when they become known while anticipated losses on the contracts are recorded in full when determined.
    - Rental income – Revenue is recognized when the amount of the agreed rent is billed and earned.
    - Scrap sales – Revenue is recognized when the title of the scrap construction materials passes to the buyer.
    - Forfeiture income – When the performance of contractually agreed tasks is not completed by the subcontractors at the specified time in the contract, a portion of the retention fees payable is forfeited and recognized as income.

    Cost and expenses are recognized in the statement of income upon utilization of the service or at the date they are incurred. Finance costs are reported on an accrual basis.

14. Leases. Company as lessee – Leases which do not transfer to the Company substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as expense in the statement of income on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

Company as lessor – Leases which do not transfer to the Company substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating leases is recognized as income in the statement of income on a straight-line basis over the lease term. Indirect costs incurred by the lessor in negotiating and arranging for an operating lease is added to the carrying amount of the leased asset and recognized as expense over the lease term.

15. *Retirement Benefit Obligations*
The Company has not established a formal retirement plan. However, it recognizes the estimated defined benefit obligations (under Republic Act No. 7641, the "Retirement Act") using the Projected Unit Credit Method as computed by an actuary.
A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of pension plan remains with the Company, even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long-term benefit fund, as well as qualifying insurance policies. The Company's defined benefit pension plan covers all regular full-time employees.
The liability recognized in the balance sheet for defined benefit pension plans is the present value of the defined benefit obligation (DBO) at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The DBO is calculated annually by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.
Actuarial gains and losses are not recognized as an expense unless the total unrecognized gain or loss exceeds 10% of the greater of the obligation and related plan assets. The amount exceeding this 10% corridor is charged or credited to profit or loss over the employees' expected average remaining working lives. Actuarial gains and losses within the 10% corridor are disclosed separately. Past-service costs are recognized immediately in the statement of income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortized on a straight-line basis over the vesting period.

16. Income Taxes. Current income tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the statement of income.
Deferred tax is provided, using the balance sheet liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.
The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets can be utilized.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.
Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the statement of income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity

17. Equity. Capital stock is determined using the nominal value of shares that have been issued.

Additional paid-in capital includes any premiums received on the initial issuing of capital stock. Any transaction costs associated with the issuing of shares are deducted from additional paid-in capital, net of any related income tax benefits.
Retained earnings include all current and prior period results as disclosed in the statements of income

Item 1.7.b. Comments about the seasonality or cyclicality of interim operations

For the past few years, the Company's construction activities are sluggish during the first (1^{st}) quarter. It peaks starting on the summer months, that is, during the second (2^{nd}) to the third (3^{rd}) quarter of the year. There are instances, however, when the Company is still active in its construction projects during the last quarter of the year especially when the Developers accumulate their inventory in time for the influx of buyers in December. However, for the first quarter of the current year, the Company generated higher revenue since there are enough subsisting contracts from the year 2018 and there were newly awarded contract during the 2019Q1.

Item 1.7.c. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidents

See Item 2.2.e

Item 1.7.d. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, if those changes have material effects in the current interim period

There were no changes in estimates reported in prior periods which could materially affect the current interim period.

Item 1.7.e. Issuances, repurchases and repayments of debt and equity securities

For the 1st quarter of this year, there were neither payments nor availments of interest-bearing loans. Likewise, there were no issuances, repurchases or repayments of equity securities.

Item 1.7.f. Payment of dividend

There were no dividends paid during the first quarter of the year.

Item 1.7.g. Segment revenue and segment result for business segments or geographical segments, whichever is the issuer's primary basis of segment reporting

As of March 31, 2019, the Company has not yet started any real estate development projects. Currently, the Company is continuously engaged in the business of construction, its sole business activity where it utilizes the services of subcontractors. Hence, no segment information and disclosures are presented in the Company's financial statements.

Item 1.7.h. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period

There are no material events subsequent to March 31, 2019 that have not been reflected in the financial statements for the three (3)-month period covered January to March 31, 2019.

Item 1.7.i. Effect of changes in the composition of the issuer during the interim period, including business combinations, acquisition, or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations

There were no changes in the composition of the Company during the interim period.

Item 1.7.j. Changes in contingent liabilities or contingent assets since the last annual balance sheet date

There were no changes in contingent liabilities or contingent assets since December 31, 2018.

Item 1.7.k. Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period

There are commitments, guarantees and contingent liabilities relating to construction projects entered into by the Company that arise in the normal course of business which are not reflected in the interim financial statements. Management believes, however, that any loss that could arise from these commitments and contingencies will not have a material effect on the Company's financial statements as of and for the nine-month period ending March 31, 2019.

Following are the Schedules required under SRC Rule 68.1-M:

Schedule A – Marketable Securities

The Company has no marketable securities. Thus, the schedule is omitted.

Schedule B – Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)

As of March 31, 2019

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected (2)	Current	Not Current	Balance at End Of Period
Related Parties:						
City and Life Property, Inc.	**20,200**	500	-	20,700	-	20,700
Extraordinary Dev. Corp	172,564	-	-	172,564	-	172,564
Total	192,764	500	-	193,264	-	193,264

Schedule C – Non-Current Marketable Equity Securities, Other Long-Term Investments in Stocks, and Other Investments

The Company has no Non-Current Marketable Equity Securities, Other Long-Term Investments in Stocks, and Other Investments. Thus, the schedule is omitted.

Schedule D – Indebtedness to Unconsolidated Subsidiaries and Related Parties

As of March 31, 2019

Name of Designation of Debtor	Balance Beginning of Period	Additions	Amounts Collected (2)	Amounts Written off (3)	Current	Not Current	Balance at End Of Period
Extraordinary Dev. Corp.	11,608,805	-	-		11,608,805		11,608,805
Total	11,608,805	-	-	-	11,608,805	-	11,608,805

Schedule E – Intangible Assets – Other Assets

The Company has no intangible assets. Thus, the schedule is omitted.

Schedule F – Long-Term Debt

The Company has no long-term debt. Thus, the schedule is omitted.

Schedule G – Indebtedness to Related Parties

The Company has no indebtedness to related parties. Thus, the schedule is omitted.

Schedule H – Guarantees of Securities of Other Issuers

The Company has no guarantees of securities of other issuers. Thus, the schedule is omitted.

Schedule I – Capital Stock

As of March 31, 2019

				No. of shares held by		
Title of Issue	**No. of shares authorized**	**No. of shares issued and outstanding**	**No. of shares reserved for options, warrants, conversion and other rights**	**Related parties**	**Directors, officers and employees**	**Others**
Common	155,000,000	110,000,000	-	-	56,220,000	53,780,000

Note: Certain officers, directors and stockholders of these related parties purchased shares of stock in the Company's initial public offering.

Schedule of Financial Soundness Indicators

Financial Soundness Indicators	**Formula**	**3/31/2019**	**12/31/2018**
Liquidity:			
Current Ratio	Current Assets/Current Liability	1.33 : 1	1.17 : 1
Solvency:			
Debt-to-Equity Ratio	Total Liabilities/Total Equity	3.05 : 1	5.90 : 1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	4.05 : 1	6.90 : 1
Interest-rate-coverage:			
*Interest-rate-coverage ratio	Profit Before Tax/Finance Costs	n/a	n/a
Profitability:			
Return-on-investment	Net Income/Average Capital Stock	3.67%	4.74%

*The Company has no existing interest-bearing loans as of the given period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 2.1. Comparable discussion that will enable the reader to assess material changes in financial condition and results of operation since the end of the last fiscal year and for the comparable interim period in the preceding financial year

Financial Condition

Total Assets

The Company's total assets amounted P 57.18M as of March 31, 2019, 15.15% higher than the December 31, 2018 figure of P 49.66M. There was an increase on the total assets of the company since it higher revenue was generated in 2019Q1 which resulted to higher trade receivable balance. The increase was brought about by the increase in trade receivables accounts..

Property and Equipment

Property and equipment as of December 31, 2018 were fully depreciated. The Company employs subcontractors that can provide the necessary equipment.

Total Liabilities

The Company's total liabilities as of March 31, 2019, amounted to P 45.95, a 8.21% increase as compared to the December 31, 2018 balance of P 42.46M. The increase was primarily brought by the increase in trade and other payable accounts.

Liquidity

The Company posted a current ratio of 1.33:1 as of March 31, 2019, a higher than the 1.17:1 current ratio as of December 31, 2018. The increase can be attributed to the increase in trade receivable accounts.

Leverage

Debt-to-equity ratio as of March 31, 2019, was determined to be 3.05:1 lower than the 5.90:1 ratio as of December 31, 2018. The decrease was brought about by the net income earned during the given quarter. However, there were increase in trade and other payable accounts.

Results of Operation

Revenues

Revenues from contracts for 2019Q1 amounted to P 45.16M, 579% higher than the P 6.65M in 2018Q1. The increase can be attributed to the newly awarded contract in 2019. Moreover, contract revenues for the 2019Q1 were generated from the Housing project in Tierra Verde Residences Phase 2 located in Carmona, Cavite.

Gross Profit

Gross profit from construction contracts increased by 1,100% from P 0.56M in 2018Q1 to P 6.77M in 2019Q1. On the other hand, gross profit ratio increase from 8% to 15%. With the higher revenue generated in 2019Q1, it resulted to higher gross profit in 2019Q1.

Cost and Expenses

Costs and expenses for 2019Q1 amounted to P 39.39M, 457% higher than the P 7.07M in 2018Q1. Cost of services increased by 530% from P 6.09M in 2018Q1 to P 38.38M in 2019Q1. The increase was primarily brought about by the increase in revenue generated in 2019Q1 since most of these costs are variable in nature.

For the total operating expenses, 2019Q1 amounted to 1.01M, 2.87% higher than the 2018Q1 of 0.98M. The minimal increase was primarily brought about by the increase in taxes and licenses, subscription and professional fees incurred for the given quarter in 2019.

Operating Profit (Loss)

As a result of the foregoing, operating profit (loss) in 2019Q1 amounted to P 5.76M from (P 0.42M) in 2018Q1. Correspondingly, operating margin (loss) ratio increased from (6.28%) in 2018Q1 to 12.76% in 2019Q1. The increase in operating profit can be attributed to the higher revenue generated by the Company in 2019Q1 as discussed under revenue above.

Other Income / Charges

No financing costs incurred in 2018Q1 and in 2019Q1 since there was no interest-bearing loans for the given quarter. Other income pertains only to interest earned by the Company for its bank deposits.

Net Income (Loss)

As a result of the higher revenue this 2019Q1, net income increased from (0.42M) in 2018Q1 to P 4.03M in 2019Q1. This likewise resulted to the increase of net profit ratio of (6.26%) in 2018Q1 to 8.94% in 2019Q1. Finally, this translated into earnings (loss) per share of P0.0367 in 2019Q1 from (P0.0038) in 2018Q1.

Key Performance Indicators

Return on Investment (ROI)

The Company computes return on investment (ROI) by dividing net income for the period by the weighted average capital stock, wherein capital stock equals capital stock subscribed plus net additional paid-in capital. This is to determine how much stockholders have earned on their investment in the Company.

For 2019Q1, the Company posted an ROI of 3.67% compared to the 2018Q1 ROI of (0.38%). The increase in ROI losses can be attributed to higher net profit generated for the given period.

Fixed Assets Turnover

Fixed assets turnover is computed as sales for the period divided by the average fixed assets. A significant portion of the fixed assets (property and equipment, net of accumulated depreciation) is composed of construction and other site-based equipments. Since these equipments are major components in generating revenues, the fixed assets turnover is therefore deemed important. The higher the fixed assets turnover, the better it is for the Company. A high fixed assets turnover ratio would mean that the Company was able to make full use of its assets in generating revenues.
However, in 2018Q1 and 2019Q1, the fixed assets were fully depreciated.

Current Ratio

Current ratio is computed as current assets divided by current liabilities. The Board of Directors and the Management believe that this is an important measure of the liquidity of the Company as it reflects the capacity of the Company to pay for its short-term maturing obligations particularly trade payables, bank loan and advances from customers. The higher the current ratio, the better it is for the Company.

Current ratio as of March 31, 2019 was computed at 1.33:1 higher than the 1.17:1 ratio at the beginning of the year. The increase can be attributed to the increase in the trade receivable accounts.

Debt to Equity Ratio

Debt-to-equity ratio is computed by dividing the Company's liabilities by the total stockholders' equity as of the end of the year. The leverage ratio indicates how the Company's operations are financed, that is, either by debt or equity. A 1:1 debt equity ratio is the preferred ratio as it favors both the creditors and the stockholders.

Debt-to-equity ratio as of March 31, 2019 was determined to be 3.05:1 lower than the 5.90:1 times as of December 31, 2018. The decrease was brought about by the net profit earned during the 2018Q1. However there were increase in trade and other payables accounts..

Item 2.2. Discussion and analysis of material event/s and uncertainties known to Management that would address the past and would have an impact on future operations of the following:

2.2.a. Any known trends, demands, commitments, events, uncertainties that will have a material impact on the issuer's liquidity

There are no material commitments that may affect the company's liquidity.

2.2.b. Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures

There are no material commitments for capital expenditures.

2.2.c. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations

The 1st quarter of the year 2019, the Company generated its revenue from construction activities. The Management expects that Company will still continue to engage in construction until such time that its plan to engage into real estate business is pursued.

2.2.d. Any significant elements of income or loss that did not arise from the issuer's continuing operations

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

2.2.e. The causes of any material change/s (5% or more) from period to period in one or more line items of the issuer's financial statements (present in tabular form)

Balance Sheets Items:

Account Title	*As Of* 31-Mar-19	31-Dec-18	Inc/(Dec) Amount	%	Remarks
Trade and other receivables	17,105,329	10,532,707	6,572,622	62%	The increase was brought about by the increase in accounts receivable trade. Several contracts were accomplished during the period.
Total Assets	57,180,147	49,657,963	7,522,184	15%	The increase can be attributed to the increase in cash equivalents and trade receivables accounts
Trade and other payable	34,209,634	30,722,107	3,487,527	11%	The increase pertains to the increase in accounts payable trade and retentions fees made to subcontractors. Deferred output vat increased
Total Liabilities	45,951,471	42,463,944	3,487,527	8%	The increase pertains the increase in trade payables and retention fees payable accounts
Total Equity	11,228,676	7,194,019	4,034,657	56%	The increase pertains net income earned during the given period

Income Statement Items:

Account Title	For the Quarter Ending 31-Mar-19	31-Mar-18	Inc/(Dec) Amount	%	Remarks
Revenues	45,155,236	6,652,984	38,502,252	579%	Higher revenue were generated for 2019Q1 due to newly awarded contracts in 2019
Contract Cost	38,383,590	6,088,817	32,294,772	530%	The increase is caused by higher construction activities as reflected in the above revenue item since this item is variable in nature
Gross profit	6,771,646	564,167	6,207,480	1100%	Increase due to increase in revenue as described above in the revenue item.
Operating Profit/(Loss)	5,761,566	(417,746)	(6,179,312)	1479%	Operating income increased due to higher revenue generated in 2019Q1
Other gains - net	2,230	1,031	1,199	116%	Pertains to interest earned for the given quarter
Income (loss) before tax	5,763,795	(416,715)	6,180,510	-1483%	Increase due to increase in revenue as described above in the revenue item.
Tax Expense	1,729,139	-	(1,729,139)	17291%	Increase due to income earned during the given period of 2019Q1. However, net loss was incurred in 2018Q1
Net Income	4,034,657	(416,715)	4,451,372	-1068%	Increase due to increase in revenue as described above in the revenue item.

2.2.f. Any seasonal aspects that had a material effect on the financial condition or results of operations

There are no seasonal aspects that had a material effect on the financial condition or results of operations

PART II--OTHER INFORMATION

NONE

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer **SUPERCITY REALTY DEVELOPMENT CORPORATION**

Date............................

Principal Financial/Accounting Officer/Controller

Cunanan

Signature and Title ______________________________/ **MR. ENRIQUE C. CUNANAN**
ADGM-Finance & Admin

Date ....May 14, 2019