COVER SHEET

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S.E.C. Registration Number

S U P E R C I T Y R E A L T Y D E V . C O R P .

(Company's Full Name)

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A D B A V E . O R T I G A S C T R . P A S I G C I T Y

(Business Address : No. Street City / Town / Province)

Enrique C. Cunanan	**8638-7779**
Contact Person	Company Telephone Number

1 2 *Month* **3 1** *Day*	**Form 17-Q June 30, 2020**	**1 0** *Month* **2 8** *Day*
Fiscal Year	FORM TYPE	Annual Meeting

N/A

Secondary License Type, If Applicable

C R M

Dept. Requiring this Doc.

Amended Articles Number/Section

3 6 4

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes

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)

June 30, 2020
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 **June 30, 2020**

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)86387779**

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 Positions
As of June 30, 2020 and December 31, 2019

	06/30/2020	**Based on Audited FS* **12/31/2019**
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	21,074,147	5,364,185
Trade & other receivables (Note 1)	64,987,403	47,270,330
Prepayments and other current assets (Note 2)	33,450,509	27,785,881
Total current assets	**119,512,059**	**80,420,396**
TOTAL ASSETS	**119,512,059**	**80,420,396**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade and other payables (Note 3)	85,091,676	52,506,739
Provision for repairs	133,032	133,032
Total current liabilities	**85,224,708**	**52,639,771**
Total Liabilities	**85,224,708**	**52,639,771**
EQUITY		
Capital stock	110,000,000	110,000,000
Additional paid-in capital	1,509,641	1,509,641
Revaluation Reserve	-	-
Deficit	(77,222,290)	(83,729,016)
Total equity	**34,287,351**	**27,780,625**
TOTAL LIABILITIES AND EQUITY	**119,512,059**	**80,420,396**

* December 31, 2019 figures were audited by Punongbayan & Araullo.

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Comprehensive Income
For the 6-month periods ended June 30, 2020 and 2019

Account Title	April-June 2020	April-June 2019	Jan - June 2020	Jan - June 2019
REVENUES	24,956,860	57,843,491	87,370,325	102,998,727
CONTRACT COSTS	21,669,986	49,962,195	75,942,564	88,345,784
GROSS PROFIT	3,286,874	7,881,296	11,427,761	14,652,943
OPERATING EXPENSES				
Administrative expenses (Note 4)	512,675	571,746	1,429,914	1,111,518
Other operating expenses (Note 5)	183,075	274,207	705,589	744,516
	695,750	845,953	2,135,503	1,856,034
OPERATING PROFIT	2,591,124	7,035,343	9,292,258	12,796,909
OTHER INCOME (CHARGES)				
Other gains - net	1,739	3,458	3,065	5,687
	1,739	3,458	3,065	5,687
INCOME BEFORE TAX	2,592,863	7,038,800	9,295,323	12,802,596
TAX EXPENSE	777,859	2,111,640	2,788,597	3,840,779
NET INCOME	1,815,004	4,927,160	6,506,726	8,961,817
Earning Per Share				
Net Income	1,815,004	4,927,160	6,506,726	8,961,817
Shares Outstanding	110,000,000	110,000,000	110,000,000	110,000,000
Earning per share	**0.0165**	**0.0448**	**0.0592**	**0.0815**

Note 1: Trade & other receivables	As Of 06/30/2020	12/31/2019
Current:		
Contract receivable (net of impairment)	52,994,216	34,782,237
Advances to related parties	11,965,159	11,964,659
Others	28,028	523,434
	64,987,403	**47,270,330**

Note 2: Prepayments and other current assets	As Of 06/30/2020	12/31/2019
Creditable Withholding tax	16,232,246	14,500,061
Advances to suppliers and subcontractors	14,690,357	10,757,913
Deferred input VAT	2,273,156	2,273,156
Prepaid Expenses	254,751	254,751
	33,450,509	27,785,881

Note 3: Trade and other payables	As Of 06/30/2020	12/31/2019
Deferred output valued-added taxes	10,533,413	4,893,556
Advances from customers	24,030,359	16,760,326
Retention fees	21,759,073	19,722,963
Trade payables	26,203,061	10,337,757
Output VAT	1,771,962	317,968
Other payables and accrued expenses	793,808	474,169
Total	85,091,676	52,506,739

	April - June		January - June	
	2020	2019	2020	2019
Note 4: Administrative Expenses:				
Salaries and employee benefits	37,230	59,760	102,643	110,319
Taxes and licenses	355,444	159,986	719,317	329,199
Professional fees	120,000	352,000	607,954	672,000
	512,674	571,746	1,429,914	1,111,518

	April - June		January - June	
	2020	2019	2020	2019
Note 5: Other Operating Expenses:				
Subscription	13,843	1,689	274,843	251,689
Contractual and service fees	138,558	164,130	310,285	326,063
Communication, Light and water	16,570	28,310	25,482	36,406
Stationery and supplies	(0)	11,276	17,346	20,093
Miscellaneous	14,104	68,801	77,633	110,265
	183,076	274,207	705,589	744,516

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Changes in Equity
For the 6-month periods ended June 30, 2020 and 2019

	Capital Stock	Additional Paid-in Capital	Retained Earnings(Deficit)	Total
Balance at January 1, 2020	P 110,000,000	P 1,509,641	(P 83,729,016)	P 27,780,625
Net Income for Jan-June	-	-	6,506,726	6,506,726
Balance at June 30, 2020	**P 110,000,000**	**P 1,509,641**	**(P77,222,290)**	**P 34,287,351**
Balance at January 1, 2019	P 110,000,000	P 1,509,641	(P 104,315,622)	P 7,194,019
Net Income for Jan-June	-	-	(791,794)	(791,794)
Balance at June 30, 2019	P 110,000,000	P 1,509,641	(P105,107,416)	P 6,402,225

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Cash Flows
For the 6-month periods ended June 30, 2020 and 2019

	Jan - June 2020	Jan - June 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	9,295,323	12,802,596
Adjustments for:		
Interest income	3,065	5,687
Operating income before working capital changes	9,298,388	12,808,283
Decrease (Increase) in trade and other receivables	(17,717,073)	(14,573,030)
Decrease (Increase) in prepayments and other current assets	(5,664,628)	(6,299,193)
Increase (Decrease) in trade payables and other payables	32,584,937	19,832,785
Cash Generated from (used in) Operations	18,501,624	11,768,845
Applied for Income taxes	(2,788,597)	(3,840,779)
Net Cash From (Used in) Operating Activities	**15,713,027**	**7,928,066**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	(3,065)	(5,687)
Net Cash From (Used in) Investing Activities	**(3,065)**	**(5,687)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds for Non-Interest-Bearing Loans	0	0
Net Cash From (Used in) Financing Activities	0	**0**
NET INCREASE (DECREASE) IN CASH	**15,709,962**	**7,922,379**
CASH AT BEGINNING OF YEAR	**5,364,185**	**11,995,819**
CASH AT END OF PERIOD	**21,074,147**	**19,918,198**

SUPERCITY REALTY DEVELOPMENT CORPORATION
Schedule of Aging of Accounts Receivable Trade
As of June 30, 2020

Client	Current	1 - 30 days	31 - 60 days	61 - 90 days	Overdue	Total
Earth+Style (ESC)	-				42,159	42,159
Cenq Homes	52,952,057				-	52,952,057
Total	52,952,057	-	-	-	42,159	52,994,216

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) *Effective in 2019 that are Relevant to the Company*

The Company adopted for the first time the following amendments, interpretation and annual improvements to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2019:

PFRS 9 (Amendments) : Financial Instruments – Prepayment Features with Negative Compensation

International Financial

Reporting
Interpretations
Committee (IFRIC) 23 : Uncertainty over Income Tax Treatments
Annual Improvements to
PFRS (2015-2017 Cycle)
PAS 12 (Amendments) : Income Taxes – Tax Consequences of Dividends

Discussed below are the relevant information about these pronouncements.

(i) PFRS 9 (Amendments), *Financial Instruments – Prepayment Features with Negative Compensation.* The amendments clarify that prepayment features with negative compensation attached to financial assets may still qualify under the "solely payments of principal and interests" (SPPI) test. As such, the financial assets containing prepayment features with negative compensation may still be classified at amortized cost or at fair value through other comprehensive income (FVOCI). The application of these amendments had no significant impact on the Company's financial statements.

(ii) IFRIC 23, *Uncertainty over Income Tax Treatments*. This 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. The application of this interpretation had no significant impact on the Company's financial statements.

(iii) Among the annual improvements to PFRS 2015-2017 Cycle which are mandatorily effective for annual periods beginning on or after January 1, 2019, the amendments to PAS 12 (Amendments), *Income Taxes – Tax Consequences of Dividends* is relevant to the Company but had no significant impact on the Company's financial statements. The amendments clarify that an entity should recognize the income tax consequence of dividend payments in profit or loss, other comprehensive income or equity according to where the entity originally recognized the transactions that generated the distributable profits.

(b) Effective in 2019 that are not Relevant to the Company

The following new PFRS and amendments and annual improvements to existing standards are mandatorily effective for annual periods beginning on or after January 1, 2019 but are not relevant to the Company's financial statements:

PAS 19 (Amendments) : Employee Benefits – Plan Amendment,

Settlement PAS 28 (Amendments)	:	Curtailment or Investment in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures
PFRS 16	:	Leases
Annual Improvements to PFRS (2015-2017 Cycle)		
PAS 23 (Amendments)	:	Borrowing Costs – Eligibility for Capitalization
PFRS 3 and PFRS 11 (Amendments)	:	Business Combination and Joint Arrangements– Remeasurement of Previously Held Interests in a Joint Operations

(c) Effective Subsequent to 2019 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2019, 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) PAS 1 (Amendments), *Presentation of Financial Statements,* and PAS 8 (Amendments), *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material* (effective from January 1, 2020). The amendments provide a clearer definition of 'material' in PAS 1 by including the concept of 'obscuring' material information with immaterial information as part of the new definition, and clarifying the assessment threshold (i.e., misstatement of information is material if it could reasonably be expected to influence decisions made by primary users, which consider the characteristic of those users as well as the entity's own circumstances). The definition of material in PAS 8 has been accordingly replaced by reference to the new definition in PAS 1. In addition, amendment has also been made in other Standards that contain definition of material or refer to the term 'material' to ensure consistency.

(ii) Revised Conceptual Framework for Financial Reporting (effective from January 1, 2020). The revised conceptual framework will be used in standard-setting decisions with immediate effect. Key changes include (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality,

(c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability,
(e) removing the probability threshold for recognition and adding guidance on derecognition, (f) adding guidance on different measurement basis, and, (g) stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised framework from January 1, 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised framework.

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 (1st) quarter. It peaks starting on the summer months, that is, during the second (2nd) to the third (3rd) 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 2nd quarter of the current year, the Company generated lower revenue due to the lockdown implement by the government because of the covid pandemic but still the company manage to generate enough income.

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 2nd 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 June 30, 2020, 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 June 30, 2020 that have not been reflected in the financial statements for the six (6)-month period covered January to June 30, 2020.

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, 2019.

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 six-month period ending June 30, 2020.

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 June 30, 2020

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.	35,700	500	-	36,200	-	36,200
Extraordinary Dev. Corp	11,928,959	-	-	11,928,959	-	11,928,959
Total	11,964,659	500	-	11,965,159	-	11,965,159

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

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

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 June 30, 2020

				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	06/30/2020	12/31/2019
Liquidity:			
Current Ratio	Current Assets/Current Liability	1.40 : 1	1.53 : 1
Solvency:			
Debt-to-Equity Ratio	Total Liabilities/Total Equity	2.49 : 1	1.89 : 1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	3.49 : 1	2.89 : 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	5.92%	8.15%

*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

Total Assets

The Company's total assets amounted P 119.51M as of June 30, 2020, 49% higher than the December 31, 2019 figure of P 80.42M. There was an increase on the total assets of the company which was brought about by the increase in trade receivables accounts..

Property and Equipment

Property and equipment as of December 31, 2019 were fully depreciated. The Company employs subcontractors that can provide the necessary equipment.

Total Liabilities

The Company's total liabilities as of June 30, 2020, amounted to P 85.22M, a 62% increase as compared to the December 31, 2019 balance of P 52.64M. The increase was primarily brought by the increase in trade and other payable accounts.

Liquidity

The Company posted a current ratio of 1.40:1 as of June 30, 2020, lower than the 1.53:1 current ratio as of December 31, 2019. The decrease can be attributed to the increase in trade and other payable accounts.

Leverage

Debt-to-equity ratio as of June 30, 2020, was determined to be 2.49:1 higher than the 1.89:1 ratio as of December 31, 2019. The increase was brought about by the increase in trade and other payable accounts.

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Results of Operation

Revenues

Revenues from contracts for 2020Q2 amounted to P 24.96M, a 56.85% lower than the P 57.84M in 2019Q2. The decrease can be attributed to the lower accomplishment for the newly awarded contract in 2020 due to lockdown implemented by the government because of the covid pandemic. Contract revenues for the 2020Q2 were generated from the Housing project in Tierra Verde Residences Phase II located in Carmona, Cavite.

Gross Profit

Gross profit from construction contracts decreased by 58.30% from P 7.88M in 2019Q2 to P 3.29M in 2020Q2. On the other hand, gross profit ratio decrease from 13.63% to 13.17%. Thus, resulted to lower gross profit in 2020Q2.

Cost and Expenses

Costs and expenses for 2020Q2 amounted to P 22.37M, 56% lower than the P 50.81M in 2019Q2. Cost of services decreased by 56.63% from P49.96M in 2019Q2 to P 21.67M in 2020Q2. The decrease was primarily brought about by the decrease in revenue generated in 2020Q2 since most of these costs are variable in nature.

For the total operating expenses, 2020Q2 amounted to 0.70M, 17% lower than the 2019Q2 of 0.85M. The decrease was primarily brought about by the decrease in contractual services fees, utilities and other expenses for the given quarter in 2020.

Operating Profit (Loss)

As a result of the foregoing, operating profit (loss) in 2020Q2 amounted to P 2.59M from P7.04M in 2019Q2. Correspondingly, operating margin (loss) ratio decreased from 12% in 2019Q2 to 10% in 2020Q2. The decrease can be attributed to the lower sales revenues incurred by the Company in 2020Q2 as discussed under revenue section above.

Other Income / Charges

No financing costs incurred in 2020Q2 and in 2019Q2 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 lower revenue this 2020Q2, net income/(loss) increased from P4.93M in 2019Q2 to P 1.82M in 2020Q2. This likewise resulted to the decrease of net income/(loss) ratio of 8.52% in 2019Q2 to 7.27% in 2020Q2. Finally, this translated into earnings/(loss) per share of P0.0165 in 2020Q2 from P0.0448 in 2019Q2.

<u>Key Performance Indicators</u>

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 2020Q2, the Company posted an ROI of 1.65% compared to the 2019Q2 ROI of 4.48%. The decrease in ROI can be attributed to the lower revenue and net income 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 2020Q2 and 2019Q2, 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 June 30, 2020 was computed at 1.40:1 lower than the 1.53:1 ratio at the beginning of the year. The decrease can be attributed to the increase in the trade payable 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 June 30, 2020 was determined to be 2.49:1 higher than the 1.89:1 times as of December 31, 2019. The increase was brought about by the increase in trade payable accounts However, equity is increased by the net profit earned in the 2020Q2.

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 2nd quarter of the year 2020, the Company generated its revenue from construction activities and was affected by the lockdown implement by the government during the 2020Q2 period. 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***		**Inc/(Dec)**		**Remarks**
	06/30/2020	**12/31/2019**	**Amount**	**%**	
Cash & cash equivalents	21,074,147	5,364,185	15,709,962	293%	Increase was due to higher collection efficiency for the current year
Trade and other receivables	64,987,403	47,270,330	17,717,073	37%	Increase due to the increase in trade receivables for the construction services rendered but not yet paid
Prepayments and other current assets	33,450,509	27,785,881	5,664,628	20%	Increase is due to the creditable withholding tax account and down payment made to subcontractors for newly awarded contracts
Total Assets	119,512,059	80,420,396	39,091,663	49%	Increase due to increase in Cash and cash equivalents, Trade Receivables and Prepayment accounts as described above.
Trade and other payable	85,091,676	52,506,739	32,584,937	62%	Increase was due to the downpayment made for newly awarded contracts
Total Liabilities	85,224,708	52,639,771	32,584,937	62%	Increase was due to the increase in trade payable as described above
Total equity	34,287,351	27,780,625	6,506,726	23%	Increase pertains to the income earned during the period
Total Liabilities and equity	119,512,059	80,420,396	39,091,663	49%	Increase was due to the increase in trade payable and other payable accounts as described above

Income Statement Items:

Account Title	For the Quarter Ending 06/30/2020	06/30/2019	Inc/(Dec) Amount	%	Remarks
Revenues	24,956,860	57,843,491	(32,886,631)	-57%	Decrease was due to lower accomplishment for the given quarter in 2020Q2 due to lockdown implemented by the government.
Contract Cost	21,669,986	49,962,195	(28,292,210)	-57%	Decrease was due to lower construction activities as discussed in the Revenue section above. This is variable in nature.
Gross Profit	3,286,874	7,881,296	(4,594,422)	-58%	Decrease was due to lower profit margin generated in 2020Q2 due to lockdown
Administrative expenses	512,675	571,746	(59,072)	-10%	The decrease was due to lower cost incurred salaries and wages and professional fees for the given quarter in 2020.
Other operating expenses	183,075	274,207	(91,131)	-33%	The decrease was due to lower cost incurred for contractual services fees, utilities and other expenses for the given quarter in 2020.
Total Operating expenses	695,750	845,953	(150,203)	-18%	Decrease was due to lower cost incurred for salaries, professional fees, utilities and other expenses
Other gains - net	1,739	3,458	(1,719)	-50%	This pertains to interest earned for the given quarters
Income Before Tax	2,592,863	7,038,800	(4,445,937)	-63%	Decrease was due lower revenue and profit margin generated in 2020Q2
Tax Expense	777,859	2,111,640	(1,333,781)	-63%	Decrease was due to lower income generated in 2020Q2.
Net Income	1,815,004	4,927,160	(3,112,156)	-63%	Decrease was due lower revenue and profit margin generated in 2020Q2 as discussed above

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

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

Date ....August 13, 2020