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)

4 1 st   F L O O R   J O Y - N O S T A L G   C E N T R E   1 7

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	**5328-3288 / 8638-7779**
Contact Person	Company Telephone Number

1 2 / **3 1**	**Form 17-Q June 30, 2023**	**0 7** / **2 7**
Month *Day*	FORM TYPE	*Month* *Day*
Fiscal Year		. Annual Meeting

N/A

Secondary License Type, If Applicable

C R M

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

3 6 4

Total No. of Stockholders

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)

8638-7779
(Telephone Number)

December 31
(Calendar Year Ending – Month & Day)

SEC Form 17-Q
(Form Type)

Amendment Designation (If Applicable)

June 30, 2023
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, 2023**

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, 2023 and December 31, 2022

	06/30/2023	**Based on Audited FS* 12/31/2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	36,990,189	32,806,653
Trade & other receivables (Note 1)	23,795,177	33,017,593
Prepayments and other current assets (Note 2)	15,287,241	17,447,423
Total current assets	**76,072,607**	**83,271,669**
NON-CURRENT ASSETS		
Deferred tax assets	2,811,266	2,811,266
Total non-current assets	**2,811,266**	**2,811,266**
TOTAL ASSETS	**78,883,873**	**86,082,935**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade and other payables (Note 3)	21,339,129	28,037,402
Provision for repairs	133,032	133,032
Total current liabilities	**21,472,161**	**28,170,434**
NON-CURRENT LIABILITIES		
Retirement benefit obligation	104,394	104,394
Total Non-current Liabilities	**104,394**	**104,394**
Total Liabilities	**21,576,555**	**28,274,828**
EQUITY		
Capital stock	110,000,000	110,000,000
Additional paid-in capital	1,509,641	1,509,641
Revaluation Reserve	29,591	29,591
Deficit	(54,231,914)	(53,731,125)
Total equity	**57,307,318**	**57,808,107**
TOTAL LIABILITIES AND EQUITY	**78,883,873**	**86,082,935**

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Comprehensive Income
For the 6-month periods ended June 30, 2023 and 2022

Account Title	April-June 2023	April-June 2022	Jan - June 2023	Jan - June 2022
REVENUES	5,708,545	7,682,425	13,069,978	14,370,003
CONTRACT COSTS	4,706,464	6,165,557	10,945,224	11,738,539
GROSS PROFIT	1,002,081	1,516,868	2,124,754	2,631,464
OPERATING EXPENSES				
Administrative expenses (Note 4)	738,564	523,553	2,006,286	1,640,162
Other operating expenses (Note 5)	206,377	149,088	632,774	531,827
	944,941	672,641	2,639,060	2,171,989
OPERATING PROFIT	57,140	844,227	(514,306)	459,475
OTHER INCOME (CHARGES)				
Other gains - net	6,976	5,865	13,517	11,849
	6,976	5,865	13,517	11,849
INCOME BEFORE TAX	64,116	850,092	(500,789)	471,324
TAX EXPENSE	-	114,869	-	114,869
NET INCOME	64,116	735,223	(500,789)	356,455
Earning(Loss) Per Share				
Net Income	64,116	735,223	(500,789)	356,455
Shares Outstanding	110,000,000	110,000,000	110,000,000	110,000,000
Earning/(loss) per share	**0.0006**	**0.0067**	**(0.0046)**	**0.0032**

Note 1

Trade & other receivables	**As Of 06/30/2023**	**12/31/2022**
Current:		
Contract receivable (net of impairment)	23,477,989	32,676,015
Advances to related parties	279,025	274,105
Others	38,163	67,473
	23,795,177	**33,017,593**

Note 2

Prepayments and other current assets	**As Of 06/30/2023**	**12/31/2022**
Creditable Withholding tax	11,293,630	10,974,500
Advances to suppliers and subcontractors	1,035,002	3,166,127
Deferred input VAT	2,896,674	3,214,271
Prepaid Expenses	61,935	92,525
	15,287,241	17,447,423

Note 3

Trade and other payables	**As Of 06/30/2023**	**12/31/2022**
Deferred output valued-added taxes	5,151,974	5,344,230
Advances from customers	9,838,430	12,200,470
Retention fees	4,480,225	7,748,792
Trade payables	1,125,491	2,497,945
Output VAT	603,095	0
Other payables and accrued expenses	139,914	245,965
Total	21,339,129	28,037,402

Note 4

	April - June		**January - June**	
	2023	**2022**	**2023**	**2022**
Administrative Expenses:				
Salaries and employee benefits	275,509	260,963	538,856	519,719
Taxes and licenses	152,685	1,342	604,190	317,523
Rent	31,037	31,037	62,074	62,074
Professional fees	279,334	230,211	801,167	740,846
	738,564	523,553	2,006,286	1,640,162

Note 5

	April - June		**January - June**	
	2023	**2022**	**2023**	**2022**
Other Operating Expenses:				
Subscription	(0)	29,337	276,870	279,337
Contractual and service fees	0	(0)	0	(0)
Communication, Light and water	37,696	30,369	46,913	39,775
Stationery and supplies	9,145	5,239	17,956	18,455
Miscellaneous	159,536	84,143	291,035	194,260
	206,377	149,088	632,774	531,827

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Changes in Equity
For the 6-month periods ended June 30, 2023 and 2022

	Capital Stock	Additional Paid-in Capital	Revaluation Reserved	Retained Earnings(Deficit)	Total
Balance at January 1, 2023	P 110,000,000	P 1,509,641	P 29,591	(P 53,731,125)	P 57,808,107
Net Income for Jan-June	-	-	-	(500,789)	(500,789)
Balance at June 30, 2023	**P 110,000,000**	**P 1,509,641**	**P 29,591**	**(P54,231,914)**	**P 57,307,318**
Balance at January 1, 2022	P 110,000,000	P 1,509,641	P 29,591	(P 53,731,125)	P 57,808,107
Net Income for Jan-June	-	-		356,455	356,455
Balance at June 30, 2022	P 110,000,000	P 1,509,641	P 29,591	(P53,374,670)	P 58,164,562

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Cash Flows
For the 6-month periods ended June 30, 2023 and 2022

	Jan - June 2023	Jan - June 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(500,789)	471,324
Adjustments for:		
Interest income	13,517	11,849
Operating income before working capital changes	(487,272)	483,172
Decrease (Increase) in trade and other receivables	9,222,416	(2,026,176)
Decrease (Increase) in prepayments and other current assets	2,160,182	(6,877,764)
Increase (Decrease) in trade payables and other payables	(6,698,273)	7,556,523
Cash Generated from (used in) Operations	4,197,053	(864,245)
Applied for Income taxes	-	(114,869)
Net Cash From (Used in) Operating Activities	**4,197,053**	**(979,114)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	(13,517)	(11,849)
Net Cash From (Used in) Investing Activities	**(13,517)**	**(11,849)**
NET INCREASE (DECREASE) IN CASH	**4,183,536**	**(990,962)**
CASH AT BEGINNING OF YEAR	**32,806,653**	**31,584,572**
CASH AT END OF PERIOD	**36,990,189**	**30,593,610**

SUPERCITY REALTY DEVELOPMENT CORPORATION
Schedule of Aging of Accounts Receivable Trade
As of June 30, 2023

Client	Current	1 - 30 days	31 - 60 days	61 - 90 days	Overdue	Total
Earth+Style (ESC)	-				42,159	42,159
Cenq Homes	1,973,801	21,462,029			-	23,435,830
Total	1,973,801	21,462,029	-	-	42,159	23,477,989

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 2022 that are Relevant to the Company

   The Company adopted for the first time the following amendments which are mandatorily effective for annual periods beginning on or after January 1, 2022:

   PAS 16 (Amendments) : Property, Plant and Equipment – Proceeds Before Intended Use
   PAS 37 (Amendments) : Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to
PFRS (2018-2020 Cycle)
PFRS 9 (Amendments) : Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Liabilities
PFRS 16 (Amendments): Leases – Lease Incentives

Discussed below and in the succeeding page are the relevant information about these pronouncements.

(i) PAS 16 (Amendments), Property, Plant and Equipment – Proceeds Before Intended Use. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. The application of these amendments had no significant impact on the Company's financial statements as there were no sales of such items produced by property, plant and equipment made before being available for use on or after the beginning of the earliest period presented.

(ii) PAS 37 (Amendments), Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract. The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services. Costs that relate directly to a contract include both incremental costs of fulfilling that contract (e.g., direct labor and materials) or an allocation of other costs that relate directly to fulfilling contracts (e.g., the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments resulted in a revision in the Company's policy to include both incremental costs and an allocation of other costs when determining whether a contract was onerous.

The amendments apply prospectively to contracts existing at the date when the amendments are first applied. Management assessed that there is no significant impact on the Company's financial statements as a result of the change since none of the existing contracts as of January 1, 2022 were identified as onerous after applying the amendments.

(iii) Annual Improvements to PFRS 2018-2020 Cycle. Among the improvements, the following amendments which do not have significant impact and which are effective from January 1, 2022, are relevant to the Company's financial statements:

- PFRS 9 (Amendments), Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Liabilities. The amendments clarify the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

- Illustrative Examples Accompanying PFRS 16, Leases – Lease Incentives. The amendments remove potential for confusion regarding lease incentives by deleting from Illustrative Example 13 the reimbursement relating to leasehold improvements as it had not been explained clearly enough as to whether the reimbursement would meet the definition of a lease incentive in accordance with PFRS 16.

(b) Effective Subsequent to 2022 but not Adopted Early

Among the amendments and annual improvements to PFRS which are mandatorily effective for annual periods beginning on or after January 1, 2022, the following are not relevant to the Company's financial statements:

(i) PFRS 3 (Amendments), *Business Combinations - Reference to the Conceptual Framework*

(ii) Annual Improvements to PFRS 2018-2020 Cycle. Among the improvements, the following amendments are not relevant to the Company:
- PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards – Subsidiary as a First-time Adopter*
- PAS 41, *Agriculture – Taxation in Fair Value Measurements*

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 1st alf of the current year, the Company generated just enough revenues from the subsisting contracts from the year 2022.

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 2nd 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 June 30, 2023, 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, 2023 that have not been reflected in the financial statements for the six (6)-month period covered January to June 30, 2023.

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, 2022.

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 6-month period ending June 30, 2023.

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

Schedule A – Financial Assets (Financial Assets at Amortized Cost)

As of June 30, 2023
(Amounts in Philippine Pesos)

Description of Each Issue	Amount Shown in the Statement of Financial Position	Income Received and Accrued
Cash	36,990,189	13,517
Receivables	23,795,177	
Total	60,785,366	13,517

Schedule B – Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders.

As of June 30, 2023

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.	104,501	1,960	-	106,461	-	106,461
Extraordinary Dev. Corp	172,564	-	-	172,564	-	172,564
Total	277,065	1,960	-	279,025	-	279,025

Schedule C – Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements

The Company has no Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements. Thus, the schedule is omitted.

Schedule D – Long-term Debt

The Company has no Long-term Debt. Thus, the schedule is omitted.

Schedule E – Indebtedness to Related Parties (Long-term Loans from Related Companies)

The Company has no Indebtedness to Related Parties (Long-term Loans from Related Companies). Thus, the schedule is omitted.

Schedule F – 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, 2023

				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.

Summary of Financial Soundness Indicators
As of June 30, 2023 and December 31, 2022

KPI	Formula	06/30/2023	12/31/2022
Liquidity:			
Current Ratio	Current Assets/Current Liability	3.54 : 1	2.96 : 1
Solvency:			
Debt-to-Equity Ratio	Total Liabilities/Total Equity	0.38 : 1	0.49 :1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	1.38 : 1	1.49 : 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	-0.46%	0.00%

*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 78.88 as of June 30, 2023, 8.36% lower than the December 31, 2022 figure of P 86.08M. There was a decrease on the total assets of the company due to the decrease in trade receivables and in the prepayments and other current asset accounts.

Property and Equipment

Property and equipment as of December 31, 2022 were fully depreciated. The Company employs subcontractors that can provide the necessary equipment.

Total Liabilities

The Company's total liabilities as of June 30, 2023, amounted to P 21.58M, a 23.69% decrease as compared to the December 31, 2022 balance of P 28.27M. The decrease was primarily brought by the decrease in advances from customers and in the trade and other payable accounts.

Liquidity

The Company posted a current ratio of 3.54:1 as of June 30, 2023, higher than the 2.96:1 current ratio as of December 31, 2022. The increase can be attributed to the decrease in advances from customer account. Likewise, the trade and other payable receivable accounts also decreased.

Leverage

Debt-to-equity ratio as of June 30, 2023, was determined to be 0.38:1 lower than the 0.49:1 ratio as of December 31, 2022. The decrease was brought about by the decrease in the advances from customers and the trade and other payable accounts. Likewise, the equity account decreased due to the net loss incurred during the period.

Results of Operation

Revenues

Revenues from contracts for 2023Q2 amounted to P 5.71M, 25.69% lower than the P 7.68M in 2022Q2. The decrease can be attributed to the lower work accomplishment made in 2023Q2 than in 2022Q2.Contract revenues for the 2023Q2 were generated from the Housing Development projects in Tierra Verde Residences Phase 5 located in Carmona, Cavite.

Gross Profit

Gross profit from construction contracts decreased by 33.94% from P 1.52M in 2022Q2 to P1.00M in 2023Q2. On the other hand, gross profit ratio decreased from 19.74% to 17.55%. With the lower revenue generated in 2023Q2, the gross profit is lower in 2023Q2 than in 2022Q2.

Cost and Expenses

Costs and expenses for 2023Q2 amounted to P 5.65M, 17% lower than the P 6.84M in 2022Q2. Cost of services decreased by 23.67% from P 6.17M in 2022Q2 to P 4.71M in 2023Q2. The decrease was primarily brought about by the decrease in revenue generated in 2023Q2 since most of these costs are variable in nature.

For the total operating expenses, 2023Q2 amounted to 0.94M, 40% higher than the 2022Q2 of 0.67M. The increase was primarily brought about by the increase in taxes and licenses and other administrative expenses for the given quarter in 2023.

Operating Profit (Loss)

As a result of the foregoing, operating profit (loss) in 2023Q2 amounted to P0.06M from P 0.84M in 2022Q2. The decrease in operating profit (loss) can be attributed to the lower revenue generated by the Company in 2023Q2. Likewise, a higher cost and administrative expenses incurred by the Company in 2023Q2 as discussed under cost and expenses section above.

Other Income / Charges

No financing costs incurred in 2023Q2 and in 2022Q2 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 generated and higher costs and administrative expenses incurred this 2023Q2, net income (loss) decreased from P0.74M in 2022Q2 to P0.06M in 2023Q2. Finally, this translated into lower earnings (loss) per share of P0.0006 in 2023Q2 from P0.0067 in 2022Q2.

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 2023Q2, the Company posted an ROI of 0.06% compared to the 2022Q2 ROI of 0.67%. The decrease in ROI can be attributed to the lower revenue generated and the higher costs and administrative expenses incurred in 2023Q2 as compared to 2022Q2.

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 2022Q2 and 2023Q2, 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, 2023 was computed at 3.54:1 higher than the 2.96:1 ratio at the beginning of the year. The increase can be attributed to the decrease in advances from customers and the trade and payable accounts in 2023Q2. Likewise, the trade and other receivable accounts also decreased.

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, 2023 was determined to be 0.38:1 lower than the 0.49:1 as of December 31, 2022. The decrease was brought about by the decrease in advances from customers and the trade and other payables accounts.

Return on Assets Ratio (ROA)

The ROA is an indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings and is calculated by dividing the Company's net profit by its average assets.

For 2023Q2, the Company posted an ROA of 0.08% compared to the 2022Q2 ROA of 0.91%. The decrease in ROA can be attributed to lower revenue generated in 2023Q2 as compared to the 2022Q2.

Business Plans and Future Prospects:

It has been the thrust of the Company to be a business partner of Real Estate Developers and as such it concentrates on serving the needs of its major clients namely: CenqHomes Development Corporation, Acerhomes Development Corporation, Earth+Style Corporation, One Asia Development Corporation, Kaiser Realty Development Corporation, Earth Aspire Corporation, Earth Prosper Corporation, and Verdantpoint Development Corporation. These are the eight (8) major clients which account for the majority of the Company's revenues for the past years.

As a matter of corporate strategy, the Company has positioned itself and will continue to serve institutional or corporate clients rather than individual homebuyers in order to leverage on economies of scale for its construction projects. The Company also focuses on the construction of horizontal residential house and land development works for residential subdivisions. Its primary markets are the real estate developers in the Philippines and has no plans of getting into the international market.

For the 2nd quarter of 2023, the Company has subsisting contracts as follows:

PROJECT DESCRIPTION	LOCATION	AMOUNT
Terraverde Res - Phase 5 Housing	Carmona, Cavite	18,000,000
Terraverde Res - Phase 5 Land Development	Carmona, Cavite	-
Total		**18,000,000**

The company will continue to improve its modern construction methodologies and will continue to offer its services at the lowest amount with the required quality of service to its clients.

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 2023, 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***		**Inc/(Dec)**		**Remarks**
	06/30/2023	**12/31/2022**	**Amount**	**%**	
Cash & cash equivalents	36,990,189	32,806,653	4,183,536	13%	Increase was due to high collection efficiency for the current year
Trade and other receivables	23,795,177	33,017,593	(9,222,416)	-28%	Decrease was due to the decrease in trade receivables for the construction services rendered as collections thereof were made.
Prepayments and other current assets	15,287,241	17,447,423	(2,160,182)	-12%	Decrease was due to the decrease in the advances to suppliers and subcontracts and in the prepayments accounts.
Total Assets	78,883,873	86,082,935	(7,199,062)	-8%	Decrease was due to the decrease in the Trade Receivables and in the Prepayments accounts.
Trade and other payable	21,339,129	28,037,402	(6,698,273)	-24%	Decrease was due to the decrease in the advances from customers and the retention fees accounts.
Total Liabilities	21,576,555	28,274,828	(6,698,273)	-24%	Decrease was due to the decrease in the advances from customers and in the retention fees accounts.
Total Liabilities and equity	78,883,873	86,082,935	(7,199,062)	-8%	Decrease was due to the decrease in the advances from customers and in the retention fees accounts. Moreover, retained earnings account also decreased.

Income Statement Items:

Account Title	For the Quarter Ending		Inc/(Dec)		Remarks
	06/30/2023	06/30/2022	Amount	%	
Revenues	5,708,545	7,682,425	(1,973,880)	-26%	Decrease was due to lower accomplishment for the given quarter in 2020Q3 due to the lower awarded contracts in 2023.
Contract Cost	4,706,464	6,165,557	(1,459,092)	-24%	Decrease was due to the lower construction activities as discussed in the Revenue section above. This is variable in nature.
Gross Profit	1,002,081	1,516,868	(514,787)	-34%	Decrease was due to the lower revenues generated in 2023Q2 as described above.
Administrative expenses	738,564	523,553	215,011	41%	Increase was due to the increase in the taxes and licenses and the professional fees accounts for the given quarter in 2023.
Other operating expenses	206,377	149,088	57,289	38%	The increase was due to higher repair cost and miscellaneous expenses incurred for the given quarter in 2023 that in the previous year of the same quarter..
Total Operating expenses	944,941	672,641	272,300	40%	Increase was due to the increase in the taxes and licenses, professional fees and the miscellaneous expenses for the given quarter in 2023.
Other gains - net	6,976	5,865	1,111	19%	This pertains to interest earned for the given quarters
Income Before Tax	64,116	850,092	(785,976)	-92%	Decrease was due to lower revenue generated in 2023Q2 than in 2022Q2
Tax Expense	-	114,869	(114,869)	-100%	Decrease was due to lower income generated for the given quarter in 2023 than in 2022 of the same quarter
Net Income	64,116	735,223	(671,107)	-91%	Decrease was due to the lower revenue generated in 2023Q2 than in 2022Q2 as discussed in the revenue section 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 12, 2023