

COVER SHEET

C S 2 0 0 9 0 0 9 1 7

I T A L P I N A S D E V E L O P M E N T C O R P O R A T I O N

(Company's Full Name)

U N I T 2 8 C B P I P H I L A M L I F E B U I L D I N G

6 8 1 1 A Y A L A A V E N U E M A K A T I

M A K A T I C I T Y

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

ATTY. CHRISTINE P. BASE

(Contact Person)

(+63 2) 893-0328

(Company Telephone Number)

0 6

Month

3 0

Day

(Fiscal Year)

1 7 Q

(Form Type)

Last Monday of March

Month Day

(Annual Meeting)

N / A

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = Please use BLACK ink for scanning purposes

Sec Number CS200900917
File Number _____

ITALPINAS DEVELOPMENT CORPORATION

(Company's Full Name)

Unit 28C BPI Philamlife Building, 6811 Ayala Ave., Makati

(Company's Address)

(+63 2) 893 0328

(Telephone Number)

30 June 2020

(Quarter Ending)

SEC Form 17-Q

(Form Type)

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: **CS200900917**
3. BIR Tax Identification No. **007-213-353-000**
4. Exact name of issuer as specified in its charter: **ITALPINAS DEVELOPMENT CORPORATION**
5. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office: **Unit 28C BPI Philamlife Building, 6811 Ayala Ave., Makati**
Postal Code: **1226**
8. Issuer's telephone number, including area code: **(+63 2) 893 03 28**
9. Former name, former address and former fiscal year, if changed since last report: **Not applicable**
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 issued and outstanding (September 30, 2019)
Common Shares	434,185,375

11. Are any or all of the securities listed on a Stock Exchange? Yes No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange

Common Shares

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 No

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

Yes No

TABLE OF CONTENTS

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Consolidated Statements of Financial Position
As of June 30, 2020 (Unaudited) and December 31, 2019 (Audited)

Unaudited Consolidated Statements of Comprehensive Income For the Period
Ended June 30, 2020 and 2019

Unaudited Consolidated Statements of Comprehensive Income For the Quarter
Ended June 30, 2020 and 2019

Unaudited Consolidated Statements of Changes in Equity
For the Periods Ended June 30, 2020 and 2019
And December 31, 2019 (Audited)

Unaudited Consolidated Statements of Cash Flows
For the Periods Ended June 30, 2020 and 2019

Notes to Unaudited Consolidated Financial Statements

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

Overview of the Business

Financial Condition and Results of Operations

PART II--OTHER INFORMATION

SIGNATURES

PART I--FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

*The accompanying report of **Italpinas Development Corporation** comprise the unaudited condensed consolidated financial statements for the six months ended June 30, 2020 and have been prepared in accordance with the Philippine Accounting Standard 34, Interim Financial Reporting and hence do not include all of the information required in the December 31, 2019 annual audited financial statements. Please see **Annex A**.*

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of Italpinas Development Corporation's financial performance for the six months ended June 30, 2020. The Company's MD&A should be read in conjunction with its unaudited consolidated financial statements and the accompanying notes. All financial information is reported in Philippine Pesos (Php).

OVERVIEW OF THE BUSINESS

Italpinas Development Corporation was incorporated in 2009 as Italpinas Euroasian Design and Development Corporation. The Company was subsequently renamed Italpinas Euroasian Design and Eco-Development Corporation. On July 15, 2015, the SEC approved the change of the Company's name to "Italpinas Development Corporation." Its primary purpose is to engage in the business of real estate development. The Company draws from its expertise in architectural design, market and demographic strategy, project development, and sales.

IDC uses passive and active green design strategy in developing high performance real estate properties in up-and-coming cities in the Philippines with high growth potential. The Company makes use of in-depth market research, design, and development strategies that start with a deep analysis of the target site's social, economic and environmental conditions for its property development projects.

The Company's first development project was the Primavera Residences located in the Pueblo de Oro Township in Cagayan de Oro City. It is a twin-tower 10-storey mixed-used condominium development which was well received by the local market and among investors across the Philippines and overseas. Construction of the first tower started in June 2010 and was completed in August 2012. The second tower was subsequently completed by the third quarter of 2015. Towers A and B of the Primavera Residences are almost fully sold. Primavera Residences has been awarded as the "Best Mixed-Use Development in the Philippines" by the International Property Awards, awarded in Kuala Lumpur, Malaysia in 2014 and was also "Highly Commended" in the "Best Condo Development" category at the Southeast Asia Property Awards held in Singapore in 2011. It was also awarded as a finalist among the "Most Promising Clean Energy Investment Opportunities" at the Climate Technology Initiative Private Financing Advisory Network (CTI PFAN) held in Manila in 2010.

The Company currently has a pipeline of projects. The latest sustainable mixed-use condominium project by IDC is Primavera City which is also located in the Pueblo de Oro Township in Cagayan de Oro City. At a competition held in Singapore on February 22, 2013, it was awarded as one of the top ten "Most Promising Clean Energy Investment Opportunities" by the Climate Technology Initiative Private Financing Advisory Network (CTI PFAN), whose funding partners include the Asian Development Bank (ADB) and the United States Agency for International Development (USAID). Primavera City also recently received the citation under the "Best Mixed-Use Development" category at the International Property Awards Asia Pacific in 2017 held in Bangkok, Thailand.

Primavera City will be implemented in four (4) phases. Phase 1 is comprised of Towers A and B, and Podium C (the commercial area and the basement parking) and was launched in June 2016 and March 2017, respectively. As of June 30, 2020, units available for sale for both Tower A and Tower B are almost fully sold. Construction of Primavera City Phase 1 was almost fully completed by the end

June 2020. The Company launched Phase 2 of the Primavera City last June 2019. As of June 30, 2020, Primavera City Phase 2 is 62% sold. Construction of Primavera City Phase 2 is expected to be completed by 4Q 2022. Phase 3 and Phase 4 envisioned as a high-rise mixed condo is slated for development in 1st quarter of 2022 and 2nd quarter of 2024 respectively or sooner depending on the sales take up of the projects.

As of June 30, 2020, the first four (4) lots of Primavera City Phase 1 and Phase 2, comprised of a total area of 3,748 sq.m have been fully paid with the corresponding titles registered under the Company's name. In order to secure the entire development of the Primavera City complex, Pueblo de Oro Development Corporation and IDC have executed Contracts to Sell to acquire the remaining three (3) adjoining lots that consist of a total area of 2,810 sq.m for the planned Phases 3 and 4 of the project.

Given the established relationship of the Company with the ICCP Group, the owner and developer of the Pueblo de Oro Township in Cagayan de Oro City, the Company has fully paid the land in Sto. Tomas, Batangas, comprising of 2,057 sq.m, this is the site for IDC's mixed-use development project, the Miramonti Phase 1. As of June 30, the company has sold more than 60% of the units available for sale.

The Miramonti project site is strategically located adjacent to the Manila-Batangas expressway, the Southern Tagalog Arterial Road ("STAR") Tollway, and directly accessed by the existing expressway exit, which is attractive to both growing local demand as well as the constant flow of traffic passing between Metro Manila and the Batangas City area.

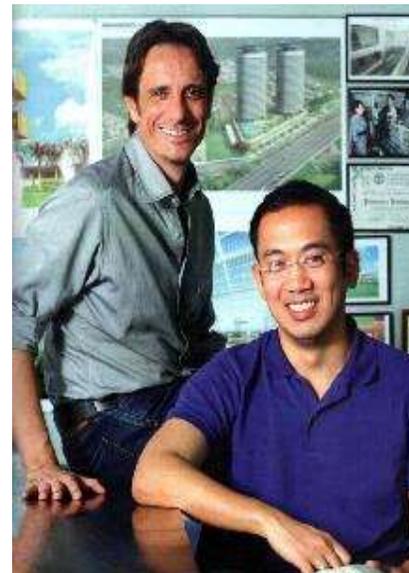
Commercial properties will address a pronounced gap in commercial unit supply in the Sto. Tomas area, while the residential units and serviced apartments will serve the demand for accommodation from growing expatriate markets, transient markets, and from personnel frequenting the industrial and commercial zones between Metro Manila and Batangas port. In a similar strategy to that in Primavera City, an additional Memorandum of Agreement was signed with RFM-Science Park of the Philippines, Inc. to guarantee the right of first refusal to the Company over and adjacent lot at the Sto. Tomas site, allowing the Company to plan for expansion in keeping with strong demand forecasts.

In addition to the immediate pipeline of projects, the Company continues to pursue wide-ranging analysis and field observations in order to identify additional locales in the Philippines that are consistent with its existing portfolio of hyper-prospective growth nodules in under-valued secondary and tertiary cities. The company is focused on expanding its presence in the areas wherein it already has existing projects such as Cagayan de Oro and Batangas, and have identified potential areas for future developments in Southern Luzon & Visayas. The Company is still in the process of conducting due diligence and validation of other areas of interests.

The Minds behind IDC

In 2009, Arch. Romolo V. Nati, a talented professional Italian Architect with international experience in design, real estate and property development in countries such as Italy, Estonia, Romania and other European countries came to the Philippines and met Atty. Jose D. Leviste III, an accomplished Filipino lawyer whose education and work experience were nurtured in the Philippines, United States and Australia. After learning that they both share the same vision and passion in promoting sustainable developments in the Philippines, these two successful professionals teamed up and, with the support of Dr. Jose P. Leviste, Jr., a seasoned Filipino renewable energy entrepreneur, corporate social responsibility advocate and sustainable mining investor, established ITALPINAS Euroasian Design and Eco-Development Corporation, subsequently renamed as Italpinas Development Corporation.

Arch. Nati inspires, conceptualizes, and directs the Company's designs, including its performance-based design solutions and systems, as well as its unique visual aesthetic. The approval of



final architectural plans, as well as any other steps as may be required, is done by duly licensed and accredited Filipino architects.

Corporate Vision-Mission

Vision: We strongly believe that human technique is inseparable from nature and nature is our inspiration. Therefore, we aim to design and build an environment where human development is in a balance with its environment.

Mission: We provide unique, innovative, sustainable and safe real estate products that satisfy and exceed the expectation of our customers, business partners and stockholders because “*not all buildings are created equal.*”

Unique Value Proposition

IDC has the following value propositions that the Company believe puts it ahead of its competitors:

- LOCATION We develop in up and coming cities, in safe and growing areas
- DESIGN We deliver innovative, elegant and green Italian Design
- BUILDING We build high quality, smart, safe and affordable buildings
- GREEN We reduce environmental impact (lower energy and water consumption)

Awards, Recognition and, Track Record

Although IDC is a young company, its projects have been recognized and awarded by prestigious international organizations:

1. Best Mixed-Use Development in the Philippines 2019-2020 by International Property Awards- Asia Pacific (Miramonti Green Residences)
2. Best Innovation Project of the Year 2018 by The Outlook-Lamudi, Philippines (Miramonti Green Residences)
3. Winner of Best Mixed Used Development in the Asia Pacific in 2017 by the International Property Awards held in Bangkok, Thailand, for Primavera City
4. Recognition by the Green Building Philippines, International Finance Corporation, Philippine Green Building Initiative with the support of the Swiss Confederation for promoting the greening of the building sector, September 15, 2016
5. Winner of Leadership in Green Building in the 2016 Philippine Green Building Council Awards, July 2016, for Primavera Residences
6. First Completed Condominium Project in East Asia in 2015 by Edge (Excellence in Design for Greater Efficiencies), for Primavera Residences
7. Winner of Best Mixed Use Development in the Philippines in the 2014-2015 International Property Awards, for Primavera Residences
8. Highly Commended as Best Condominium Development in the Philippines in the 2011 Southeast Asia Property Awards (SEAPA), for Primavera Residences
9. Finalist in the Most Promising Clean Energy Investment Opportunities in the 2010 CTI-PFAN Asia Forum for Clean Energy Financing (Philippines), for Primavera Residences
10. Finalist in the Most Promising Clean Energy Investment Opportunities in the 2013 CTI-PFAN Asia Forum for Clean Energy Financing (Singapore), for Primavera City
11. Winner of the Special Energy Award in the 2011 International Architectural Competition (Design Against the Elements, “DATE”), Coral City

12. Highly Interesting Real Estate Project in the 2012 Xavier (Ateneo) University Cagayan de Oro City, for Primavera Residences and IDC
13. Highly Appreciated for Environmental Protection for Sustainable Development in 2011 by the National University of Manila, for Primavera Residences

In addition, Arch. Nati and Atty. Leviste have been invited to speak at events such as:

- "High level dialogue on ASEAN- ITALY Economic Relations" held in Singapore, organized by The European House-Ambrosetti;
- The Sustainability Summit Asia 2018 organized by The Economist in Kuala Lumpur; and
- The International Property Award event held in Bangkok in May 2019

Arch. Nati and Atty Leviste have been also featured in National Geographic Magazine, Asia Edition, in 2014 for their innovation in Real Estate

COMPETITIVE STRENGTHS

Unmet demand for housing and stable organic increase in population make it likely that real estate in the Philippines will continue to grow at a steady rate. This is further supported by strong macro-economic growth, rising foreign investment, and increasing spending power among OFW families. While new housing developments have concentrated in the main cities, secondary and tertiary cities have been underserved, and represent an opportunity in the inevitable shortage in housing supply.

The Company is especially well poised to capitalize on this opportunity given the following competitive strengths:

Future-Fluent Intuition in Choosing Locations

The Company engages in rigorous and intensive market research, not just of the prospective projects, but of the host city as a wider demographic entity. This works in tandem with Architect Nati's extensive experience in real estate investment, and Atty. Leviste's academic background in sociology, which together manifest as a unique intuition in what areas or communities will be the next sites of rapid and inevitable growth. Target communities are chosen based on their position as up-and-coming, next wave communities. Cities are prioritized for having sharp growth prospects including steady organic growth, and dynamic economic and demographic prospects. Primavera Residences, for example, was the first condominium development of its kind in Cagayan de Oro at the time that its construction commenced, which demonstrates the foresight employed at the time to anticipate what is now proven to be a major growth center for property development.

Strong Culture of Research and Innovation

All of IDC's real estate developments are the product of in-house architectural design and innovation. The research and development heritage of the Company, through the extensive career of Architect Romolo Nati, extends to the portfolios of his European firm, ITA Projects (based in Italy and Estonia). In this predecessor firm, Architect Nati developed methods and characteristic aesthetics that the Company now deploys in the Philippines, such as the use of parametric architecture.

These design processes are possible only with the use of a particular software running in graphic stations with high-powered computers. This software, when operated by an architect, is able to integrate various parameters such as weather conditions, financial requirements, functional needs, etc. with the goal of finding the best possible combination of all these elements in various degrees. The final design result represents the best possible solution (based on the given data). This process can also be called performance-based design, because the final design is the one that is expected to perform best out of the infinite number of possible combinations and permutations. In practice, since building sustainability and performance is achieved through design (as explained above rather than through the deployment of expensive high-tech features), the final product is affordable to buy and maintain. This is an important objective of IDC's innovation and research: the democratization of quality and sustainability in the real estate market.

In the Philippine context, where a substantial share of power consumption is for air conditioning and cooling, one main goal of IDC's sustainable designs is to reduce the indoor temperature in its developments. Increasing natural ventilation and reducing the direct sun projections on the windows (without compromising natural light) is the main task in reducing power consumption. The conservation of water and the reduction of the overall environmental impact during construction and for the entire life of the project are also important targets that the Company achieves through these approaches.

Commitment to Sustainable Development

The Company's aesthetic and design philosophy operate in tandem with a commitment to environmental conservation. The result of the Company's design innovations is not only to lighten the impact of development upon the environment, and also to lessen the dependence of end users on energy and water. This delivers savings to the end user, and is a key value proposition of the Company's developments.

Complementary Blend of Expertise

Architect Romolo V. Nati draws from his Italian design heritage and years of professional experience to bring the latest and most advanced creative and performance-based architecture. He also has extensive experience in real estate development as well as architectural design. He has designed several buildings in his native Italy, as well as award winning public buildings in Estonia. He was also the recipient of design awards from BMW and Mitsubishi. His partner Attorney Jose D. Leviste offers forward-looking Filipino perspective. His legal background included commercial litigation while in private practice in Sydney, Australia. His project development experience includes his role as President and Chief Executive Officer of Constellation Energy Corporation, which is developing four (4) renewable energy generation assets utilizing wind, hydro, and geothermal technologies. The result is a combination of both novel and innate cultural influences, as well as complementary professional backgrounds.

BUSINESS STRATEGIES

To Bring the Power of Creativity and Architectural Design to the Market

Central to the Company's strategies is the consistent emphasis on its own creative designs to deliver an unprecedented level of innovation performance, and cutting-edge aesthetic through its buildings. Currently, such attributes are seen as reserved for elite projects in the main cities of the Philippines. Through "Performance-Based" Design Strategy, the Company will deliver these qualities in its performance-based developments and make them available in highly prospective, yet thus far, underserved market segments.

Performance-Based Design Strategy, when deployed together with the multi-awarded architectural skill of Arch. Romolo Nati and IDC's design team, results in direct benefits to the project's end-users such as quality of experience and day-to-day savings, among others.

In the Philippines, for example, a major goal is to decrease excess reliance on power and water, and to maintain cool interior temperatures. As such, IDC buildings are designed to perform in these respects, by optimizing shading, encouraging airflow, among other things, in order to reduce the end-user's costs spent on energy for air-conditioning and other forms of consumption.

Further, Performance Based Design is also used to mitigate construction costs. By reversing the market's expectations and assumptions by bringing superior design at the appropriate price, the Company was able to penetrate this underserved market and turn out successful developments in previously untapped areas.

To Choose Locations in their Early Growth Phases and Ride New Property Booms Within the Philippines

A key philosophy of the Company's growth plans is to carefully choose project locations in order to gain exposure to the highly prospective growth rates of secondary or tertiary cities. These hyper-prospective nodes of growth are chosen for being strategically significant or particularly vibrant or promising demographically. It is not the Company's strategy to locate projects in already well-developed communities. Rather than compete with existing developers in already well-served areas, the Company seeks target cities with significant growth prospects and demographically suitable areas. Within the target communities, the Company also chooses locations that are safer and more secure from natural calamities and geo-hazards (such as less flood-prone areas) and designs structures with emphasis on safety from major calamities.

To Increase Leasable Floor Space in Order to Bring Steady Revenue to the Company

The Company has thus far had a favorable experience with operating rental properties in its first project, Primavera Residences, as a developer-landlord. It intends to build on this initial success by continuing to develop, and retain more commercial and residential leasable units in subsequent developments. By doing so, the Company expects to generate an ancillary source of income in the leasing and management of these properties.

COMPLETED AND ONGOING PROJECTS

Completed and On-going Projects of IDC				
	Primavera Residences	Primavera City		Miramonti
No. of Towers	2 Towers	Phase 1: 2 Towers	Phase 2: 2 Towers	Phase 1:1 Tower
No. of Floors	10 floors	12 floors	12 floors	21 floors
No. of Units/ Residential	298 units	291 units	291 units	352 units
Approx. Gross Building Area	19,961 sq.m.	19,096 sq.m.	19,131 sq.m.	20,121 sq.m.
Net Sellable Floor Area	11,957 sq.m.	13,186 sq.m.	13,146 sq.m.	12,386 sq.m.
Total No. of Units (including parking)	383 units	439 units	454 units	453 units
Stage	COMPLETED	CONSTRUCTION ON-GOING	CONSTRUCTION ON-GOING	CONSTRUCTION ON-GOING
Sales Value	₱890.00 million	₱1.20 billion	₱1.20 billion	₱1.60 billion

Primavera Residences



IDC's debut project, Primavera Residences, commenced construction in June 2010. The complex consists of twin mid-rise mixed-use green buildings, the first of which was completed in August, 2012. The second tower was completed in December, 2015 and turned over to buyers.

Primavera Residences is located in Pueblo de Oro Township, a world-class master-planned community in flood-free uptown Cagayan de Oro City. Primavera Residences is adjacent to SM City CDO, schools, offices, churches, and a golf course. It is situated inside the Pueblo de Oro Business Park, an export zone registered with the Philippine Export Zone Authority (PEZA). The Company was able to establish itself here as the "first-mover" in introducing condominium living in Cagayan de Oro City.

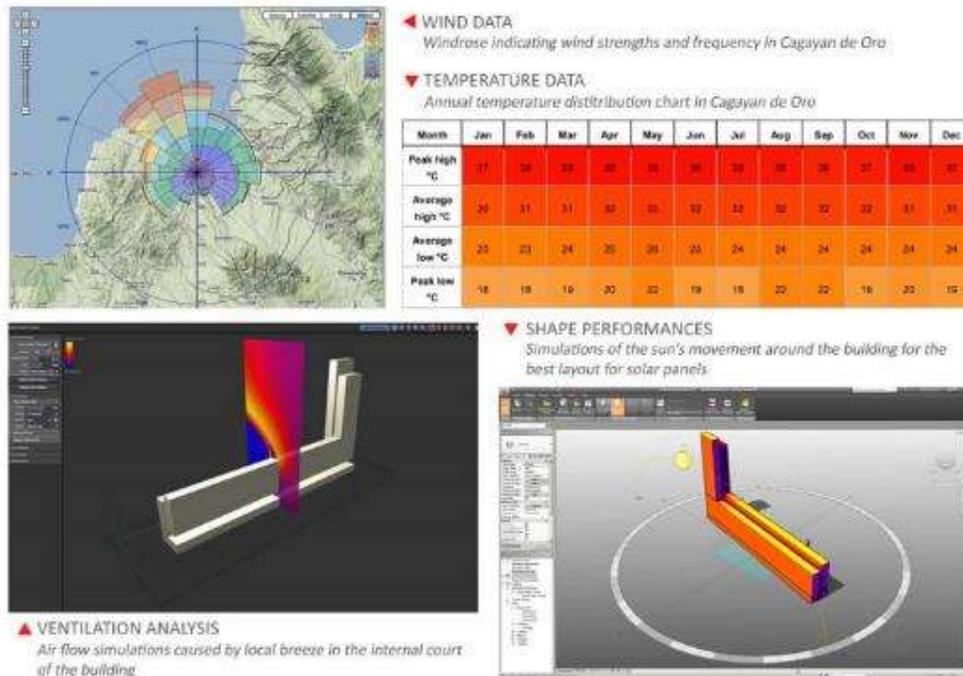
Primavera Residences has already been recognized for the buildings' unique design architecture, environmentally friendly features, and the quality of its development. In 2016, the Company was awarded the Leadership in Sustainability Design Award by the Philippine Green Building Council for its pioneering Primavera Residences project in Uptown Cagayan de Oro. In May 2014, it won the Best Mixed-Use Development in the Philippines Award given by the International Property Awards in Kuala Lumpur. It was also highly commended as one of the Best Condo Developments in the Philippines at the 2011 Southeast Asia Property Awards (SEAPA) held in Singapore in November 2011, and was awarded a Recognition Certificate as a finalist and one of the "most promising clean energy investment opportunities" during the Climate Technology Initiative Private Financing Advisory Network (CTI PFAN) Philippine Clean Energy Investment Forum in Manila on June 21, 2010.

Arch. Nati inspires, conceptualizes, and directs the Company's designs, including its performance-based design solutions and systems, as well as its unique visual aesthetic. The approval of final architectural plans, as well as any other steps as may be required, is done by duly licensed and accredited Filipino architects.

Primavera Residences is a twin-tower project consisting of Building A, with ten (10) floors and Building B, with ten (10) floors plus mezzanine. The total floor area of both buildings is 19,961 square

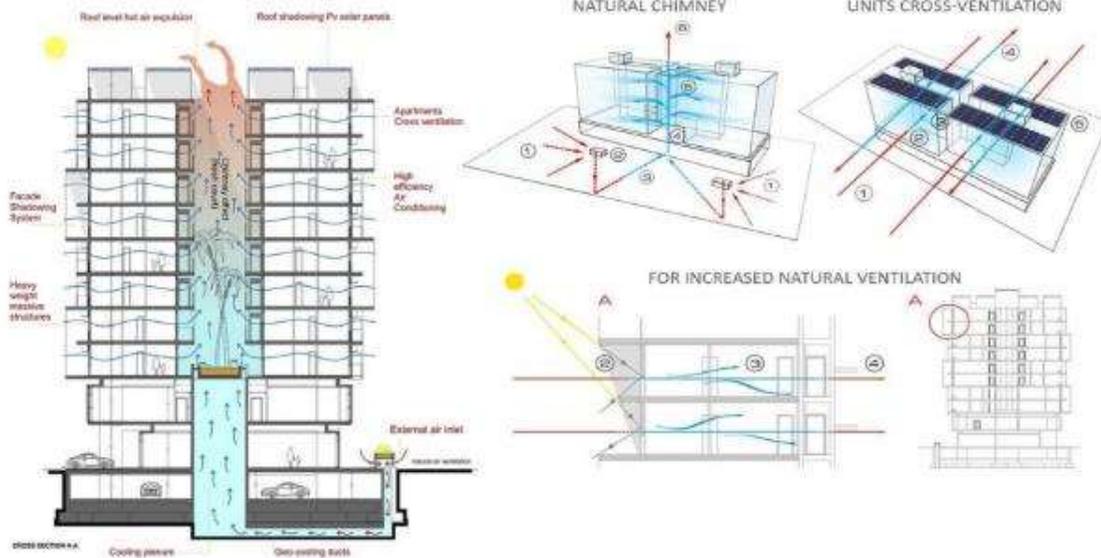
meters. In Building A, the ground floor is for commercial while the second floor is for office spaces and the multipurpose hall to serve the community. Amenities such as the gym, pool, and green courtyard are at the third floor. Residential units are located from the third floor to the tenth floor. In Building B, the Ground floor is for commercial use, with parking available (to serve both buildings) at the mezzanine and second floors. Residential units are located from the third to the tenth floor, with an open-air playground and social space found at the third floor. The shared rooftop spanning both buildings features drying cages for the convenience of residents, and will soon showcase a solar panel installation to supply a portion of the energy needs of the building's common areas. In addition, the buildings are equipped with entrance lobbies, two elevators each, CCTV security cameras, and provision for cable television, landlines, and internet access.

PASSIVE GREEN ENERGY STRATEGIES



The building showcases green features to both save and generate energy. Façades are shaded by cantilevered ledges that protect windows from direct contact with the sun's rays during the hottest times of the day. The dimensions and placement of these ledges are optimized by the use of parametric design software, taking into account the exact path traveled by the sun through the sky, each day throughout the year, at the building site's precise latitude on the earth.

PASSIVE GREEN ENERGY STRATEGIES



The building is also designed to decrease indoor temperature by increasing natural ventilation. This is achieved through green strategies including an inner courtyard that functions as a natural chimney, drawing warmer air upward from the 3rd floor through the top of the building, which, in turn, creates natural suction of cooler air laterally inward from the building's exterior. The design of individual units also channels this movement of air to significantly enhance cross-ventilation in each household.

The precise management of shading features allows larger window designs without raising temperature. Together with the open inner courtyard, this optimizes natural lighting throughout units and common areas without the heating effects of unmitigated sunlight, resulting in further energy savings.

The two buildings have an aggregate of two hundred ninety-eight (298) residential units, nineteen (19) commercial units, eleven (11) office units, and fifty-two (52) parking slots.

As of June 30, 2020, units available for sale of this project is almost fully sold.

Primavera City

Also located near SM City CDO in the Pueblo de Oro Business Park, Primavera City is designed as a seven-building cluster and is planned to be constructed in four (4) phases as follows: Phase 1 to consist of the first and second buildings on the first two contiguous lots; Phase 2 to consist of the third and fourth buildings on the next two contiguous lots; Phase 3 to consist of the fifth and sixth buildings on the next two contiguous lots; and Phase 4 to consist of a single high-rise building on the last (seventh) of the contiguous lots. The construction of Phase 1 commenced in 4Q 2016 and was almost fully completed by the end of June 2020.



Photo: Primavera City Architectural Rendering

The area's only real estate project comprised of seven mixed-use residential and commercial buildings with passive and active green features and utilizing a massive solar panel array at the

building's rooftop, Primavera City bested over 100 other clean energy projects across Asia in real estate competitions.

In 2017, the Company once again received the citation in the Best Mixed-Use Development category at the International Property Awards Asia Pacific for Primavera City. The project has also been awarded by the Climate Technology Initiative Private Financing Advisory Network (CTI PFAN), whose funding partners include the Asian Development Bank (ADB) and the United States Agency for International Development (USAID), as among the top ten "Most Promising Clean Energy Investment Opportunities" projects in a competition held in Singapore on February 22, 2013.

This twelve-storey mixed-use development is designed to have one (1) floor of ground parking, one (1) floor of basement parking, one (1) floor commercial, two (2) floor offices, eight (8) floors of residential space, and a roof deck featuring amenities like a pool, a gym, a multipurpose function hall, and a roof garden. Each building is planned to feature an array of photovoltaic panels that will generate energy for the building's consumption. In addition, passive green features of the building's design will significantly reduce the energy required for air-conditioning.

The second phase of the Primavera City project commenced in 4Q 2019 and is expected to be completed by 4Q 2022. Primavera City phase 2 project is a mixed-use project consisting of 12 floors with 291 residential units located from the 4th floor to 11th floor. The third and fourth phase, high-rise mixed condominiums, are slated for development in 1Q 2022 and 2Q 2024 respectively or sooner depending on the sales take up of the projects.

At present, the first four (4) lots of Primavera City Phase 1 and Phase 2, comprised of a total area of 3,748 sq.m have been fully paid with the corresponding titles registered under the Company's name. In order to secure the entire development of the Primavera City complex, PODC and IDC have executed the Contracts to Sell to acquire the remaining three (3) adjoining lots that consist of a total area of 2,810 sq.m for the planned Phases 3 and 4 of the project.

Miramonti Green Residences

The land for the two-phase Miramonti project is a 7,404 square meter prime property located at Millenium Drive, Light Industry Science Park III, San Rafael, Municipality of Sto. Tomas, Province of Batangas, Philippines. The land identified as Lot 1-A-3 allocated for Miramonti – Phase 1 comprising of 2,057 square meters has been purchased by IDC. The title bearing TCT No. 056-2017001498 has been transferred in favor of the company by Register of Deeds, Tanauan on March 23, 2017.



Photo: Miramonti Green Residences Architectural Rendering

Miramonti Green Residences, has recently won the prestigious Asia Property Awards 2019-2020 by The International Property Awards in the category of Best Mixed-use Development within the Asia-Pacific Region. The project was also awarded Best Innovation Project of the year by Lamudi-Outlook Property Award 2018, organized by the top Philippine real estate portal, Lamudi.

Miramonti Phase 1 commenced construction on December 2018 and is slated to be completed in 2020. The mixed-use building is comprised of 21 floors, with the ground floor allotted for commercial spaces, mezzanine floor for convention halls and office spaces, the second and third floors for parking, the fourth floor is devoted for the amenities such as swimming floor, gym, jogging path and garden and a multi- purpose room. The residential units start at the 5th floor up to the 20th floor. The roof top will have the terrace and the solar panel.

The second commercial/residential lot with an area of 5,347 square meters identified as Lot 1 of Block 3A will be the site of the prospective Miramonti Phase 2. The company holds a right of first refusal to

purchase this lot with the owner, RFM Science Park of the Philippines, Inc. which is intended for Miramonti Phase 2.

Based on in depth assessments of the Company, the best use for this property is deemed to be a mixed-use development. This involves the construction and development of state-of-the-art “eco-logic” mixed-use apartments with more than 19,276 sq.m. of gross buildable area. The master plan development is envisioned as a “green” community of three (3) mixed-use buildings consisting of 21 floors each with commercial, office, retail and residential components.

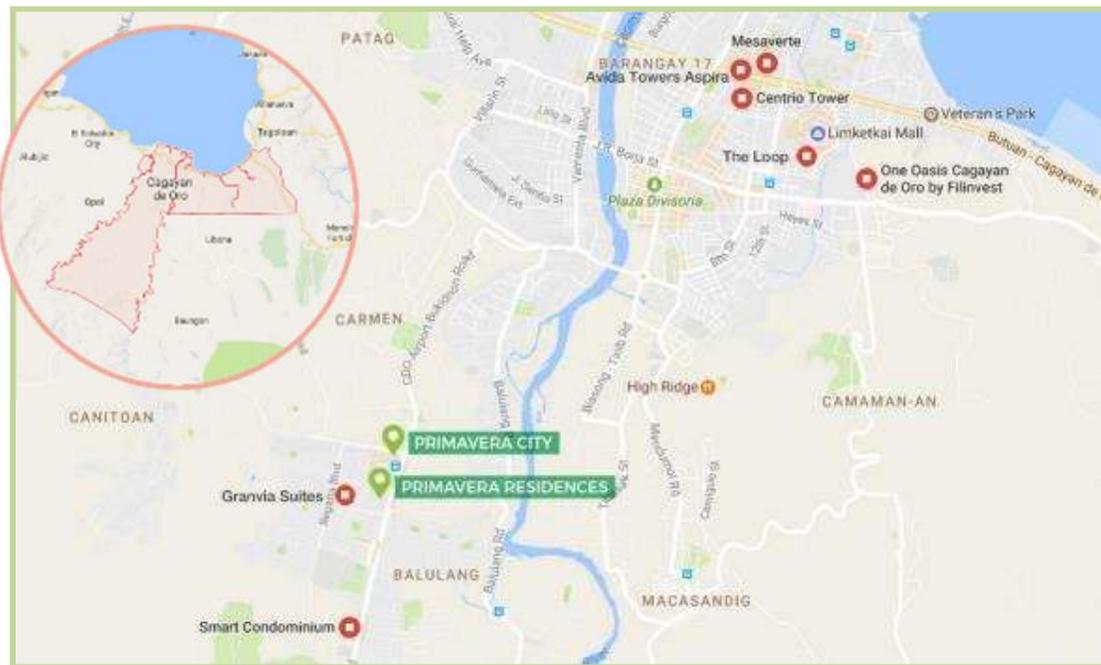
FUTURE PROSPECTS

In addition to the immediate pipeline of projects, the Company continues to pursue wide ranging analysis and field observations in order to identify additional locales in the Philippines that are consistent with its existing portfolio of hyper-prospective growth nodules in under-valued secondary and tertiary cities. Through a combination of qualitative and quantitative market studies, the Company has identified additional target acquisitions located in have identified potential areas for its future developments in Southern Luzon & Visayas.

COMPETITION

The Philippine Real Estate Industry is dominated by several major players such as Ayala Land, SM Prime, Mega World, Vista Land, Century Properties and Filinvest to mention a few.

In the local scenario, condominiums were not that popular in Northern Mindanao until IDC initiated the construction of Primavera Residences in 2010, setting the trend for increased condominium construction in Cagayan De Oro.



Since IDC launched its Primavera Residences in 2010, several developers started to enter the vertical housing market in Cagayan de Oro (“CDO”). To date, there are three (3) notable projects under construction of ALLI, one (1) project of VLL, and another one (1) by FLI. However, all these projects are located in downtown Cagayan De Oro; about 10-15 kms. from where Primavera Residences is located.

West Uptown Cagayan de Oro is an urban expansion area identified and defined by the updated comprehensive development plan 2017-2019 for Cagayan de Oro City as consisting of Barangays Carmen, Canitoan, Lumbia and Pagatpat. It is the location of IDC’s Primavera projects, and is

characterized by higher elevation, and therefore flood-proof terrain. It also offers cleaner, cooler, less polluted, and more spacious environments with less congestion in contrast to downtown Cagayan de Oro. The area is envisioned to be a medium to high-density, mixed-use pedestrian friendly center with high end, low-density type of development for residential and commercial uses. This area will decongest the present major urban center/city core and shall provide more opportunities for socio-economic activities. The Lumbia Airport is recommended to be converted into an industrial area or economic zone and become a major employment provider.¹ Uptown is also considered by many to be a safer and more secure alternative and has been host to promising development in recent years.

Among the West Uptown Development Area proposed developments² are:

- Development Master and Urban Design Plan
- Road Network Development
- Establishment of green belts, parks, open spaces, tree parks
- Tree strips along major thoroughfares, main roads of subdivisions
- Main drain from old airport to Calaan Creek
- Wastewater treatment for STPs
- Retention basins
- Rain-harvesting for commercial and residential buildings
- Retirement community
- Provision of multi-purpose and socio-economic centers (reading centers, parks, etc.)

In addition, the West-Uptown Development Area is also the location for the Planned City Expansion Program (PCEP) which is placed to be a growth node to decongest the urban center of Cagayan de Oro. Included in the PCEP is the 820-hectare area in Barangay Lumbia which is part of the West Uptown Urban Expansion Area³. Lumbia Airport, owned by the national government through the Civil Aviation Authority of the Philippines (CAAP), is also the selected relocation site for the PAF's 15th Strike Wing⁴.

Other development in the area also includes enhancement on the Iligan-Cagayan-Butuan Road (ICBR), which is the only national highway that cuts across the city from east to west (and vice versa), linking with the CdO-Lumbia-Bukidnon highway which currently services a rapidly growing West-Uptown Development Area. Currently, the City government of Cagayan de Oro sees the need to design and build major access highways to complement the ICBR⁵.

Existing and on-going condominium projects in Cagayan De Oro are as follows:

Project	Developer	Location	Status
Primavera Residences Tower A	IDC	Uptown CDO	Ready for Occupancy 2013
Primavera Residences Tower B	IDC	Uptown CDO	Ready for Occupancy 2015
Granvia Suites	Johndorf	Uptown CDO	Ready for Occupancy 2013
Smart Condominium	Yega Development Corporation	Uptown CDO	Construction Stage
One Oasis	Filinvest	Downtown CDO	Construction Stage
The Loop	Vista Land	Downtown CDO	Construction Stage
Centrio Towers	Ayala Land	Downtown CDO	Construction Stage
Avida Tower	Ayala Land	Downtown CDO	Construction Stage
Aspira Tower	Ayala Land	Downtown CDO	Planning Stage
FICCO Condominium	FICCO	Downtown CDO	Planning Stage
Global CDO Residences	Pamatong	Downtown CDO	Construction Stage

¹ Updated Comprehensive Development Plan 2017 – 2019. CAGAYAN DE ORO CITY.

² Comprehensive Land Use Plan 2019-2027. CAGAYAN DE ORO CITY.

³ Updated Comprehensive Development Plan 2017 – 2019. CDO

⁴ <https://www.sunstar.com.ph/article/123969>

⁵ Ibid

	Construction		
--	--------------	--	--

The table below further provides the relevant details as regards to the available units and number of floors of these condominium buildings and market positioning. Ayala Land is positioned for the high to luxury end market, while the middle- and upper-income market segments are the target markets of Vista Land and Filinvest Land. IDC's Primavera Residences project is positioned to capture the middle to upper income segment.

Project	Developer	No. of Bldgs.	No. of Flrs.	No. of Units
Primavera Residences Tower A	IDC	1	10	161
Primavera Residences Tower B	IDC	1	10	219
Granvia Suites	Johndorf Ventures Corporation	1	7	82
Smart Condominium	Yega Development Corporation	1	6	No Data
One Oasis	Filinvest Land	6	7	130
The Loop	Vista Land	1	25	500
Centrio Towers	Ayala Land	1	23	522
Avida Tower	Ayala Land	1	31	No Data
Aspira Tower	Ayala Land	1	27	636
FICCO Condominium	FICCO	1	No Data	No Data
Global CDO Residences	Pamatong Construction	1	10	No Data

Project	Developer	Market Positioning
Primavera Residences Tower A	IDC	Middle to High Income Bracket
Primavera Residences Tower B	IDC	Middle to High Income Bracket
Granvia Suites	Johndorf Ventures Corporation	Middle Income Bracket
Smart Condominium	Yega Development Corporation	Middle to High Income Bracket
One Oasis	Filinvest	Middle to High Income Bracket
The Loop	Vista Land	Middle to High Income Bracket
Centrio Towers	Ayala Land	Middle to High Income Bracket
Avida Tower	Ayala Land	Middle to High Income Bracket
Aspira Tower	Ayala Land	Middle to High Income Bracket
FICCO Condominium	FICCO	For COOP Members
Global CDO Residences	Pamatong Construction	Unknown

In terms of the sizes of the condominium units, the smallest area is 21 sqm (the Loop) with the biggest cut at 60 sqm for 2-bedroom unit offered by Ayala Land and Vista Land. IDC will maintain more studio and one-bedroom units to respond to the market needs.

Project	Developer	Average Area (SQM)				
		Studio	1BR	2BR	Office	Commercial
Primavera Residences Tower A	IDC	22.00	31.00	47.00	84.00	32.00
Primavera Residences Tower B	IDC	22.00	31.00	47.00	52.00	56.00
Granvia Suites	Johndorf	23.25	35.90	46.50	No Data	No Data
Smart Condominium	Yega Development Corporation	25.20	34.20	63.60	No Data	No Data
One Oasis	Filinvest		28.27	42.82	No Data	No Data

The Loop	Vista Land	20.00	31.91	50.93	No Data	No Data
Centrio Towers	Ayala Land	23.00	37.00	58.00	No Data	No Data
Avida Tower	Ayala Land	23.00	40.00	63.00	No Data	No Data
Aspira Tower	Ayala Land	23.00	40.00	63.00	No Data	No Data
FICCO Condominium	FICCO	No Data				
Global Residences CDO	Pamatong Construction	No Data				

In terms of pricing, Primavera Residences Tower A and B is very competitive based on the average selling price per sqm. Although with the lowest price, Granvia Suites cannot compare with Primavera Residences because of its lack of amenities such as elevator, swimming pool, gym and function rooms.

Project	Developer	Average Price in Millions (PHP)				
		Studio	1BR	2BR	Office	Commercial
Primavera Residences Tower A	IDC	1.20	2.00	3.50	1.90	3.50
Primavera Residences Tower B	IDC	1.40	2.00	3.50		5.50
Granvia Suites	Johndorf	1.50	2.30	No Data	No Data	No Data
Smart Condominium	Yega Development Corporation	1.40	2.10	2.60	No Data	No Data
One Oasis	Filinvest	1.40	2.20	3.00	No Data	No Data
The Loop	Vista Land	1.80	2.70	5.30	No Data	No Data
Centrio Towers	Ayala Land	1.80	3.00	5.00	No Data	No Data
Avida Tower	Ayala Land	1.90	2.40	3.50	No Data	No Data
Aspira Tower	Ayala Land	No Data	No Data	No Data	No Data	No Data
FICCO Condominium	FICCO	No Data	No Data	No Data	No Data	No Data
Global Residences CDO	Pamatong Construction	No Data	No Data	No Data	No Data	No Data

DISTRIBUTION METHODS OF THE PRODUCTS OR SERVICES

The Company uses various channels to distribute its products, including a sales office in Cagayan de Oro at the location of its pilot project, Primavera Residences as well as its sales office in Sto. Tomas, Batangas at the location of its Miramonti project. The Company is currently expanding its network of real estate brokerage agencies, brokers, and agents in the Philippines as well as abroad. Online marketing is also done through its website, which is handled by an online sales person. The Company also does business to business presentations for corporate accounts.

PRINCIPAL SUPPLIERS

Following is a table summarizing the Company's principal suppliers and the products and services supplied to the Company as of the June 30, 2020.

NAME OF CONTRACTOR	ADDRESS	SCOPE OF WORK	PROJECT
AV Pamatong Trading & Construction	Zone 12, Baloy Tablon, Cagayan De Oro	Excavation works	PRIMAVERA CITY PHASE II
A.V. Pamatong Trading and Construction, Inc.	Zone 12, Baloy Tablon, Cagayan De Oro	Structural and Masonry Contractor	PRIMAVERA CITY PHASE I
Eurovek	5F B&P Building, Arnaiz, Makati, NCR	Plumbing and Fire Protection Contractor	

2GKI	St. Francis, Shaw Blvd, Mandaluyong	Electrical Contractor	MIRAMONTI PHASE I
Borja Construction Coordinates and Allied Services Inc.	St. Pio Del Pilar, Makati, NCR	Mechanical Contractor	
Ecosystem	Pleasant Hills, Mandaluyong, NCR	Sewage Treatment Plan	
KPI Elevators, Inc. / KONE	25F BDO Equitable Tower, Paseo de Roxas Ave., Makati, NCR	Conveying System Work	
Mellil Construction and Supply	Sta. Fe, Leyte	Structural Steel Contractor	
Glowing Glass Marketing	Magsaysay Ave, Davao City	Glazing works contractor	
Integrated Builders and Waterproofing Inc.	Addition Hills, Mandaluyong	Waterproofing works	
KVR Construct Construction Services	7F Wingrace Dormitory Bldg. Fernandes St., CagayaDO	Architectural Finishes Works	
Multi Rich Home Decors, Inc.	488 Boni Ave. cor. San Joaquin Sts., Mandaluyong, NCR	Supply & Delivery of Tiles	
Hocheng Philippines Corporation	1163 Chino Roces Ave., San Antonio Village, Makati, NCR	Supply of toilet fixtures	
Adonai Design Enterprises	Dona Emeteria Commercial Complex, Brgy. 22, Osmena Ext., Cagayan De Oro	Cladding Works	
D.L. Cervantes Construction Corporation	Gen. Malvar St., Brgy. Tubigan, Binan, Laguna	Structural works	
SJB Containers and Maritime Logistics	Taguig City, Metro Manila	Fabrication and delivery of Container Van Sales Office of Miramonti	
V.B. Columna Construction Corporation	33, Azcuena St., Violeta Village, Sta. Cruz, Guiguinto	Construction of Preliminary Works & Site Development Works of Miramonti Sales Office	
Intellicraft Industrial Services, Inc.	Suite 910 West Tower, Phil. Stock. Exchange Bldg. Pasig City	Construction of Green Residences Showroom	
FG Home Builders & Construction Supply	Sto. Tomas, Batangas	Tiles for Miramonti Showroom	

DEPENDENCE ON A FEW OR SINGLE CUSTOMER

The Company being in the real estate industry is not dependent on a single or few customers; rather the Company has a broad customer base – from local to foreign nationals. In addition, no single customer accounts for twenty percent (20%) or more of the Company's sales.

SALES AND MARKETING

The Company has put in place innovative marketing campaigns, such as sales rallies, road shows, participation in various local and international trade shows, online marketing, tri-media, and maximizing the use of both traditional and non-traditional advanced marketing approaches such as on-line marketing to generate increased leads and to close sales.

The Company provides specialized in-house training programs and issues lucrative incentive programs for its focused sellers. IDC has established its own in-house sales team and a network of external licensed brokers and real estate agents directly accredited and trained by the Company.

IDC continuously updates its marketing programs to keep pace with the fast changing developments in the real estate industry. Its pricing structure is designed to be affordable with flexible payment terms to suit the profile of middle income target market while still protecting the Company's income margin.

The key element of the Company's strategy is to market its properties as a sound, stable, and productive investment among its target market segment (entrepreneurs, OFWs, professionals, and corporate accounts) that will directly generate the sales of the units. As an investment portfolio, the owners enroll their units to IDC's affiliated property management company, which can lease out the purchased units to prospective renters, maintain their units and the investment will be self-liquidating in nature. This strategy will create a big leverage in its corporate account relationships to open the door, and use the Company's marketing expertise to build a compelling program. This will also allow the Company's sales teams (agents and brokers) to be much more efficient in prospecting, improving their "hit ratio" on each sales visit.

IDC goes beyond the traditional marketing and selling approach (brokerage, marketing collaterals, public relations, and events) by going for digital selling and marketing (use of social media tools) to develop a well-built networking program that will create a solid strategic fit in the market.

The Company's marketing strategies anchor on the following guiding tenets:

Positioning IDC projects as an attractive and safe investment

- (a) The residential units are marketed as primary or secondary residences of prospective buyers for their personal use, or for investment purposes.
- (b) The units are marketed as an investment. Purchased units may be leased out under a "condotel" or serviced apartment concept to be managed by IDC's professional and experienced property management group.
- (c) IDC projects are "green" buildings. The projects of the Company have a positive impact on the environment and which will allow residents to have as much as 32% energy savings.

Positioning IDC projects for "value for money"

- (a) Flexible and affordable payment schemes
- (b) Competitive prices relative to other developers in the area of the Company's projects
- (c) Low pre-selling price (with zero interest on down-payment)

Positioning its Strategic Location

- (a) IDC projects are highly accessible to commercial areas and are near schools, offices, churches and golf course. In the case of its Primavera City, the site is situated inside the Pueblo de Oro Business Park, an export zone registered with the Philippine Export Zone Authority (PEZA). For its Miramonti project, it is located within the Light and Industry Science Park.
- (b) Both Primavera City and Miramonti projects capitalize on their prime location with an excellent urban planning and offers a majestic view of the mountains and natural surroundings.
- (c) Flood-free location and practically safe with a higher natural elevation
- (d) Developed infrastructure, communications and utilities

Positioning its International and Local Recognition and Awards

- (a) Trusted name in the industry as IDC projects had already been recognized for the buildings' unique design architecture.
- (b) Primavera City was recently recognized by the Asia Pacific Property Awards as the Best Mixed – Use Development in the Philippines in May 2017.

Marketing Support and Promotions

IDC marketing support goes beyond traditional marketing approaches (tie-ups with brokerage, marketing collaterals such as brochure/flyers, multi-media advertisements and conduct of public relations and events) to digital marketing (use of social media tools) and beyond.

Below are the various marketing support mechanisms that the Company utilizes and continues to improve on:

(a) Use of Digital Marketing

- i. Website: www.primaveraresidences.com
- ii. Social Media:
 - Facebook page: www.facebook.com/CondoPrimavera
 - Twitter account: www.twitter.com/PrimaveraCondo
 - You Tube: www.youtube.com/channel/UCUOsZeQBmpX4teDrjYEHBwQ.
- iii. e-Newsletter: IDC sends out e-newsletters to almost 50,000 clients
- iv. Online Listings: IDC has forged tie-ups with several online property listings such as Agoda, MyProperty.ph, and Lamudi to boost unit rentals⁶

(b) Use of Public Listings

- i. Our news stories are published in major national and local newspapers.
- ii. IDC was also invited by TV networks on several occasions to speak on building issues. Examples are such as when: (1) IDC CEO and Executive Chairman Arch. Romolo V. Nati spoke on how to build earthquake-proof buildings, while (2) Atty. Jose D Leviste III spoke on typhoon-resistant buildings for one of ANC's Future Perfect Design Against the Elements series.

(c) Conduct of Community Events

- i. Periodic art exhibits
- ii. Photography workshops
- iii. Free screenings of sports events
- iv. Participation in other noteworthy architecture, property development, environmental gatherings/events

(d) Creative Marketing and Branding

- i. Primavera Residences Booth at SM City CDO
- ii. Marketing collaterals
- iii. Corporate Relations

CREDIT POLICY

As stated in the Contract to Sell, the buyer is required to issue post-dated checks to cover the down payment requirements and/or any unpaid portion of the Purchase Price. If the buyer intends to avail of bank financing, the buyer shall comply with all the requirements of the bank or financing institution. In the event that the loan application of the buyer is approved by the bank or financing institution, the buyer hereby authorizes the bank or financing institution to release directly to the Company whatever amount may be available from the approved loan of the buyer to pay the Purchase Price. In the event that the loan application approved for the buyer is less than the balance of the Purchase Price, the buyer shall pay the seller the amount corresponding to the difference within fifteen (15) days from written notice by the seller or such bank or financing institution's notice of disapproval, whichever comes later.

⁶IDC units, together with other customer-owned units, can opt to assign management and lease of their units through the Company's affiliate Damiani Property Management and Services, Inc.

Should the buyer's loan application be disapproved by the bank or financing institution, the balance in the schedule of payment shall be paid by the buyer within fifteen (15) days from written notice by IDC or such bank or financing institution's notice of disapproval, whichever comes later.

MODES OF PAYMENT OFFERED BY THE COMPANY

Below are the modes of payment being offered by the Company.

1. Reservation of Php10,000 – Php20,000 deductible from Total Contract Price ("TCP")
2. Spot cash – full payment of Total Contract price (TCP) on or before 30 days from Reservation date in order to enjoy 7% discount on TCP.
3. Deferred Payment – 24 months equal installment of TCP with 0% interest.
4. Bank Financing - 10% DP of TCP payable in equal installment within 24 mos. With PDC @ 0% interest. The balance of 90% is for Bank Financing.
5. Outright Bank Financing - full payment of 10%-20% Equity with 5% discount on equity and immediate application for Bank Financing on TCP balance.
6. In-House Financing - 30% DP payable in 24 equal monthly amortization at 0% interest. Balance of 70% will be charged @ 14% interest p.a payable in 5 years.

The company evaluates the creditworthiness of the buyer for deferred payment and in-house financing based on the 5 C's of credit namely, Character, Capacity, Conditions, Capital and Collateral. The character of buyer is assessed based on his declarations regarding his/her criminal or civil case records. A buyer's capacity is assessed based on his/her income. IDC considers as desirable if the buyer has at least 40% of its gross income that is available to pay for the monthly amortization.

Condition refers to the status of a buyer's business or employment, that is, the buyers' nature of business and business condition if he/she is an entrepreneur or self-employed, or the buyer's nature of employment and employment status if he/she is employed. As regards to capital, the Company requires a buyer's proof of income such as last 3 years' income tax returns and audited financial statements for who derive income from businesses or those who are self-employed. If the buyer is employed, the Company will require his/her six months' pay slips or certificate of employment with indicated salary/other financial benefits.

Lastly, collateral pertains to the residential unit purchased. The title of the unit is only transferred once it has been fully paid for by the buyer. If the buyer defaults, IDC can cancel the contract to sell after due process. It will refund the buyer's amortizations as warranted and as stipulated by the Maceda Law.

POLICY FOR RE-SELLING DEFAULTING CLIENTS AND CANCELLED SALES

The following events shall constitute an event of default under this Contract to Sell:

1. failure or delay of the customer to pay any amount due in this Contract to Sell, on the date or within the period specified for its payment, for any reason whatsoever;
2. failure or delay of the customer in the submission of the post-dated checks ("PDCs") required under this Contract to Sell; or the failure of the IDC to obtain and receive the actual receipt of the proceeds of any PDC due to insufficiency of funds, closure of account, refusal of the drawee bank to honor the check on the date of presentment for payment, or for any reason whatsoever, other than due to the willful act or gross negligence of the IDC;
3. cancellation by the customer of this Contract to Sell or withdrawal of the purchase of the Unit, for any reason whatsoever, other than due to the willful act or gross negligence of the IDC;
4. failure of the customer to comply with any covenant or obligation required to be performed or undertaken hereunder or to comply with any covenant or restriction under the Deed Restrictions; or
5. the concealment of any fact, or providing any information which is determined to be false or misleading in the Customer Information Sheet or the loan application or any supporting documents, or any of the documents signed, executed or delivered by the customer

(including this Contract to Sell) on the basis of which the IDC shall have agreed to the sale of the Unit to the customer.

Upon the occurrence of any of the events specified above, the IDC shall be entitled to exercise or avail itself, at the IDC's option and sole discretion, of any, some or all of the following rights or remedies, whether cumulatively or alternatively, in conjunction with or separately, from any other right or remedy granted hereunder or under the law:

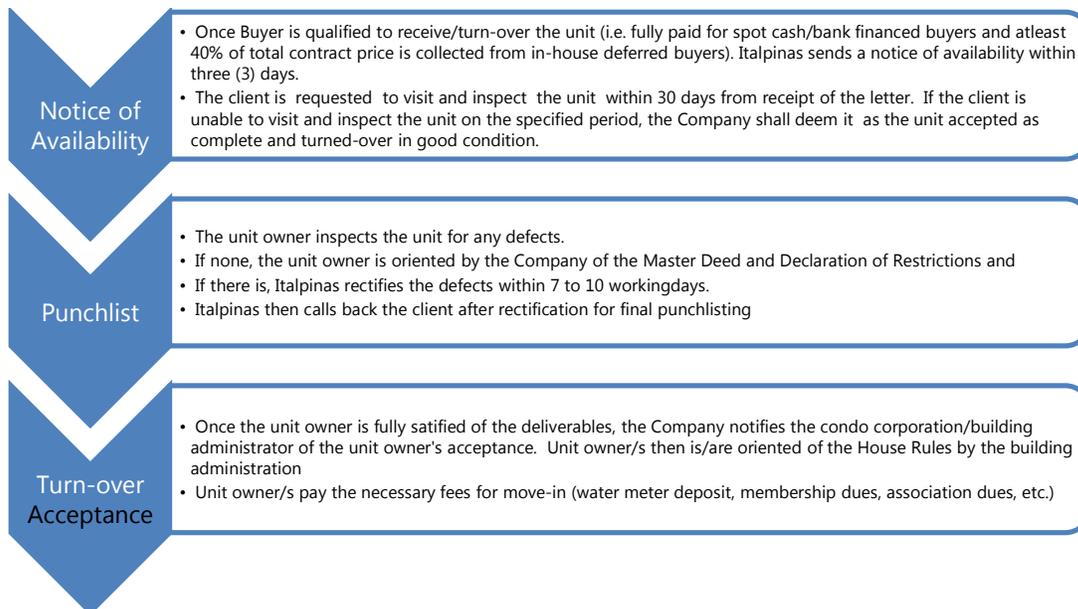
- a. The IDC shall have the right to collect penalty interest at the rate of three percent (3%) per month (or a fraction thereof) of the unpaid amount, for every month (or a fraction thereof) of delay in remitting to the IDC the amount due. Such payment of penalty interest charges shall not be a substitute for and shall be in addition to the payment of the amounts otherwise due under this Contract to Sell and shall not prejudice the exercise by the IDC of any other right or remedy granted to it under this Contract to Sell.
- b. The IDC shall be entitled to cancel this Contract to Sell without need of a court declaration to that effect, by giving the customer a written notice of cancellation sent to the address of the customer as specified herein, by registered mail or personal delivery. As a result of such cancellation, the IDC shall have the right to forfeit all amounts paid by the customer herein as liquidated damages.

The Company fully complies with RA 6652 (Maceda Law). From the first notice of cancellation for defaulting clients, it takes up to 90 days before the Contract to Sell is cancelled. Below is the process in case of payment default conditions:

The Company has a credit and collection department which is in charge of handling the amortization payments of buyers. The team is responsible for the timely collection of payments, depositing of post-dated checks and the eventual remittance of payments to the Company's treasury group and undertaking remedial measures for delinquent accounts. The CCS are also responsible for issuing demand letters, notices of check dishonor, notices of sales cancellation, should it be necessary, in cases of bounced checks, failure to pay monthly equity, and voluntary cancellations.

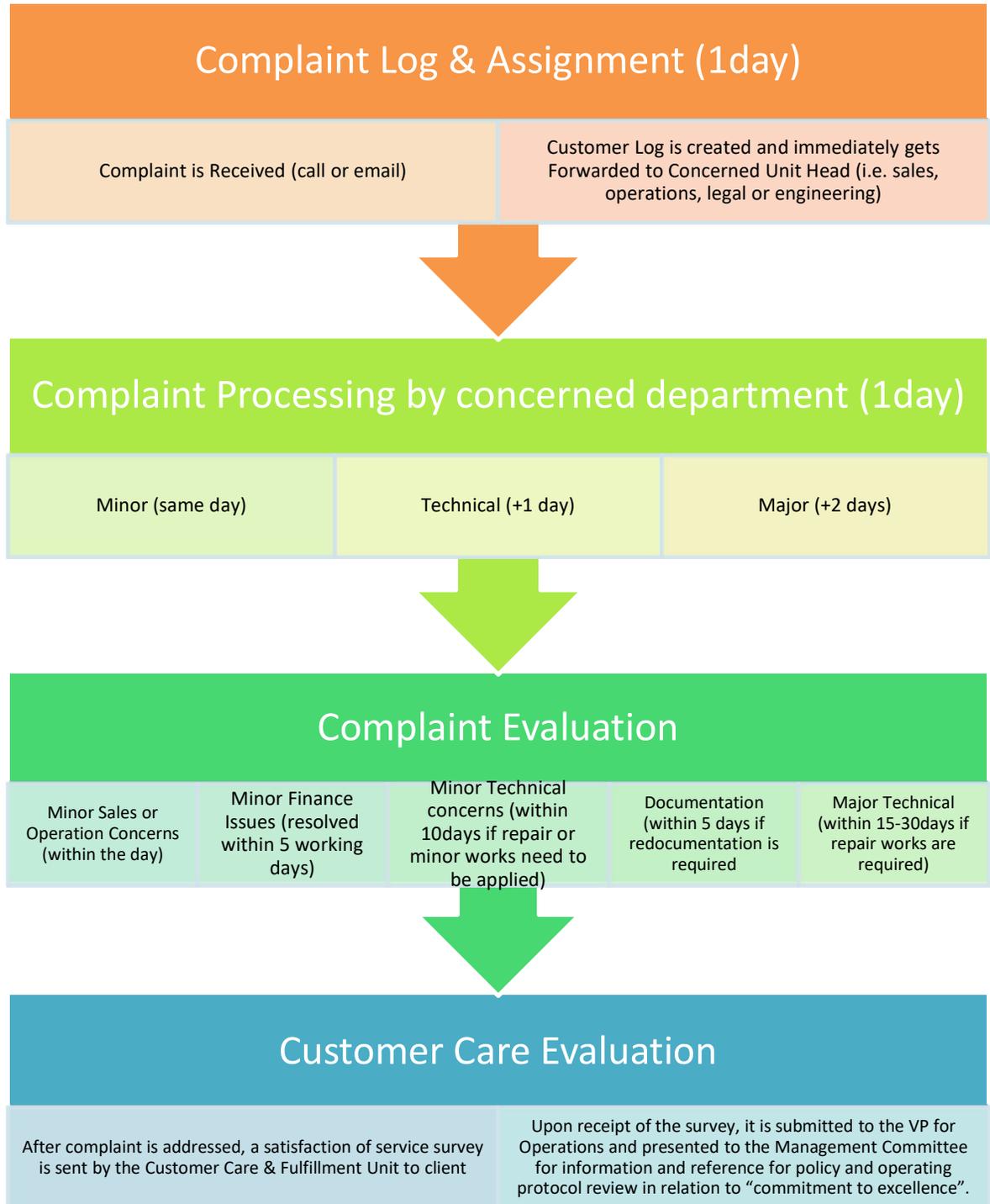
HANDLING OF AVAILABILITY AND TURN-OVER OF UNITS

Below is a detailed discussion and process flow on the Company's handling of availability and turn-over of unit:



HANDLING OF CUSTOMER COMPLAINT

Below is the process flow on the Company's handling of customer complaint:



NEED FOR GOVERNMENT APPROVAL OF PRINCIPAL PRODUCTS OR SERVICES AND EFFECT OF EXISTING OR PROBABLE GOVERNMENTAL REGULATIONS

TAX REFORM

In the Philippines, the government launched the 1st of its four (4) Tax Reform Package or the Tax Reform for Acceleration and Inclusion ("TRAIN") law which took effect starting January 1, 2018. In general, the said law aims to increase the take home pay of individual taxpayers by giving tax exemption on the first Php250,000 of their yearly income while imposing higher tax on certain products like oil, petroleum and fuel products, sweetened beverages, and automobiles among others.

On the other hand, even though the focus of the TRAIN law is on individual taxpayers, the passage of the TRAIN law still impacted those in the real estate business which includes the Company. Before the passage of the TRAIN law, the VAT threshold on house and lots and other properties deemed as residential dwellings (e.g. condominium units, etc.) is at PhP3,199,200. Now, with the passage of the TRAIN law, VAT exemption is only applicable for house and lot and other residential dwellings worth PhP2,500,00 and below. Given that most of the Company's units are priced slightly above the threshold, most of the Company's sales are now subject to the imposition of VAT.

Additionally, the Documentary Stamp Taxes ("DST") on debt instruments increased from PhP1.00 to PhP1.50 per PhP200 or a fraction thereof. This increases the transaction cost of loan availment for the Company's projects as well as on the part of the unit buyers who are availing of deferred payment scheme, in-house financing, and bank financing.

Lastly, the Department of Finance (DOF) officially submitted its proposed amendment to House Bill 4157 or the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) bill (previously called Corporate Income Tax and Incentives Rationalization Act ("CITIRA")) last 22 May 2020. This is an enhanced version of the previously CITIRA bill which aims to aid the recovery of businesses negatively affected the Covid-19 pandemic and to attract investments that will benefit the public interest. Some highlights of the said bill are the immediate reduction of corporate income tax by 5% starting July 2020 and 1% subsequent reduction starting January 1, 2023 until January 1, 2027 dropping the corporate income tax to 20% by that time, extension of carry-forward losses (i.e. NOLCO) incurred in 2020 from 3yrs to 5yrs for non-large taxpayers, and flexibility in granting incentives.

Since some of the Company's projects are registered under the strategic investment priority plan with the Board of Investments and are still enjoying fiscal incentives, the Company would greatly benefit from the additional fiscal incentives that the said bill is introducing including reduced corporate income tax rate after expiration of income tax holiday and enhanced deductions (additional deductions) among others.

Apart from the discussion already included herein, the Company is not aware of any pending legislation or governmental regulation that is expected to materially affect its business.

PERMITS AND LICENSES

In the normal course of entering and doing this business, real estate developers are required to secure different permits and licenses before constructing the project and making sales. This is on a per project basis and the Company religiously applies for the required governmental approvals for its projects.

Apart from discussion already included herein, the Company is not aware of any pending legislation or governmental regulation that is expected to materially affect its business.

The Company is required to secure the following permits and licenses from the respective regulatory agencies for the development of its Primavera Residences Tower A and B, Primavera City Phases 1 and 2 as well as Miramonti Phase 1 projects. The details of these permits and licenses are shown below.

STATUS OF PERMITS & LICENSES

Permits	Date of Filing/ Issue	Validity	Regulatory Body/ Unit Who Issued Such Permit	Holder of Permit	Status	Expirati on Date
Environmental Compliance Certificate	10-Mar-10	N/A	Department of Environment and Natural Resources	Primavera Residences Tower A	Completed	N/A
HLURB Development Permit	19-Mar-10	6-Jul-12	Housing and Urban Development Coordinating Council		Completed	6-Jul-12
Certificate of Registration	9-Jul-10	N/A	Housing and Land Use Regulatory Board		Completed	N/A
Building Permit	26-Feb-10	15-Dec-13	Office of the City Building Official, City of Cagayan de Oro		Completed	15-Dec-13
License to Sell	9-Jul-10	N/A	Housing and Land Use Regulatory Board		Completed	N/A
Occupancy Permit	9-Dec-12	N/A	Office of the City Building Official, City of Cagayan De Oro		Completed	N/A
Environmental Compliance Certificate	10-Aug-12	N/A	Department of Environment and Natural Resources		Primavera Residences Tower B	Completed
HLURB Development Permit	10-Aug-12	16-Jan-16	Housing and Urban Development Coordinating Council	Completed		16-Jan-16
Certificate of Registration	27-Dec-12	N/A	Housing and Land Use Regulatory Board	Completed		N/A
Building Permit	March 28, 2012/ September 25,	30-Nov-15	Office of the City Building Official, City of Cagayan de Oro	Completed		30-Nov-15
License to Sell	27-Dec-12	N/A	Housing and Land Use Regulatory Board	Completed		N/A

Permits	Date of Filing/ Issue	Validity	Regulatory Body/ Unit Who Issued Such Permit	Holder of Permit	Status	Expirati on Date
---------	-----------------------	----------	--	------------------	--------	------------------

Occupancy Permit	3-Nov-15	N/A	Office of the City Building Official, City of Cagayan De Oro	Primavera Residences Tower B	Completed	N/A
Barangay Clearance	Mar. 31, 2014	N/A	Carmen Barangay Hall, Cagayan de Oro City	Primavera City Phase I	Completed	N/A
Environmental Clearance Certificate	Sept. 19, 2014	N/A	Environmental Management Bureau, DENR,		Completed	N/A
Locational Clearance/ Zoning Cert.	Aug. 18, 2014	N/A	City Planning and Development Office, Cagayan de Oro		Completed	N/A
CAAP Height Clearance	Jul. 18, 2014	Expired	Civil Aviation Authority of the Philippines		Completed	Expired
Re-application	Oct. 15, 2018	Oct. 15, 2020	Civil Aviation Authority of the Philippines		Completed	Oct. 15, 2020
Building Permits	Feb. 26, 2015	N/A	Ofc. of Building Official, Cagayan de Oro City		Completed	N/A
Development Permit	Mar. 30, 2015	N/A	Housing and Land Use Regulatory Board, Region 10		Completed	N/A
Alteration of Plan 1	Jun. 13, 2016	N/A	Housing and Land Use Regulatory Board, Region 10		Completed	N/A
Alteration of Plan 2	Oct. 24, 2016	N/A	Housing and Land Use Regulatory Board, Region 10		Completed	N/A
Alteration of Plan 3	Oct. 25, 2018	N/A	Housing and Land Use Regulatory Board, Region 10		Completed	N/A
Certificate of Registration	Jun. 13, 2016	N/A	Housing and Land Use Regulatory Board, Region 10		Completed	N/A
License to Sell Tower A	Jun. 24, 2016	Jun. 30, 2022	Housing and Land Use Regulatory Board, Region 10		Completed	Jun. 30, 2022
License to Sell Tower B	Jun. 13, 2016	Jun. 30, 2022	Housing and Land Use Regulatory Board, Region 10		Completed	Jun. 30, 2022
Barangay Clearance	Jul. 24, 2018	N/A	Carmen Barangay Hall, Cagayan de Oro City		Primavera City Phase II	Completed
Environmental Clearance Certificate	Nov. 11, 2018	N/A	Environmental Management Bureau, DENR,	Completed		N/A
Locational Clearance/ Zoning Cert.	Aug. 3, 2018	N/A	City Planning and Development Office, Cagayan de Oro	Completed		N/A
Permits	Date of Filing/ Issue	Validity	Regulatory Body/ Unit Who Issued Such Permit	Holder of Permit	Status	Expiration Date

CAAP Height Clearance	Oct. 15, 2018	Oct. 15, 2020	Civil Aviation Authority of the Philippines	Primavera City Phase II	Completed	Oct. 15, 2020
Fire Safety Evaluation Clearance	Jan. 4, 2019	N/A	Bureau of Fire Protection		Completed	N/A
Building Permits	May 17, 2019	N/A	Ofc. of Building Official, Cagayan de Oro City		Completed	N/A
Development Permit	4 April 2019	N/A	Housing and Land Use Regulatory Board, Region 10		Completed	N/A
Certificate of Registration	24 June 2019	N/A	Housing and Land Use Regulatory Board, Region 10		Completed	N/A
License to Sell Tower A	24 June 2019	Aug. 31, 2024	Housing and Land Use Regulatory Board, Region 10		Completed	Aug. 31, 2024
License to Sell Tower B	24 June 2019	Aug. 31, 2024	Housing and Land Use Regulatory Board, Region 10		Completed	Aug. 31, 2024
Barangay Clearance	Nov. 24, 2016	N/A	Ofc. of Barangay Chairman,	Miramonti Phase 1	Completed	N/A
Environmental Clearance Certificate	Mar. 31, 2017	N/A	Barangay San Rafael		Completed	N/A
Locational Clearance	Mar. 6, 2017	N/A	Environmental Management Bureau,		Completed	N/A
CAAP Height Clearance	Jul. 20, 2016	N/A	Sangguniang Bayan of Sto. Tomas, Batangas		Completed	N/A
Laguna Lake Dev. Clearance	Jun. 13, 2017	N/A	Civil Aviation Authority of the Philippines		Completed	N/A
Earthquake Hazard Assessment	Apr. 3, 2017	N/A	Laguna Lake Development Authority		Completed	N/A
Building Permits • Original • Renewal	Mar. 16, 2017 Dec. 28, 2018	N/A	PHIVOCS, Department of Science and		Completed	N/A
Development Permit	Apr. 17, 2017	N/A	Ofc. of Building Official, Sto. Tomas, Batangas		Completed	N/A
Alteration of Plan	Oct. 26, 2017	N/A	Housing and Land Use Regulatory Board, Southern Tagalog Region		Completed	N/A
Certificate of Registration	Dec. 7, 2017	N/A	Housing and Land Use Regulatory Board, Southern		Completed	N/A
License to Sell	Dec. 7, 2017	Aug. 7, 2022	Housing and Land Use Regulatory Board, Southern Tagalog Region		Completed	Aug. 7, 2022

RESEARCH AND DEVELOPMENT

The expenses incurred for research and development activities are minimal and do not amount to a significant percentage of revenues.

COST AND EFFECT OF COMPLIANCE WITH ENVIRONMENTAL LAWS

The expenses incurred by the Company for purposes of complying with environmental laws consist primarily of payments for government regulatory fees that are standard in the industry and are minimal.

MAJOR BUSINESS RISKS

Market and Operational Risk

The Company faces market and operational risk as a relatively young enterprise. Simultaneous development of current and future projects could require optimization of finite resources. To mitigate this risk, the Company applies a phased development approach to each project. Full development is divided into subsequent phases, and each preceding phase may stand alone as a finished product in the event that, for any reason, market or operational challenges affect the project so that returns would be higher if the project were built only to the extent of early or middle phases. A phased development strategy will effectively manage market and operational risks, as this affords the Company with the flexibility to optimize finite resources by adjusting timing and abridging particular projects in favor of refocusing on others, as demand may dictate. Should there be a weaker performance in particular developments, the Company stands ready to re-prioritize in favor of other projects which it believes would provide the best returns to the Company and its shareholders, or it may choose to pursue its plans at a slower pace of growth.

Significant competition in the real estate industry

Most of the Company's competitors are established market leaders who have the advantages of greater financial strength, developmental resources, brand recognition, and in-house manpower. Because of the high level of competition now prevailing in the Philippine real estate industry, there is no assurance that these major players will not directly compete or enter the niche markets of the Company.

To mitigate this risk, IDC differentiates itself from other real estate developments in the Philippines and provide a value advantage to its clients through its thrust of sustainable and eco-friendly real estate development projects. The Company also continues to pursue its first mover strategy in developing projects in up and coming cities where there may be less competition. Moving forward, the Company will continue to strengthen its organization in order to support its growth plans and better compete with bigger real estate players.

Failure to meet customers' expectations and standards

Property developers warrant that their projects are structurally sound for a period of fifteen (15) years from date of completion of the project. They are also responsible for hidden defects. The Company or its officials may be held liable for administrative fines or criminal penalties in case of any violation of Republic Act No. 6541, as amended, or the National Building Code of the Philippines (the "Building Code"). Moreover, the Company may be held liable for damages, for uninsurable events, or matters not subject to effective indemnification agreements with the Company's contractors.

In the event of claims arising from defects, the Company's reputation and its business, financial condition and results of operations may also be adversely affected.

To mitigate this risk, the Company ensures that all its projects are carefully executed to meet required standards. The Company also ensures that construction materials are of good quality and are sourced from reputable suppliers. Supplier selection is done through a competitive bidding process and the contracts for each project are covered by adequate bonds, insurances, and indemnity provisions.

Ability to obtain financing for project development

In 2012, the Bangko Sentral ng Pilipinas (BSP) intensified its monitoring of bank real estate exposures (REE) by expanding the definition of REE to include investments in debt and equity securities that finance real estate activities, loans to developers of socialized and low-cost housing, loans to individuals, and credit supported by non-risk collaterals or Home Guarantee Corporation guarantees. Further, beginning in 2014 the BSP ordered universal, commercial and thrift banks to conduct Real Estate Stress Tests (RESTs) to determine whether its capitalization is sufficient to absorb a severe shock from its real estate exposure.

Stricter lending and prudential regulations may reduce the lending appetite of banks in the Philippines, which in turn may adversely affect the Company's ability to secure financing for its project developments and its prospective customers' ability to secure bank financing at favorable terms.

To mitigate this risk, the Company practices prudent financial management to minimize its possible effects. The Company has initiated the process of reducing the debt component and increasing the equity component in its financial structure through the issuance of the Offering of preferred shares.

To improve prospective customers' access to debt, the Company provides in-house financing schemes, and will continue to enhance those, including special incentives for cash such as the granting of discounts up to 10% for outright cash payments made by the buyer with the balance of total contract price to be settled either thru in-house or bank financing.

Availability of land for use in the Company's future projects

The ability of the Company to continue its growth and expansion is largely based on its ability to acquire prime properties in its target locations. In the event that the Company is unable to acquire lots at acceptable prices, its growth could be limited and the results of operations could be adversely affected.

To mitigate this risk, the Company is largely concentrating on prospective areas in early growth phases such as Southern Luzon & Visayas in order to optimize exposure to growth. The Company will also remain flexible in its investment structures, whether these be direct land acquisitions or joint venture developments.

Risks on project cost and completion

The Company faces the risk of escalating project costs and inability to complete its projects should there be significant cost overruns due to lapses in materials and labor cost estimation. Cost overruns would also arise if there are many alterations and deviations from the original design and technical plans which were not anticipated. The delayed completion of the project could result in additional costs aside from hindering the sales take up of the project which in turn may affect the Company's cash flow. Further, significant project delays will negatively affect the Company's reputation as it might experience difficulty in attracting customers to its future projects. This will adversely affect the results of Company's operations and financial performance.

To mitigate cost overruns, IDC enlists the services of professional and qualified quantity surveyors and cost estimators who determine the bills of quantities based on prevailing market prices and industry standards. Technical plans of each project are carefully reviewed by specialty engineering consultants to determine if they are compliant with the national and local building codes as well as to confirm if the bill of quantities are fair, reasonable and accurate. IDC has also managed to reduce costs in some of its projects by procuring some of the major construction materials like iron rebars directly. In the near term, it plans to expand its capability to source construction materials such as cement, tiles and toilet fixtures directly.

To ensure timely completion of its projects, IDC, through a competitive bidding process, selects only pre-qualified triple AAA licensed contractors with proven track records as the project managers and general contractors for its projects. IDC also maintains dedicated professional and qualified engineers as its organic personnel who are responsible for project and construction management, coordination and monitoring construction progress. Further, construction contracts include provisions for penalties for any form of delay.

Insufficient funding to finance project developments

This risk could occur if the Company embarks on a project without securing the funding for its capital expenditures. This also may occur if the company embarks in the development of multiple projects at simultaneously which would hinder the Company's ability to service large amounts capex outlay.

To mitigate this risk, IDC ensures that the financing of a project is secured from partner banks, which usually grant term loans up to 70% of project costs, before it commences project development. Additionally, IDC implements the construction of its projects by phases or stages. As a policy, the Company commences construction of succeeding project phases when sales has reached at least 70% of the preceding project phase. Aside from its capital and retained earnings, the company also engages in pre-selling activities upon issuance of the license to sell and prior to the start of construction to generate additional cash flows.

Delay or failure to pay loan obligation(s)

The Company utilizes a mix of equity and debt to finance its projects. In the event that the Company is delayed, or compromised in its compliance with the payment of its loan obligations, it may become at risk of defaulting and may experience adverse effects on credit ratings. To mitigate this risk, the Company practices prudent financial management to ensure a well-managed balance sheet and timely payment of its obligations.

Risk relating to the collateralization of assets for loans obtained

As the Company's bank loans are secured through collateralization of assets or mortgaged properties, IDC faces the risk of losing its properties in the event of a foreclosure due to a default on its debt obligations. Moreover, when one reneges on its loan obligation, it blemishes its reputation with and erodes the trust of its funders or investors. With the advancements in the credit and background checking by CMAP and other independent credit risk rating agency, a delinquent borrower may be red-flagged and blacklisted by any and all lenders.

To mitigate this risk, IDC is vigilantly committed to protect its good credit standing with all its bank partners. It ensures that its liquid assets are not impaired and are able to service its maturing debts. The Company manages its loan exposure and cash flow effectively by maintaining a debt to equity ratio not exceeding 70:30. Furthermore, it conducts close monitoring of its loans repayment schedule to determine its maturing loans when it falls due.

Availability of financing to acquire new land at favorable terms and interest rates

The Company sources long term financing to acquire new land for future development. There is no assurance that the Company can continue to raise additional financing at favorable terms to support its future growth plans. Furthermore, obtaining additional debt funding may result in an increase in the Company's debt ratios, which could materially and negatively affect its existing debt covenants and obligations.

To mitigate this risk, the Company practices prudence in identifying new lands for future acquisitions. The Company targets to acquire new lands that are situated in emerging growth towns and cities with available transportation, infrastructure and communication facilities, and essential services in order to increase the likelihood of the land being an acceptable collateral for future financing. Before funding is committed to acquire new land, an initial market assessment is done to establish the commercial prospects of the location. Additionally, the Company pursues phased developments of its projects.

Higher inflation and Interest rates

Fluctuations in interest rates could negatively affect the margins of the Company with respect to sales and receivables and could hinder the Company's ability to avail new debt on favorable terms, or at all. Higher interest rates also affect the Company's ability to repay debt obligations. Additionally, higher interest rate levels also affect the affordability and desirability of the Company's condominium units as several of the Company's customers obtain some form of financing for their real estate purchases.

Higher inflation rates negatively affect the general population's purchasing power, which could limit the prospective clientele of the Company.

To manage the risk on interest rates, IDC is prudent in availing loans from banks for both its short term and long-term obligations to ensure that its gearing or debt to equity ratio is within or even lower than the standard set by banks. IDC also regularly monitors movements in interest rate levels and compares the rates on loans offered by banks and negotiates for the lowest possible interest rate on its loans as necessary.

To mitigate the risk on inflation, the Company may implement flexible payment terms, discounts, and creative promotional strategies to its customers.

Volatility of the Value of Philippine Peso against the US Dollar and other Currencies

Historically, the Philippines has experienced volatility in the exchange rate between the Philippine peso and the USD, as well as against other currencies. In Sept. 10, 2018, the Philippine Peso to US Dollar exchange rate closed at 54.30 : 1, its highest level since 2005. Fluctuations in foreign exchange rates may negatively impact Philippine consumers' purchasing power or preferences, which could affect the Company's financial condition and results of operations.

Other than the increase in prices of services, imported materials and equipment including furniture and fixtures purchased by the Company, the Company is not significantly affected by exchange rate fluctuations since its obligations are not denominated in US dollars or any foreign currency. If and when the peso depreciates against the US Dollar or other foreign currencies, the effect is favorable to buyers of its residential units, including OFWs, who are earn in dollar- or other foreign-denominated currencies.

Approval of permits and other regulatory licenses necessary for the business

Before any real estate development project can commence in the Philippines, it is required that all permits and licenses are secured from and approved by regulatory agencies such as DENR for the Environmental Clearance Certificate, Barangay Council for the Barangay Clearance, LGU for the City/Town Zoning and Locational Clearance, HLURB for the Development Permit, Certificate of Registration and License to Sell, Office of Building Official for the Building Permit, Electrical, Fire and Sanitary permits etc. Securing all the required permits and licenses takes about 8-12 months. Any delays in securing such permits and licenses or worse, disapproval of the concerned regulatory or government agencies may result to substantial delays or even a complete halt in the development of the Company's projects.

To manage this risk, IDC ensures that it complies with all the requirements of the regulatory agencies and sees to it that the documents are complete. The Company assigns personnel who are knowledgeable about the regulatory application and approval process.

No assurance of successful implementation of business plans and strategies

The plans and strategies of the Company may not yield the expected results. As a real estate developer, the Company's success is supported by its ability to continuously develop a portfolio of winning project developments. Having the first-mover advantage by pursuing project developments in up and coming cities, where other real estate developers do not yet have a significant presence is also a core part of the Company's strategies. There can be no assurance that all its project developments will be successful or that the market in the target locations will be receptive or sufficiently-sized to sustain the proposed projects.

To mitigate this risk, regular meetings will be conducted by the Board of Directors and of management in order to ensure that the plans and strategies are aligned and being enforced, and remains realistic. The Company also continuously researches and re-assesses market patterns in its target locations.

Risk associated with its in-house financing activities, including the risk of customer default

The Company extends in-house financing as one of the modalities given to the buyer to purchase a residential unit. Based on IDC's historical sales performance, buyers who purchase units through in-

house financing comprise less than 10% of total units sold. With the provision of in-house financing, the Company faces risks of delayed payments and/or customer default or non-payment of monthly amortizations.

To mitigate this risk, the Company's sales and documentation personnel screen and pre-qualify buyers of residential units on an in-house financing basis. The screening and pre-qualifying process involves an assessment of the buyers' capacity based on income and verification of documents such as employment, billing address, marital status as well as business conditions for those that are self-employed or have businesses. As a policy, the company also requires its buyers to issue post-dated checks for the entire approved amortization period, which ensures timely collection of receivables. Furthermore, IDC has strengthened its Contract to Sell with clear and specific provisions pertaining to events like default and penalties for delayed payments. In the event of default or any non-compliance to the contract, IDC may cancel and rescind the sale after giving the buyer due notice. To date, IDC's customer default rates stand at less than 4% of total units sold.

Substantial sale cancellation

As a developer and seller of residential real estate, the Company's business, financial condition and results of operations could be adversely affected in the event of a material number of sales cancellations. Cancelled sales occur when the buyer, after paying the fee to reserve the unit, no longer wishes to continue to purchase the unit or, in some instances, is unable to continue to pay monthly equity amortizations.

While the Company historically has not experienced a material number of cancellations, there can be no assurance that it will not experience a material number of cancellations in the future. The Company is subject to Republic Act No. 6552 (the "Maceda Law"), which applies to all transactions or contracts involving the sale or financing of real estate through installment payments, including residential condominium units and horizontal residential units.

To mitigate this risk, IDC conducts customer screenings and evaluates buyers' capacity to pay for condominium units based on their income before concluding sales transactions. In addition, it also conducts financial literacy orientation for its buyers. In the event of sales cancellation, the cancelled unit is immediately returned to inventory and reopened for sale to interested buyers. In more than ten (10) years of operations, IDC has been fortunate that sales cancellation is consistently very minimal (ie. less than 6% of total sold units).

Reputational risk of directors and officers of the company

Reputational risk is the potential loss to financial, capital, social and/or market share resulting from damages to a firm's reputation. This is often measured in lost revenue, increased operating, capital or regulatory costs or destruction of shareholder value. This risk involves the directors, officers, and control persons of the Company, most of whom are connected with other public and/or private companies. There is no assurance that any of the Company's directors, officers, and major shareholders will not be involved in future litigation or other disputes, the results of which may materially and adversely impact the public perception on the Company.

To manage this risk, IDC ensures that its directors and officers surpass the minimum standards of character, professionalism, integrity and competence. The Company screens and validates the profile of its directors and officers to ensure they were not convicted of any administrative or criminal cases.

Shortage in the supply of qualified and skilled technical personnel in the real estate industry

IDC engages triple AAA licensed contractors who are responsible for undertaking the construction of its projects. These contractors which are accountable to perform specific contract works such as structural, electrical, mechanical and plumbing and sanitary works, maintain a pool of qualified and skilled personnel at any time and are fully committed to comply with the manpower requirements of the project. In addition, IDC maintains an in-house architect and engineering team and outsourced consultants who are responsible for IDC's project management and design. Thus, this risk has minimal effects on IDC's real estate projects.

Information security risks

Cybersecurity threats to information security such as computer software attacks (i.e attack by computer viruses/ malware, phishing, hackers etc.) intellectual property theft, identity theft, equipment or information theft can negatively affect any business and may result to property losses, business interruption, employee injuries and liability losses among others.

To mitigate these risks, the Company uses remote data backups and installed virus/malware scanning for email attachments. It also educates its employees to be careful in handling sensitive and confidential information. Only authorized employees are provided access to important financial records. The Company also complies with the law governing the data privacy act.

Inherent risks

Some risks are inherent to the real estate or property business such as damage to property resulting from as natural disasters, fire, damage by tenants and robbery or vandalism. The unpredictable nature of the housing market also affects sales which in turn, affects the Company's liquidity.

To mitigate these risks, the Company obtains comprehensive liability insurance for its projects which covers perils such as fire and natural disasters, accidents, theft and robbery. IDC also employs 24/7 security detail to safeguard its property and its real estate projects.

While there is no way to control the impact of an unpredictable housing market, IDC mitigates the associated risks by knowing and understanding its target market's needs. The Company continues its endeavor to offer the right product, at the right price and at the right location to successfully capture and retain its customers.

Dependence on Key Personnel

Considering that the present management team is limited while the Company is still in a growth stage, there may be a risk of over dependence on its key personnel which may pose challenges in the event of resignation, retirement, or termination. To mitigate this risk, the Company continually structures its remuneration practices in order to reward loyalty and longevity among deserving personnel. The Company also intends to recruit, train, and reward its current and future employees to promote organic growth and continuity. Furthermore, the key personnel are major stockholders of the Company.

Delay or failure to acquire equipment or furniture and fixtures

The occurrence of this risk may be due to the negligence of management to anticipate the essential equipment or furniture and fixtures needed by its project. Should it not be able to provide the specific equipment or furniture and fixtures that it has committed to provide in its real estate projects, its branding and reputation may be negatively affected.

To manage this risk, the Company identifies equipment or furniture and fixtures that are planned to be procured and or installed well ahead of time. It also maintains several accredited suppliers for its equipment and furniture and fixture requirements. In the worst-case scenario that the particular equipment or furniture and fixture is unavailable locally, it has the option to source from suppliers abroad or replace this equipment with similar types that are readily available on the local market.

Titles over land owned by the Company may be contested by third parties

While land ownership is proven by land titles, it is not uncommon in the Philippines to have third party claimants. To mitigate the risk, the Company conducts comprehensive due diligence and extensive title searches before it acquires any parcel of land to ensure that it secures a clean title and absolute ownership of a property.

Domestic asset price bubble

In the event of an asset bubble in the real estate industry, prices of real estate assets become remarkably higher than their actual value. To mitigate this risk, the Company's maintains its core strategy of focusing on underserved markets, away from main cities where the threat of an asset bubble is most significant. The Company also intends to continue developing its leasing businesses which are less exposed to the risk of an asset bubble. These businesses may include leasing, serviced apartments and tourist facilities which will generate a steady stream of recurring income.

Risk of Net Loss (Quarterly or Annually)

The Company may incur net losses as a result of its operations. To mitigate this risk, the Company closely measures its targets in both sales and expenses for better control and management to deliver the projected bottom line. Net losses may also be reflected in the quarterly income statement due to seasonality and booking of sales.

Contracts with Suppliers and/or Customers

The Company may be affected in case of irregularities in the application or outcomes of contractual agreements with suppliers and service providers. To mitigate this risk, the Company carefully screens the contracts of its suppliers and service providers in terms of scope of work, methodology, time table, deliverables, payment methods, warranties, and the like. The Company engages the most appropriate supplier and/or service provider, chosen by way of diligent negotiation on the Company's part, in order to protect the Company's interests. The Company also has a standard Contract to Sell for its customers, which is updated as needed in order to reasonably and appropriately protect the Company's interests, within Philippine law. The Company also receives legal advice from its legal counsel with regard to contracts.

Refinancing risk

Refinancing risk occur when a borrower cannot refinance by borrowing additional debt to repay its existing debt obligations. This risk increases during a rising interest rate environment which may cause IDC to experience difficulty in meeting higher interest payments on refinanced loans. To date, the Company has not had an occasion where it availed of refinancing. However, there is no assurance that the Company will not refinance its loans in the future.

To manage this risk, the Company sees to it that its loan obligations are up to date and maintains a very good credit score with all its partner banks.

Risk on Train Law/Train Act

The TRAIN Law aims to reform the tax package on land and property valuation by simplifying the taxation process, appraise properties on regular basis and on an internationally accepted standard and lower the rate of transaction taxes on real estate properties. The law has both negative and positive effects on the real estate industry once a broader and more detailed provision on property valuation and taxes would be implemented in the third package.

Property developers such as IDC, if it plans to venture into socialized housing and low-cost housing development are expected to benefit from this law since it should make selling low-cost housing projects easier and more convenient to property seekers. Under the first package of TRAIN law which took effect on January 1, 2018, lots and house and lots (and other properties which are deemed residential) worth Php1,500,000 and Php 2.5 million below, respectively, are exempt from being levied a value-added tax.

There is also a tax relief on young professionals who comprise as much as 47% of the country's labor force who are renting or leasing P15,000 a month for apartments or condo units near their workplace for easier accessibility, comfort and convenience. They are to benefit from VAT exemption as well as removal of VAT on association dues for condominiums. This incentive in turn will increase the demand for apartments and condo units near the work place which can help decongest traffic in the cities.

On the other hand, the law increased the documentary stamp tax which increased the cost of transactions and in doing business. Additionally, the value-added tax of 12% imposed on residential units for sale worth P2.5 million and above, increased the total contract price which in turn makes selling these properties more challenging.

To manage the negative effects of the TRAIN law as it concerns the real estate industry, IDC would have to re-position its mixed-use condominium projects with more studio units which will be offered at an affordable price to the middle and higher- income market. Moreover, these affordable residential condo units costing up to PhP2.5 million can be packaged as attractive investments for lease to or owned by the young professional workforce. IDC may also consider to venture into the low-cost housing market to benefit from the tax incentives under the TRAIN law.

Occurrence of natural and other catastrophes

The Philippines has experienced a significant number of major natural catastrophes over the years, including typhoons, volcanic eruptions, earthquakes, storm surges, mudslides, fires, droughts, and floods. Natural catastrophes will continue to affect the Philippines and may negatively affect the Company's real estate projects.

IDC sees to it that its design and technical plans are compliant at the minimum with the specifications and standards of the national and local building code. IDC's contractors are required to strictly enforce all safety and security measures in the construction of its projects. It is also a mandatory requirement to have a contractor's all risk insurance to cover all risks that may occur during construction. The Company also has a comprehensive liability insurance for its properties covering all perils such as earthquake, fire, flood including personal and group liability coverage on accidents, death, theft and robbery.

Nevertheless, there is no assurance that the insurance coverage that the Company maintains for these risks will adequately compensate for all damages and economic losses resulting from natural calamities. Such losses could materially and adversely affect the Company's business, financial condition and results of operations. The Company mitigates this risk through the geographic diversity of its projects, thereby minimizing the impact of a potential natural catastrophe. The Company's projects are also located in relatively less flood-prone areas.

A portion of demand for the Company's products is from foreign buyers, which exposes the Company to risks relating to the performance of the economies of the countries where these potential customers are located.

Foreign buyers generate a portion of the demand for the Company's housing and land development projects. A number of factors could lead to a reduction in the number of foreign buyers or a reduction in the purchasing power of foreign buyers, among other effects. These include:

- an appreciation of the Philippine peso, which would result in the decreased value of the other currencies transmitted by foreign buyers relative to the Philippine peso;
- difficulties in the transmittal of funds;
- a downturn in the economic performance of the countries and regions where a significant number of these potential customers and supporters are located;
- the imposition of restrictions by the Government on the acquisition of condominium units by foreign citizens

Properties

The Company owns several real estate properties as described below. The Company has under its name the land titles for the project Primavera Residences and Primavera City Phase 1 and Phase 2, all located in Bgy. Upper Carmen, Cagayan de Oro City. Also, the land title of Miramonti Phase 1 located at Bgy. San Rafael, Sto. Tomas, Batangas is already in the name of IDC.

With regards to the other lots allotted for Primavera City Phases 3 and 4, the company has entered into Contracts to Sell for Lots 1, 2 and 3 with PODC. Under the Contracts to Sell for Lots 1, 2 and 3, the respective titles will be transferred to the Company pending the completion of the amortization of payments. As of June 30, 2020, amount of outstanding balance for Lot 1, 2, and 3 are PhP8.40 million, PhP11.35 million, and PhP11.64 million, respectively. For the site of Miramonti Phase 2 lot in Sto. Tomas, the property is under the name of RFM Science Park of the Philippines, Inc. but with an Agreement with right of first refusal. The Company also owns two intellectual property rights in its favor, which are registered with the Intellectual Property Office of the Philippines.

REAL PROPERTIES

Primavera Residences

The land for Primavera Residences Tower A is a 1,125 square meter property with TCT number 137-2011000850, located at Barangay of Upper Carmen Cagayan de Oro City, Island of Mindanao, Philippines. This property was acquired from PODC at a total contract price of PHP13,227,213.00 which was fully paid last 26 January 2011. This title was used to secure the Company's development loan with LandBank. The liens and encumbrances on the land has been cancelled since the development loan with Land bank has been fully paid on March, 2015.

The land for Primavera Residences Tower B is a 1,126 square meter property with TCT number 137-2013000753, located at Barangay of Upper Carmen Cagayan de Oro City, Island of Mindanao, Philippines. This property was acquired from PODC at a total contract price of PHP13,238,970.21, which was fully paid last 08 February 2013. Said title was used to secure the Company's developmental loan with Bank of Philippine Islands (BPI). The liens and encumbrances on the land has been cancelled since the development loan with BPI has been fully paid on April 2017.

The Primavera Residences Tower A and B has been finished and delivered.

Primavera City

The land for Primavera City project Phases 1, 2, 3 and 4 consists of seven (7) lots with a total area of 6,558 square meters. The property is located at Macapagal corner Masterson Avenue, Pueblo de Oro Business Park, Bgy. Upper Carmen, Cagayan de Oro City, Island of Mindanao under the name of PODC. Contracts to Sell have been entered into by the Company for three lots covering 2,810 sqm. (lots 1, 2, and 3). The land for lots 4, 5, 6 and 7, allocated as the site for Primavera City Phase 1 – Towers A and B and Primavera City Phase 2, has been fully paid by IDC and the title is already under the name of Itaipinas Development Corporation.

The land for Primavera City Tower A is a 937 square meter property pertaining to Lot 7, Block 20 with TCT number 137-2016001714 in the name of IDC has been issued by the Registry of Deeds on April 8, 2018. Similarly, the land title for Primavera City Tower B is a 937 square meter property pertaining to Lot 6, Block 20 with TCT number 137-2016001800 has been issued by ROD on April 8, 2016. Both properties are located at Barangay of Upper Carmen Cagayan de Oro City, Island of Mindanao, Philippines. The two properties were acquired from PODC at a total contract price of PHP24,616,208.10.

The lands for Primavera City Phase 2 composed of 1,874 square meter properties pertaining to Lot 5, Block 20 and Lot 4, Block 20 with TCT numbers 137-2020001209 and 137-2020000889, respectively, in the name of IDC. These properties are located at Barangay of Upper Carmen Cagayan de Oro City, Island of Mindanao, Philippines. The two properties were acquired from PODC at a total contract price of PHP33,475,693.

Primavera City is a complex of mixed-use residential and commercial buildings composed of seven (7) towers. The construction will be divided into four (4) phases, of which, Primavera City Phase 1 was almost fully completed by the end of March 2020 while Primavera City Phase 2 started construction in 4Q 2019. The total construction cost of Primavera City Phase 1 is partially financed by a P350 million development loan from the Development Bank of the Philippines ("DBP"), collateralized by lot 6 and 7 with CTC numbers 137-2016001714 and 137-2016001800.

Miramonti

The total land area for the Miramonti project which is to be developed in two phases is a 7,404 square meter commercial/residential property located at Millenium Drive, Light Industry Science Park III, San Rafael, Municipality of Sto. Tomas, Province of Batangas.

The land identified as Lot 1-A-3 allocated for the Miramonti Phase 1 comprising of 2,057 square meters has been fully paid by IDC. The title bearing TCT No. 056-2017001498 has been transferred in favor of IDC by Register of Deeds, Tanauan on March 23, 2017. The land was acquired from RFM.

The second commercial/residential lot with an area of 5,347 square meters identified as Lot 1 of Block 3A will be the site of the prospective Miramonti Phase 2. The company has a right of first refusal over this lot with the land owner, RFM. The company is currently in process of securing the Contract to Sell on this property subject to final arrangements on the sale with the owner.

INTELLECTUAL PROPERTY

The Company owns Intellectual Properties which it registered with the Intellectual Property Office of the Philippines. Below is a summary of the marks registered under the Company:

TRADEMARK	Registration	Term
 <p>ITC ITALPINAS DEVELOPMENT CORPORATION</p>	Registration No. 4/2015/00504687 25 Aug 2016	10 years Until 25 Aug 2026
 <p>IDC</p>	Registration No. 4/2016/00503037 10 Nov 2016	10 years 10 Nov 2026
<p><i>Move into Italian style</i></p> <p>Move into Italian Style</p>	Registration No. 4/2016/00502899 10 Nov 2016	10 years 10 Nov 2026
<p>Living by design</p> <p>Living by Design</p>	Registration No. 4/2015/00504770 22 Sep 2016	10 years 22 Sep 2026

 <p>Primavera Residences in CDO</p>	<p>Registration No. 4/2017/00016019</p> <p>10 October 2019</p>	<p>10 years</p> <p>10 Oct 2029</p>
 <p>Primavera City</p>	<p>Registration No. 4/2016/00502079</p> <p>22 Sep 2016</p>	<p>10 years</p> <p>22 Sep 2026</p>
 <p>Città Verde @ City Primavera Move into Italian style</p> <p>Città Verde @ Primavera City Move Into Italian Style</p>	<p>Registration No. 4/2019/00004367</p> <p>24 October 2019</p>	<p>10 years</p> <p>24 Oct 2029</p>
 <p>Città Bella @ City Primavera Move into Italian style</p> <p>Città Bella @ Primavera City Move Into Italian Style</p>	<p>Registration No. 4/2019/00004369</p> <p>10 January 2020</p>	<p>10 years</p> <p>10 Jan 2030</p>
 <p>Città Grande @ City Primavera Move into Italian style</p> <p>Città Grande @ Primavera City Move Into Italian Style</p>	<p>Registration No. 4/2019/00004366</p> <p>24 October 2019</p>	<p>10 years</p> <p>24 Oct 2029</p>

 <p>Città Alta @ City Primavera Move into Italian style</p> <p>Citta' Alta @ Primavera City Move Into Italian Style</p>	<p>Registration No. 4/2019/00004368</p> <p>24 October 2019</p>	<p>10 years</p> <p>24 Oct 2029</p>
 <p>MIRAMONTI STO. TOMAS BATANGAS</p> <p>Miramonti</p>	<p>Registration No. 4/2017/00004603</p> <p>14 Sep 2017</p>	<p>10 years</p> <p>14 Sep 2027</p>

LEASED PROPERTY

The Company uses a 189 square meter office space located at Unit 28C BPI Philamlife Building, 6811 Ayala Ave., Makati City, as its head office. This property is owned by Terrace 28 Corporation. The lease is for a duration of three (3) years until February 2021 with option to renew 60 days prior to the expiry of the lease contract.

FUTURE PROSPECTS

As discussed previously, through a combination of qualitative and quantitative market studies, the Company has identified potential areas for its future developments in Southern Luzon & Visayas.

KEY PERFORMANCE INDICATORS

CURRENT RATIO

This is computed as current assets divided by current liabilities. It is a liquidity ratio that measures a company's ability to pay its short-term liabilities with its current assets.

SOLVENCY RATIO

This is derived through dividing total assets by total liabilities.

DEBT-TO-EQUITY RATIO

This is measured as the ratio of total liabilities divided by the total equity attributable to equity holders of the parent company. It is a debt ratio used to measure a company's financial leverage. It indicates how much debt a company is using to finance its assets relative to the amount of value represented in shareholders' equity.

EQUITY MULTIPLIER

This is derived by dividing total assets by total stockholders' equity. It is a financial leverage ratio that measures the amount of assets that are financed by shareholders. It provides a comparison of the Company's total assets with the total shareholders' equity.

INTEREST RATE COVERAGE RATIO

This is computed by dividing the earnings before interest and taxes by the interest expense. It is a financial ratio that shows the Company's ability to sufficiently service interest payments on its existing debt.

GROSS PROFIT RATE

This is gross profit as a percentage of revenue. It reveals the core profitability of a company before overhead costs.

	June 30, 2020	December 31, 2019
Current / Liquidity Ratio		
Current Ratio	2.49	2.26
Solvency Ratio / Debt-to-Equity Ratio		
Debt-to-equity Ratio	1.53	1.67
Asset-to-Equity Ratio		
Equity Multiplier	2.53	2.67
	June 30, 2020	December 31, 2019
Interest Rate Coverage Ratio		
Interest Cover	3.27	9.00
Profitability Ratios		
Gross Profit Rate	0.38	0.56
	June 30, 2020	December 31, 2019
Other Ratios		
Basic Earnings per Share	0.08	0.56
Diluted Earnings per Share	0.08	0.56

FINANCIAL AND RESULTS OF OPERATIONS

2nd Quarter 2020 Financial Condition

As of June 30, 2020, the Company had total assets of Php1,874,240,693 composed primarily of receivables from sale of condominium units, Real Estate for Sale and Investment Properties.

The Company remains liquid with Current Assets amounting to Php1,594,956,425 as against its Current Liabilities of Php641,702,059.

Real Estate for Sale represents costs incurred for on-going project, Primavera City phase 2 and Miramonti Phase 1.

To further fuel its growth, the Company acquired development loans for each project as follows:

Landbank of the Philippines – Primavera Residences Tower A
Bank of the Philippine Islands – Primavera Residences Tower B
Development Bank of the Philippines – Primavera City Phase 1 Towers A&B

Landbank of the Philippines – Miramonti Phase 1

Debt-to-Equity ratio is 1.53 in June 30, 2020.

As of June 30, 2020, the Company's equity increased by 4.98% brought about by its earnings for the first half of 2020.

Financial Condition as at 30 June 2020 compared to as at 31 December 2019

14.99% Increase in Cash

Increase in cash was due to collections of client's balances through end-user bank financing.

0.41% Decrease in Receivables

Collections of account balances through end-user bank financing caused the decrease in receivables.

5.21% Decrease in Real Estate Inventory

Despite the pandemic, IDC was able to sell 80 units from its Primavera City phase 2 project which caused the decrease in real estate inventories.

5.89% Increase in Prepayments and Other Current Assets

Prepayments and Other Current Assets increased due to accumulation of additional creditable withholding taxes.

12.55% Decrease in Property and Equipment

Depreciation brought about the decrease in Property and Equipment.

2.55% Decrease in Other Non-Current Assets

There was a refund of security deposit which caused the decrease in Other Non-Current Assets.

12.82% Decrease in Trade and Other Payables

Payment to contractors brought about the decrease in Trade and Other Payables.

2.22% Increase in Borrowings

Tranche releases of development loans increased the borrowings.

0.75% decrease in advances from related parties

Payment of advances to and from related parties brought about the 0.75% decrease.

10.58% Increase in Retained Earnings

The company earned Php35,209,220 for the period which brought about the increase in Retained Earnings.

2nd Quarter 2020 Results of Operation

IDC reported a net income of Php35,209,220 as of the 2nd quarter of 2020.

Results of Operation as at 30 June 2020 compared to as at 30 June 2019

36.08% Increase in Real Estate Sales

Despite the pandemic, IDC was able to sell 80 units from its Primavera City phase 2 project which brought about the increase.

84.00% Increase in Cost of Sales

Increase in Cost of Sales was due to increased sales and percentage of construction completion.

18.44% Decrease in General and Administrative Expenses

Despite the expansion in its operations due to increasing number of projects, the Company is continuously implementing measures to cut-cost. Further, there was a decrease in fixed overhead brought about by the COVID period.

203.63% Increase in Finance Income

This pertains to interest income earned out of sales through In-House Financing scheme of payment which increased due to conversion of some accounts from Bank Financing Scheme to In-House Financing Scheme.

14.28% Decrease in Finance Costs

These pertain to bank interests which decreased due to moratorium extended by the banks during the COVID period.

38.31% decrease in other operating income

Forfeiture of collections from cancelled sales were more than in 2019 compared to 2020 which caused the decrease.

PART II--OTHER INFORMATION

1. Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:

Not applicable.

2. Description of material commitments and general purpose of such commitments. Material off-balance sheet transactions, arrangements, obligations and other relationships with unconsolidated entities or other person created during the period:

The Company has not entered into any material commitments as of June 30, 2020 nor has it entered into any material off-balance sheet transactions, arrangements, obligations and other relationships with unconsolidated entities or other persons created during the applicable period.

3. Any significant elements of income or loss that did not arise from registrant's continuing operations:

Not applicable.

4. Seasonal aspects that have a material effect on the FS:

No seasonal aspects that have a material effect on the financial statements.

MAJOR STOCKHOLDERS

The following are the major stockholders of Itaipinas Development Corporation as of 30 June 2020:

Stockholders	No. of Shares	Percentage
Jose D. Leviste III	139,867,538	32.21%
Romolo V. Nati	108,499,803	24.99%

SUBSIDIARIES

LBD Mindanao Corporation

LBD Mindanao Corporation, a wholly-owned subsidiary of the Company, was incorporated last 19 August 2019 in order to streamline the Company's operations in Mindanao.

LBD Luzon Corporation

LBD Luzon Corporation, a wholly-owned subsidiary of the Company, was incorporated last 19 August 2019 in order to streamline the Company's operations in Luzon.

The Company's subsidiaries have not operated as of June 30, 2020.

AFFILIATES

Constellation Energy Corporation

In line with its commitment to sustainable development, the Company also holds a 25% equity stake in Constellation Energy Corporation ("Constellation" or "CEC"), providing it with strategic exposure to growth in the renewable energy industry and the Philippines' increasing demand for power. Constellation is engaged in the development of renewable energy facilities to provide clean energy to Philippine grids.

Damiani Property Management and Services

Damiani Property Management and Services was incorporated on 27 April 2016. Its primary purpose is to operate, hold, or provide partial or full-service management and maintenance of real estate businesses. IDC's Chairman and CEO, Romolo V. Nati, owns 25% of outstanding shares of Damiani.

BOARD OF DIRECTORS

As of 30 June 2020, the members of the Board of Directors of the Company are:

Name	Position
Romolo Nati	Chairman/CEO
Jose D. Leviste III	Director/President
Shennan A. Sy	Director
Dionisio A. Tejero	Director
Jose Fidel R. Acuna	Director
Jose G. Araullo	Independent Director
Rafael A. Dominguez	Independent Director
Christine P. Base	Director/Corporate Secretary
Elvira Ablaza	Director

Key Management

As of June 30, 2020, the members of the Company's key management team are as follows:

Name	Position
Romolo V. Nati	Chairman/CEO
Jose D. Leviste III	President
Atty. Shennan A. Sy	Treasurer
Atty. Christine P. Base	Corporate Secretary
Harold J. Dacumos	VP for Banking and Business Development
Mary Ann B. Lopez	VP for Finance and Administration
Giuseppe Garofalo	Project Director – Design and Engineering
Gladys M. Echano	Sales Director – Primavera Sales Office

SIGNATURES

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

Registrant ITALPINAS DEVELOPMENT CORPORATION



JOSE D. LEVISTE III
President



MARY ANN B. LOPEZ
Vice President, Finance & Administration

Signed this 3rd day of August 2020.