

SEC Number:
File Number:

ROCKWELL LAND CORPORATION

(Company's Full Name)

**2nd Floor 8 Rockwell, Hidalgo Drive,
Rockwell Center, Makati City 1200**

(Company's Address)

(632) 7793-0088

(Telephone Number)

June 30, 2024

(Quarter Ending)

SEC Form 17-Q Quarterly Report

(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**

- For the quarterly period ended **June 30, 2024**
- Commission Identification Number **62893**
- BIR Tax Identification Number **004-710-062-000**
- Exact name of issuer as specified in its charter: **ROCKWELL LAND CORPORATION**
- Province, country or other jurisdiction of incorporation or organization: **Philippines**
- Industry Classification Code: _____ (SEC Use Only)
- Address of issuer's principal office and postal code:
2F , 8 Rockwell, Hidalgo Drive, Rockwell Center, Makati City 1200
 - Issuer's telephone number, including area code: **(632) 7793-0088**
- Former name, former address, former fiscal year, if changes since last report:
The Garage at Rockwell Center, Estrella St. Makati City 1200
- Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of each class</u>	<u>Number of shares issued and outstanding</u>
Common shares	6,116,762,198

Amount of Debt Outstanding
Php28,457,524,741 (as of June 30, 2024)

- Are any or all of the securities listed on a Stock Exchange?
Yes [] No []

Stock Exchange: **Philippine Stock Exchange**
Securities Listed: **Common shares**

- 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 []

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Millions)

	June 30, 2024	December 31, 2023
	Unaudited	Audited
ASSETS		
Current Assets		
Cash and cash equivalents	₱3,666	₱4,251
Trade and other receivables	1,260	1,127
Contract asset	9,069	9,238
Real estate inventories	28,245	24,411
Advances to contractors	2,439	2,000
Other current assets	4,442	3,838
Total Current Assets	48,920	44,866
Noncurrent Assets		
Investment properties – net	15,538	14,624
Property and equipment – net	2,641	2,649
Investment in joint venture and associate	5,045	5,727
Contract asset – net of current portion	6,485	6,111
Investment in equity instruments at FVOCI	62	62
Deferred tax assets	109	59
Other noncurrent assets	721	500
Total Noncurrent Assets	30,602	29,731
Total Assets	₱79,522	₱74,597
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	₱9,712	₱9,891
Current portion of interest-bearing loans and borrowings	2,808	2,812
Subscription Payable	366	367
Total Current Liabilities	12,886	13,071
Noncurrent Liabilities		
Interest-bearing loans and borrowings - net of current portion	25,649	23,032
Subscription payable – net of current portion	2,182	2,355
Deferred tax liabilities	1,363	1,219
Lease liability	677	664
Pension liability – net	132	85
Deposits and other liabilities	2,089	1,876
Total Noncurrent Liabilities	32,093	29,231
Total Liabilities	₱44,979	₱42,302
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	6,271	6,271
Additional paid-in capital	28	28
Other comprehensive income	46	46
Other equity adjustments	540	540
Share-based payments	70	70
Retained earnings		
Appropriated	14,700	14,700
Unappropriated	7,417	6,531
	29,072	28,186
Less cost of treasury shares	(185)	(185)
Total Equity Attributable to Equity Holders of the Parent Company	28,887	28,000
Non-controlling interests	5,656	4,295
Total Equity	₱34,543	₱32,295
Total Liabilities and Equity	₱79,522	₱74,597

See accompanying Notes to Financial Statements

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amount in Millions)

	<u>2024 Unaudited</u>		<u>2023 Unaudited</u>	
	<u>April 1 to June 30</u>	<u>January 1 to June 30</u>	<u>April 1 to June 30</u>	<u>January 1 to June 30</u>
REVENUE				
Sale of real estate	₱3,670	₱6,126	₱2,999	₱5,158
Interest income	77	371	547	1,005
Lease income	611	1,201	565	1,103
Others	649	1,186	528	1,026
	5,007	8,884	4,639	8,292
EXPENSES				
Cost of real estate	2,037	3,897	2,135	3,963
General and administrative expenses	619	1,205	589	1,064
Selling expenses	371	644	282	530
	3,027	5,746	3,006	5,557
INCOME BEFORE OTHER INCOME (EXPENSES)	1,980	3,138	1,633	2,735
OTHER INCOME (EXPENSES)				
Interest expense	(425)	(827)	(398)	(749)
Share in net income of joint venture	87	194	106	207
Foreign exchange gain - net	18	5	5	(1)
Gain on bargain purchase		130	-	-
Gain on remeasurement of previously held interest		16	-	-
	(320)	(483)	(287)	(543)
INCOME BEFORE INCOME TAX	1,660	2,655	1,346	2,192
PROVISION FOR INCOME TAX	(385)	(565)	(297)	(488)
NET INCOME	1,275	2,090	1,049	1,704
OTHER COMPREHENSIVE INCOME	20	(8)	-	-
TOTAL COMPREHENSIVE INCOME	1,295	2,082	1,049	1,704
Net Income Attributable to:				
Equity holders of the Parent Company	1,213	1,947	959	1,559
Non-controlling Interests	62	143	90	145
TOTAL	1,275	2,090	1,049	1,704
Total Comprehensive Income Attributable to:				
Equity holders of Rockwell Land Corporation	1,233	1,939	959	1,559
Non-controlling Interests	62	143	90	145
TOTAL	1,295	2,082	1,049	1,704
Basic/Diluted Earnings per Share (Note 8)	0.20	0.32	0.16	0.25

See accompanying Notes to Financial Statements.

ROCKWELL LAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Millions)

	Equity Attributable to Equity Holders of the Parent Company									Equity Attributable to Non-Controlling Interests	Total Equity
	Capital Stock	Additional Paid-in Capital	Other comprehensive income	Other Equity Adjustments	Share-based Payments Plan	Retained Earnings		Treasury Shares	Total		
						Appropriated	Unappropriated				
At December 31, 2023 (Audited)	6,271	28	46	540	70	14,700	6,531	(185)	28,001	4,295	32,295
Adjustment due to adoption of Significant Financing Component							(1,068)		(1,068)		(1,068)
As restated, January 1, 2024	6,217	28	46	540	70	14,700	5,463	(185)	26,932	4,295	31,227
Net income							1,947		1,947	143	2,090
Other comprehensive income (loss)							7		7		7
Total comprehensive income for the year	-	-	-	-	-	-	1,955	-	1,955	143	2,098
Cash Dividends											
Subsidiary's payment of dividends to NCI										(40)	(40)
Subsidiary's purchase of preferred shares from NCI											
Acquisition of non-controlling interest										1,259	1,259
At June 30, 2024 (Unaudited)	6,271	28	46	540	70	14,700	7,417	(185)	28,887	5,656	34,543
At December 31, 2022 (Audited)	6,271	28	21	540	70	11,700	6,974	(185)	25,419	2,144	27,563
Net income							1,559		1,559	145	1,704
Other comprehensive income (loss)							-		-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	1,559		1,559	145	1,704
Subsidiary's payment of dividends to NCI										(103)	(103)
Subsidiary's purchase of preferred shares from NCI										(110)	(110)
At June 30, 2023 (Unaudited)	6,271	28	21	540	70	11,700	8,533	(185)	26,978	2,076	29,054

ROCKWELL LAND CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENT OF CASH FLOWS**

(Amounts in Millions)

	January 1 to June 30	
	2024 Unaudited	2023 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P2,655	P2,192
Adjustments for:		
Interest income	(997)	(1,005)
Depreciation and amortization	411	393
Interest expense	819	750
Share in net income of joint venture	(194)	(207)
Pension costs	48	27
Operating income before working capital changes	2,742	2,150
Decrease (increase) in:		
Trade and other receivables	(176)	(127)
Contract assets	1,638	1,364
Real estate inventories	(3,677)	(779)
Advances to contractors	(138)	(38)
Other current assets	25	15
Increase (decrease) in:		
Trade and other payables	(1,733)	285
Increase in deposits and other liabilities	–	(821)
Net cash generated from operations	(1,318)	2,049
Income taxes paid	(622)	(552)
Interest paid	(816)	(703)
Net cash provided by operating activities	(2,757)	794
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property and equipment	(149)	(132)
Investment properties	(112)	(52)
Investment in joint venture	1	252
Interest received	82	92
Net cash used in investing activities	178	160
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Bank loans	(1,643)	(1,485)
Dividends	–	–
Advances to non-controlling interest	–	–
Subsidiary's redemption of preferred shares from non-controlling interest	60	(110)
Subsidiary's payment of dividends to non-controlling interests	(68)	(103)
Availments of loans and borrowings	4,000	3,500
Net cash provided by (used in) financing activities	2,348	1,802
EFFECT OF EXCHANGE RATE CHANGES ON CASH	1	–
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(586)	2,756
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,251	3,518
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P3,666	P6,274
<i>See accompanying Notes to Financial Statements</i>		

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Rockwell Land Corporation (“Rockwell Land” or “The Company” is incorporated in the Philippines and is engaged in real estate development and sale or lease of condominium and commercial units and lots. The Company’s corporate life is 50 years and can be extended for another 50 years on or within five years before the expiration of its term.

Effective April 18, 2017, the Parent Company’s principal office address changed from The Garage at Rockwell, Estrella St., Rockwell Center, Makati City to 2F 8 Rockwell, Hidalgo Drive, Rockwell Center, Makati City.

As of January 1, 2012, Rockwell Land was owned by Manila Electric Company (Meralco) (51%) and First Philippine Holdings Corporation (FPH) (49%). On February 27, 2012, the Board of Directors (BOD) of Meralco approved the declaration of its 51% ownership in the Company as a property dividend in favor of common stockholders of record as of March 23, 2012, except for foreign common shareholders who will be paid the cash equivalent of the property dividend. Consequently, the Company became a public company having more than 200 shareholders. The property dividend was paid on May 11, 2012 wherein FPH received property dividends from Meralco in the form of 125,079,016 common shares of the Company. On the same date, the Company acquired 126,620,146 common shares from Meralco, representing the foreign shareholders’ entitlement from the property dividend distribution, at ₱1.4637 per share. The Company was listed in the Philippine Stock Exchange (PSE) on May 11, 2012.

On June 28, 2012 and July 27, 2012, FPH purchased additional shares of the Company from Beacon Electric Asset Holdings, Inc. and San Miguel Corporation, respectively. As of June 30, 2024, FPH owns 86.58% of the Company.

Rockwell Integrated Property Services, Inc. (RIPSI), a wholly owned subsidiary of the Company, is incorporated in the Philippines to establish, own, manage, operate and carry on the business of maintaining and cleaning buildings and other facilities.

Rockwell Primaries Development Corporation (“Rockwell Primaries”, formerly Primaries Development Corporation) a wholly owned subsidiary of the Company, was incorporated last September 2012 to primarily cater to the broader market under a 2nd brand “Primaries”. The subsidiary envisions itself to be the preferred developer in terms of providing exceptional and quality living at a more affordable price.

Stonewell Development Corporation Inc., a wholly owned subsidiary of the Company, was incorporated on September 2012 to develop socialized housing for the Parent Company.

Rockwell Performing Arts Theater Corporation, formerly Primaries Properties Sales Specialist Inc., a wholly owned subsidiary of the Company, was incorporated on November 2012 and amended in March 2019, primarily to construct, establish, operate and maintain theaters and performance, conference, lecture, seminars and other forms of entertainment .

Rockwell Hotels & Leisure Management Corp. (Rockwell Hotels), a wholly owned subsidiary of the Company, was incorporated on June 2013 to manage and engage in the general business of hotel, resort, club, recreational center, apartment and other allied businesses.

Retailscapes Inc., a wholly owned subsidiary of the Company, was incorporated in November 2014 to develop and operate the pocket retail projects of the Company.

The Company entered into a Joint Venture Agreement with Mitsui Fudosan (Asia) Pte. Ltd. (Mitsui) to develop the residential component of its project in Quezon City called “the Arton by Rockwell”. In accordance with the Agreement, Rockwell MFA Corp. (RMFA) was incorporated on August 2017 by the Company and Mitsui through SEAI Metro Manila One, Inc. (MFAP) to handle the development of the Project. The primary purpose of RMFA is to acquire, purchase, lease, hold, sell, or otherwise deal in land and

real estate or any interest or right therein as well as real or personal property of every kind and description for itself or for others. The Company owns 80% interest of RMFA as at June 30, 2024.

In 2019, Rockwell Land Corporation (the Parent Company) entered a Joint Venture with Carmelray Property Holdings and San Ramon Holdings through Rockwell Carmelray Development Corporation (RCDC). As of June 30, 2024 the Parent Company holds 70.0% of the common and preferred shares of RCDC.

The Company also has 74.63% ownership in Rockwell Leisure Club Inc. (RLCI). RLCI is a non-profit premier leisure club created to complement Rockwell Land's exclusive lifestyle concept. Opened in December 1999, RLCI offers its resident members and proprietary shareholders a first-class social, sports and recreational facility within the Rockwell Center.

In November 6, 2020, the Company subscribed to 40% of the outstanding capital stock of Rockwell Nepo Development Corporation (RNDC), formerly Nepwell Property Management Inc. RNDC is a joint venture between the Company and T.G.N. Realty Corporation, which was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on February 20, 2019. The JV company is set to develop the 3.6 hectares of land in Angeles City, Pampanga into a mixed-use development with residential, commercial and retail components. On April 16, 2021, RNDC's BOD, during the special meeting, approved the redemption of 55,500,000 preferred shares from T.G.N. Realty Corporation, at the redemption price of ₱1.00 per share amounting to ₱55,000,000. On January 15, 2024, the Parent Company subscribed to an additional 1,488,253,578 shares from the unissued portion of the existing authorized capital stock of RNDC, consisting of 16,878,344 common shares and 1,471,375,234 redeemable preferred shares for an aggregate subscription price of ₱1,488.3 million. As a result, the Parent Company's ownership interest in RNDC increased to 65%.

In December 2021, the Company entered into a Joint Venture Agreement (JVA) with International Pharmaceuticals, Inc. (IPI) to jointly develop parcels of land in Cebu into residential condominiums and commercial, retail and office components through 8 Promoveo Land, Inc (PLI), and with the view of jointly preserving and continuing IPI's long-standing legacy in the market and the Company's brand of creating communities of unparalleled quality. The Company contributed P630.0 million in cash to the JV Co.as partial payment for the Company's subscription. On the same period, PLI filed its application with the SEC for the increase in authorized capital stock. The corresponding shares of the Company's first subscription shall be issued out of the said increase in authorized capital stock. On April 7, 2022, SEC approved the increase in authorized capital of PLI and in May 18, 2022, the Company subscribed to an additional 628,410,000 shares. On September 21, 2022, SEC approved change of company name to Rockwell IPI Development Corporation (RIDC). As of June 30, 2024 the Company owns 50% of RIDC.

Rockwell GMC Development Corporation (RGDC) is a joint venture between the Company and by the General Milling Corporation, which was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on June 19, 2023. Upon incorporation, the Company subscribe up to 4.1 billion redeemable preferred shares and 12 million common shares, equivalent to 60% of the business.

2. Summary of Significant Accounting and Financial Reporting Policies

Basis of Preparation

The accompanying consolidated financial statements of Rockwell Land and its subsidiaries (collectively referred to as the "Group") have been prepared on a historical cost basis, except investment in equity instruments at fair value through other comprehensive income (FVOCI) which have been measured at fair value. The consolidated financial statements are presented in Philippine Peso, which is the Parent Company's functional and presentation currency and all the values are rounded to the nearest millions, except when otherwise indicated.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting relief on the accounting for

significant financing components as issued and approved by the Securities and Exchange Commission (SEC) in response to the COVID-19 pandemic.

The Group has availed of the relief granted by the SEC under Memorandum Circular (MC) No. 34- 2020 which further extended the deferral of certain provisions of PIC Q&A 2018-12-D (assessment if the transaction price includes a significant financing component) until December 31, 2023.

SEC MC No. 4-2020 deferring the adoption of International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfers of Constructed Goods under PAS 23, Borrowing Cost (the IFRIC Agenda Decision on Borrowing Cost) and is not applicable to the Group as it is already in full compliance with the requirements of the IFRIC Agenda Decision.

PFRSs also includes Philippine Accounting Standards (PAS), including Philippine Interpretations based on equivalent interpretations of IFRIC issued by the Financial Reporting Standards Council (FRSC).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Parent Company controls an investee if, and only if, the Parent Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Parent Company has less than a majority of the voting or similar rights of an investee, the Parent Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Parent Company's voting rights and potential voting rights.

The Parent Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Parent Company's accounting policies. All intra-group assets and liabilities, equity, income and expenses and cash flows relating to transactions among members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Parent Company loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resulting gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Non-controlling interests represent the portion of profit or loss and net assets in the subsidiaries not held by the Parent Company and are presented in the profit or loss and within equity in the consolidated statements of financial position, separately from equity attributable to equity holders of the Parent Company.

The consolidated financial statements comprise of the financial statements of Rockwell Land and the following subsidiaries that it controls.

Subsidiaries	Nature of Business	Percentage of Ownership as of June 30, 2024
Rockwell Integrated Property Services, Inc.	Service provider	100%
Rockwell Primaries Development Corporation	Real estate development	100%
Stonewell Property Development Corporation	Real estate development	100%
Rockwell Performing Arts Theater Corporation (formerly Primaries Properties Sales Specialists Inc.)	Theatre management	100%
Rockwell Leisure Club Inc	Leisure club	74.63%
Rockwell Hotels & Leisure Management Corp	Hotel management	100%
Retailscapes Inc.	Commercial development	100%
Rockwell Primaries South Development Corporation (formerly ATR KimEng Land, Inc.)	Real estate development	100%
Rockwell MFA Corporation	Real estate development	80%
Rockwell GMC Development Corporation	Real estate development	60%
Rockwell Nepo Development Corporation	Real estate development	65%

All subsidiaries are incorporated in the Philippines.

The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies.

3. Changes in Accounting Policies and Disclosures

New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies, and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments to the Practice Statement provide non-mandatory guidance.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability’s classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed.

- Amendments to PAS 8, *Definition of Accounting Estimates*

The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.

The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023.

The amendment is currently not applicable to the Group.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

- PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 8, 2019, the SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020.

In November 2020, the PIC issued the following Q&As which provide additional guidance on the real estate industry issues covered by the above SEC deferrals:

- PIC Q&A 2020-04, which provides additional guidance on determining whether the transaction price includes a significant financing component
- PIC Q&A 2020-02, which provides additional guidance on determining which uninstalled materials should not be included in calculating the POC

On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023. A summary of the PIC Q&A provisions covered by the SEC deferral and the related deferral period follows:

	Deferral Period
a. Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)	Until December 31, 2023
b. Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023

The SEC Memorandum Circulars also provided the mandatory disclosure requirements should an entity decide to avail of any relief. Disclosures should include:

- The accounting policies applied.
- Discussion of the deferral of the subject implementation issues in the PIC Q&A.
- Qualitative discussion of the impact on the financial statements had the concerned application guidelines in the PIC Q&A been adopted.
- Should any of the deferral options result into a change in accounting policy (e.g., when an entity excludes land and/or uninstalled materials in the POC calculation under the previous standard but opted to include such components under the relief provided by the circular), such accounting change will have to be accounted for under PAS 8, i.e., retrospectively, together with the corresponding required quantitative disclosures.

After the deferral period, real estate companies have an accounting policy option of applying either the full retrospective approach or modified retrospective approach as provided under SEC MC 8-2021.

The Group availed of the SEC relief to defer the above specific provision of PIC Q&A No. 2018-12-D on determining whether the transaction price includes a significant financing component. Had this provision been adopted, the mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. The Group elected to adopt the guidance using the modified retrospective approach.

The effect of the adoption are as follows:

Consolidated Statements of Financial Position
(Amounts in thousands)

	As previously reported, December 31, 2023	Adjustment Increase (Decrease)	As restated, Jan. 1, 2024
Contract Assets	9,237,501	(1,068,262)	8,169,239
Unappropriated/Appropriated Retained Earnings	21,230,847	(1,068,262)	20,162,585

Consolidated Statements of Comprehensive Income

	Before Adoption	Adjustment Increase (Decrease)	As reported, June 30, 2024
Real Estate Sales	4,931,955	982,524	5,914,479
Interest Income	1,000,258	(773,221)	227,037

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
 - A simplified approach (the premium allocation approach) mainly for short-duration contracts
- On December 15, 2021, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the Financial and Sustainability Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

4. Receivables / Payables

(Amounts in Millions)

Aging of Receivables as of June 30, 2024:

	Neither Past Due or Impaired	Past Due but not Impaired				Total
		Less than 30 Days	31 to 60 Days	61 to 90 Days	More than 90 Days	
Sale of Real estate	₱166	₱32	₱6	₱7	₱32	₱243
Lease	521	33	12	7	13	587
Advances to officers and employees	14	-	-	-	-	14
Others	217	-	-	-	-	217
Total Receivable	₱918	₱65	₱18	₱14	₱45	₱1,060

Aging of Payables as of June 30, 2024:

	Due within 3 months	Due Between 3 to 12 months	Total
Trade and Other Payables	₱6,553	₱1,923	₱8,476
Retention Payable (Current Portion)	147	689	836
Security Deposit (Current Portion)	44	314	358
Deferred Lease Income (Current Portion)	10	32	42
Total Payable	₱6,754	₱2,958	₱9,712

5. Trade and Other Payables

(Amounts in Millions)

The trade and other payables as of June 30, 2024 is broken down as follows:

Trade	₱920
Deferred Output VAT	100
Accrued expense	5,031
Contract liabilities:	
Excess of collections over recognized receivables	628
Deposits from pre-selling of condominium units	1,157
Advance payments from members and customers	12
Current portion of:	
Security deposits	358
Retention payable	836
Deferred lease income	183
Lease liabilities	25
Output VAT	340
Income Tax Payable	67
Derivative Liabilities	46
Others	9
Total	₱9,712

6. Interest-bearing Loans & Borrowings

(Amounts in Millions)

This account consists of:

	June 30, 2024	December 31, 2023
Current		
Term loan	₱2,837	₱2,836
Less unamortized loan transaction costs	29	24
Total Current Interest – bearing Loans & Borrowings	₱2,808	₱2,812
Noncurrent		
Term loan	₱25,762	₱23,124
Less unamortized loan transaction costs	113	92
Total Noncurrent Interest – bearing Loans & Borrowings	₱25,649	₱23,032
Total Interest-bearing Loans & Borrowings	₱28,457	₱25,844

The following tables set out the principal amounts, by maturity, of the Group's interest-bearing financial instruments.

Amounts (gross of unamortized cost)	June 30, 2024				Total
	Within 1 Year	1–2 Years	2–3 Years	More than 3 Years	
<i>Fixed Rate</i>					
Interest-bearing loans and borrowings	₱1,964	₱2,958	₱3,713	₱12,027	₱20,662
<i>Floating Rate</i>					
Interest-bearing loans and borrowings	873	1,151	2,046	3,867	7,937
Total	₱2,837	₱4,109	₱5,759	₱15,894	₱28,599

Amounts (gross of unamortized cost)	December 31, 2023				
	Within 1 Year	1–2 Years	2–3 Years	More than 3 Years	Total
<i>Fixed Rate</i>					
Interest-bearing loans and borrowings	₱1,964	₱2,211	₱3,871	₱9,542	₱17,588
<i>Floating Rate</i>					
Interest-bearing loans and borrowings	873	873	2,526	4,100	8,372
Total	₱2,837	₱3,084	₱6,397	₱13,642	₱25,960

Issuances, Repurchases and Repayments of Debt and Equity Securities January-June 2024

Issuances of Debt and Equity Securities / New Financing through Loans

<u>Nature</u>	<u>Amount (in mm)</u>
Term Loans	₱ 4,000

Repayment of Debt and Equity Securities

<u>Nature</u>	<u>Amount (in mm)</u>
Term Loans	₱ 1,643

7. Segment Information

(Amounts in Millions)

PFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker.

For management purposes, the Group's operating segments is determined to be business segments as the risks and rates of return are affected predominantly by differences in the products and services produced. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group manages its operations under the following business segments:

- *Residential Development* is engaged in the development, selling, and property management of all residential projects of the Group. It also includes the operations of the Rockwell Club.
- *Commercial Development* is engaged in the sale, leasing and other related operations in the course of the management of commercial buildings or spaces used for retail and office leasing, including cinema operations and hotel segment. Commercial buildings in its portfolio include the Power Plant Mall, 8 Rockwell and Edades Serviced Apartments in Makati City, Santolan Town Plaza in San Juan, Metro Manila, Rockwell Business Center (RBC) in Ortigas, Pasig and RBC Sheridan in Mandaluyong, Metro Manila. Other retail spaces are found at several of the high-rise condominiums developed by the Group.

The Group does not have any customers which constitutes 10% or more of the Company's revenue.

Management monitors the operating results of each business unit separately for the purpose of making decisions about resource allocation and performance assessment. Performance is evaluated based on net

income for the year and earnings before interest, taxes and depreciation and amortization, or *EBITDA*. Net income for the year is measured consistent with consolidated net income in the consolidated financial statements. *EBITDA* is measured as net income excluding depreciation and amortization, interest expense and provision for income tax.

The Group centrally manages cash and its financing requirements, income taxes and resource allocation. Resource allocation are measured against profitability among potential investments and made in view of the Company's existing business portfolio.

The Chairman & CEO, the Company's chief operating decision maker, monitors operating results of its business segments separately for the purpose of performance assessment and making recommendations to the Board about resource allocation. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit and loss in the consolidated statements.

Disclosure of the geographical information regarding the Group's revenues from external customers and total assets have not been provided since all of the Group's consolidated revenues are derived from operations within the Philippines.

Business Segments

The following tables present revenue, and costs and expenses information regarding the Group's residential and commercial development business segments.

	June 30, 2024		
	Residential Development	Commercial Development	Total
Revenue	₱ 6,751	₱ 2,134	₱ 8,884
Costs and expenses	(4,357)	(847)	(5,204)
Share in net income of joint venture	(18)	212	194
Other income – net	(112)	0	(112)
EBITDA	2,263	1,498	3,761
Depreciation and amortization			(425)
Interest expense			(827)
Gain on bargain purchase			130
Gain on remeasurement from previously held			16
Provision for income tax			(565)
Share in minority			
Consolidated Net Income			₱ 2,090

	June 30, 2023		
	Residential Development	Commercial Development	Total
Revenue	₱ 6,510	₱ 1,782	₱ 8,292
Costs and expenses	(4,507)	(657)	(5,164)
Share in net income of joint venture	8	199	207
Other income – net	(1)	–	(1)
EBITDA	2,010	1,324	3,334
Depreciation and amortization			(393)
Interest expense			(749)

Provision for income tax	(488)
Share of minority	
Consolidated Net Income	₱ 1,704

The following tables present assets and liabilities information regarding the Group's residential and commercial development business segments as of June 30, 2024 and December 31, 2023:

	June 30, 2024 (Unaudited)		
	Residential Development	Commercial Development	Total
Assets and liabilities:			
Segment Assets	₱ 55,294	₱ 896	₱ 56,190
Investment Properties	1,374	14,164	15,538
Investment in Joint Venture and Associate	2,838	2,207	5,045
Deferred Tax Assets	64	45	109
Property & equipment	1,694	947	2,641
Total assets	₱ 61,264	₱ 18,259	₱ 79,522
Segment liabilities	₱ 34,255	₱ 9,360	₱ 43,616
Deferred tax liabilities -net	1,363	0	1,363
Total liabilities	₱ 35,619	₱ 9,360	₱ 44,979
	December 31, 2023 (Audited)		
	Residential Development	Commercial Development	Total
Assets and liabilities:			
Segment Assets	₱ 50,816	₱ 721	₱ 51,538
Investment Properties	1,128	13,496	14,624
Investment in Joint Venture and Associate	3,949	1,778	5,727
Deferred tax assets - net	14	45	59
Property & equipment	1,716	933	2,649
Total assets	₱ 57,623	₱ 16,974	₱ 74,597
Segment liabilities	₱ 32,375	₱ 8,707	₱ 41,082
Deferred tax liabilities -net	1,219	-	1,219
Total liabilities	₱ 33,594	₱ 8,707	₱ 42,301

8. Earnings per Share Attributable to Equity Holders of the Parent Company

(Amounts in millions, except for number of common shares)

	June 30, 2024	June 30, 2023
Net income attributable to equity holders of the Parent Company	₱1,947	₱1,559
Dividends on preferred shares`	(0.8)	(0.8)
Net income attributable to common shares (a)	₱1,946	₱1,558

Common shares at beginning of year	6,116,762,198	6,116,762,198
Weighted average common shares – basic (b)	6,116,762,198	6,116,762,198
Dilutive potential common shares under the ESOP	–	–
Weighted average common shares – diluted (c)	6,116,762,198	6,116,762,198
Per share amounts:		
Basic (a/b)	₱0.32	₱0.25
Diluted (a/c)	0.32	0.25

9. Fair Value Measurement

(Amounts in millions)

Fair Values

Set out below is a comparison by class of the carrying values and fair values of all the Group's financial instruments that are carried in the consolidated financial statements as of June 30, 2024 and December 31, 2023. There are no material unrecognized financial assets and liabilities as of June 30, 2024 and December 31, 2023.

	June 30, 2024				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Assets					
Investment Properties	₱15,538	₱32,164	₱ –	₱2,074	₱30,090
Due to related parties	32	32	–	–	32
Investment in equity instruments at FVOCI	61	61	58	–	3
	₱15,631	₱32,257	₱ 58	₱2,074	₱30,125

	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Liabilities					
Interest-bearing loans & borrowings (including noncurrent portion)	₱28,457	₱24,939	₱ –	₱ –	₱24,939
Subscription payable	2,548	2,408	–	–	2,408
Retention payable (including noncurrent portion)	1,683	1,632	–	–	1,632
Security deposits (including noncurrent portion)	799	757	–	–	748
	₱33,487	₱29,736	₱ –	₱ –	₱29,727

	December 31, 2023				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Assets					
Investment Properties	₱14,624	₱32,164	₱ –	₱2,074	₱30,090
Due from related parties	75	75	–	–	75
Investment in equity instruments at FVOCI	61	61	58	–	3
	₱14,760	₱32,300	₱58	₱2,074	₱30,168

	Carrying Value	Fair Value	Level 1	Level 2	Level 3
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Liabilities

Interest-bearing loans & borrowings (including noncurrent portion)	₱25,844	₱24,429	₱ –	₱ –	₱24,429
Subscription payable	2,723	2,408	–	–	2,408
Retention payable (including noncurrent portion)	1,677	1,617	–	–	1,617
Security deposits (including noncurrent portion)	746	712	–	–	712
	₱30,990	₱29,166	₱ –	₱ –	₱29,166

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and Cash Equivalents, Trade Receivables from Lease, Advances to Officers and Employees, Other Receivables, Restricted Cash, Refundable Deposits and Trade and Other Payables. Due to the short-term nature of transactions, the carrying values of these instruments approximate the fair values as at financial reporting period.

Available-for-Sale Investments. The fair values of quoted equity securities were determined by reference to published two-way quotes of brokers as at financial reporting date. Unquoted equity securities for which no other reliable basis for fair value measurement is available, were valued at cost, net of impairment, if any.

Interest-bearing Loans and Borrowings. The fair values of fixed rate loans were calculated by discounting the expected future cash flows at prevailing credit adjusted BVAL interest rates ranging from 5.63% to 6.65% as at June 30, 2024 and 5.12% to 6.12% as at December 31, 2023.

Retention Payable and Security Deposits. The fair values were calculated by discounting the expected future cash flows at prevailing credit adjusted BVAL interest rates ranging from 5.63% to 6.65% as at June 30, 2024 and 5.12% to 6.12% as at December 31, 2023.

Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

10. Significant Financial Ratios

The significant financial ratios are as follows:

<i>As indicated</i>	For the three months ended June 30	
	2024	2023
ROA (*)	5.4%	4.8%
ROE (*)	12.5%	12.0%
	As of June 30, 2024	As of December 31, 2023
Current ratio (x)	3.80	3.43
Debt to equity ratio (x)	0.82	0.80

Net debt to equity Ratio (x)	0.72	0.67
Asset to equity ratio (x)	2.30	2.31
Interest coverage ratio (x)	4.55	4.92

Notes:

(1) ROA [Net Income/Average Total Assets]

(2) ROE [Net Income/ Average Total Equity]

(3) Current ratio [Current assets/Current liabilities]

(4) Debt to equity ratio [Total interest bearing debt / Total Equity]

(5) Net debt to equity ratio [(Total Interest bearing debt)-(Cash and cash equivalents) / Total Equity]

(6) Asset to equity ratio [Total Assets/Total Equity]

(7) Interest coverage ratio [EBITDA/Interest Payments]

* ROA and ROE are annualized figures

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operation

RESULTS OF OPERATIONS:

For the six months ended 30 June 2024 and 2023

Rockwell Land Corporation (“the Group”) registered Php8,884 million in consolidated revenues, higher by 7% from last year’s Php8,292 million. Residential development accounted for 76% of the total revenues in 2024, lower than last year’s 79%.

Total EBITDA reached Php3,761 million, 13% higher than last year’s Php3,334 million driven by higher EBITDA from commercial development. Overall EBITDA margin registered at 42% of total revenues, higher than last year’s 40%. The total revenues used as basis for the EBITDA margin excludes gross revenues from the joint venture with Meralco and International Pharmaceuticals, Inc. as these are reported separately under “Share in Net Losses (Income) in JV”. Share in net income in the joint venture contributes 5% to the Company’s total EBITDA.

Residential development and commercial development contributed 60% and 40% to the total EBITDA, respectively.

Consolidated net income after tax registered at Php2,090 million, higher than last year’s Php1,704 million. NIAT to Parent for the six months is Php1,947 million, 25% higher from same period last year of Php1,559 million.

Business Segments

Residential Development generated Php6,751 million, contributing 76% of the total revenues for the period. Bulk of the revenues came from the sale of real estate.

EBITDA from this segment amounted to Php2,263 million, 13% higher than the same period last year at Php2,010 million mainly attributable to projects with higher construction progress.

Commercial Development revenues amounted to Php2,134 million, higher than 2023’s Php1,782 million. This segment contributed 24% to total revenues excluding the share in the joint venture with Meralco for the Rockwell Business Center in Ortigas, Pasig City.

Retail Operations which include retail leasing, interest income and other mall revenues generated revenues of Php1,287 million, 11% higher than last year’s Php1,164 million due to improved average rental and occupancy rate. Office Operations generated Php725 million which is equivalent to 8% of the total revenues. Office operations include office leasing, sale of office units and other office revenues.

Hotel Operations, contributed 1% of the total revenues. Its revenues amounted to Php121 million and costs and expenses at Php87 million. Resulting EBITDA is at Php34 million.

The segment's EBITDA amounted to Php1,498 million, 13% higher from the same period last year. This includes the share in net income in the joint venture amounting to Php212 million, contributing 14% to the segment's EBITDA.

Costs and Expenses

Cost of real estate and selling amounted to Php4,541 million. The cost of real estate and selling to total revenue ratio is at 51%, lower than last year's 54% due to lower cost incurred for residential developments.

General and administrative expenses (G&A) amounted to Php1,205 million, 13% higher than last year mainly due to higher manpower related costs and higher taxes and fees.

Interest Expense amounted to P827 million, higher by 10% than last year's Php749 million. The increase was mainly due to higher average loan balance and interest rate.

Share in Net Income (Losses) in JV and associates represents the Company's share in the operations generated by RBC and Rockwell IPI. Realized share in net income of JV and associate amounted to Php194 million, lower than last year's Php207 million. The 6% decrease from last year is mainly due lower interest income from Rockwell IPI offset by increase in share in RBC-Ortigas due to higher rental rate. At its 70% share, the Company generated total revenues of Php301 million and share in net income of Php212 million.

Project and capital expenditures

The Group spent a total of Php8.3 billion (gross of VAT) for project and capital expenditures for the six months of 2024. Bulk of the expenditures pertained to land acquisitions and development costs, mainly that of Edades West, Nara Residences and 8 Benitez. These were funded by internally generated funds and borrowings.

Financial Condition

The Group's total assets as of June 30, 2024 amounted to Php79.5 billion, slightly higher from 2023's year-end amount of Php74.6 billion. On the other hand, total liabilities amounted to Php45 billion, higher from 2023's year-end amount of Php42.3 billion. The increase in total assets were mainly from land acquisitions, consolidation of RNDC with total assets amounting to 4.0B, while increase in total liabilities was due to loan availments.

Current ratio as of June 30, 2024 improved to 3.80x from 3.43x as of end 2023. Net debt to equity ratio is at 0.72x as of June 30, 2024, higher compared to 2023's year-end ratio of 0.67x.

Causes for any material changes (+/- 5% or more) in the financial statements

Statement of Comprehensive Income Items – six Months 2024 vs. six Months 2023

19% increase in Sale of Real Estate

Primarily due to higher project completion

63% decreased in Interest Income

Due to lower interest income from revenue recognition of Edades West and Rockwell South Cluster5.

9% increase in Lease Income

Due to higher average rental rates & occupancy of retail and office segment.

16% increase in Other Revenues

Mainly driven by improved performance of Rockwell Club and Cinema and tenant charges.

13% increase in General and Administrative Expenses

Due to higher manpower costs, fees and taxes.

22% increase in Selling Expenses

Due to higher Commission expenses for Arton, Mactan, Rockwell Nepo & Bacolod Projects

10% increase in Interest Expense

Primarily due to higher average loan balance and average interest rate.

6% decrease in Share in Net Income of JV

Due to lower interest income resulting from Rockwell IPI.

100% increase in Gain on bargain purchase

Arising from the step-up acquisition for RNDC investment.

100% increase in Gain on remeasurement of previously held interest

Due to higher fair values of the identifiable net assets of RNDC than the book value of the initial investment.

100% increase in Other Comprehensive Income

Due to fair value change in derivative instrument.

Statement of Financial Position items – June 30, 2024 vs. December 31, 2023

14% decrease in Cash and Cash Equivalents

Primarily due to land acquisitions

6% decrease in Trade and other receivables

Primarily due to collections from Proscenium and Mactan.

16% increase in Real estate inventories

Due to land acquisitions and consolidation of RNDC.

22% increase in Advances to Contractors

Primarily due to additional advances for Edades West and Nara Residences projects.

16% increase in Other Current Assets

Due to prepaid commission for Rockwell South Cluster 5 & Rockwell Nepo

84% increase in Deferred tax assets

Due to NOLCO of subsidiaries.

44% increase in Other Non-current Assets

Primarily due to additional subscription receivable.

11% increase in interest-bearing loans and borrowings

Due to new loan availment.

55% increase in Pension Liability

Due to accrual of pension cost for the year.

11% increase in Deposit and Other Liabilities

Due to higher deposits from pre-selling of Edades West and Rockwell South Cluster 5.

32% increase in Attributable to Non-Controlling Interest

Due to consolidation of RNDC with 35% minority share.

Key Performance Indicators

<i>As indicated</i>	For the six months ended June 30	
	2024	2023
ROA (*)	5.4 %	4.8%
ROE (*)	12.5%	12.0%
	As of June 30, 2024	As of December 31, 2023
Current ratio (x)	3.80	3.43
Debt to equity ratio (x)	0.82	0.80
Net debt to equity Ratio (x)	0.72	0.67
Asset to equity ratio (x)	2.30	2.31
Interest coverage ratio (x)	4.55	4.92

Notes:

(1) ROA [*Net Income/Average Total Assets*]

(2) ROE [*Net Income/ Average Total Equity*]

(3) Current ratio [*Current assets/Current liabilities*]

(4) Debt to equity ratio [*Total interest bearing debt / Total Equity*]

(5) Net debt to equity ratio [*(Total Interest bearing debt)-(Cash and cash equivalents) / Total Equity*]

(6) Asset to equity ratio [*Total Assets/Total Equity*]

(7) Interest coverage ratio [*EBITDA/Interest Payments*]

* ROA and ROE are annualized figures

ROA and ROE are slightly higher vs 2023 at 5.42%% and 12.51% mainly from higher net income.

Current ratio improved to 3.80x from 3.43x due to increase in real estate inventories from new land acquisitions & development costs.

Debt to equity ratio increased to 0.82x from 0.80x. Net debt to equity ratio decreased to 0.72x from 0.67x, due to new loan availments.

Asset to equity ratio is lower at 2.30x vs 2.31x last year due to increase in total equity.

PART II – OTHER INFORMATION

Item 3. Other Notes and Disclosures

1. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.	Declaration of cash dividends to shareholders of record as of August 16, 2024 payable on or before September 11, 2024: (a) Cash dividend of ₱0.1018 per share to all common shareholders; (b) Cash dividend of ₱0.0006 per share to all preferred shareholders representing 6% per annum cumulative dividends for the period July 1, 2023 to June 30, 2024.
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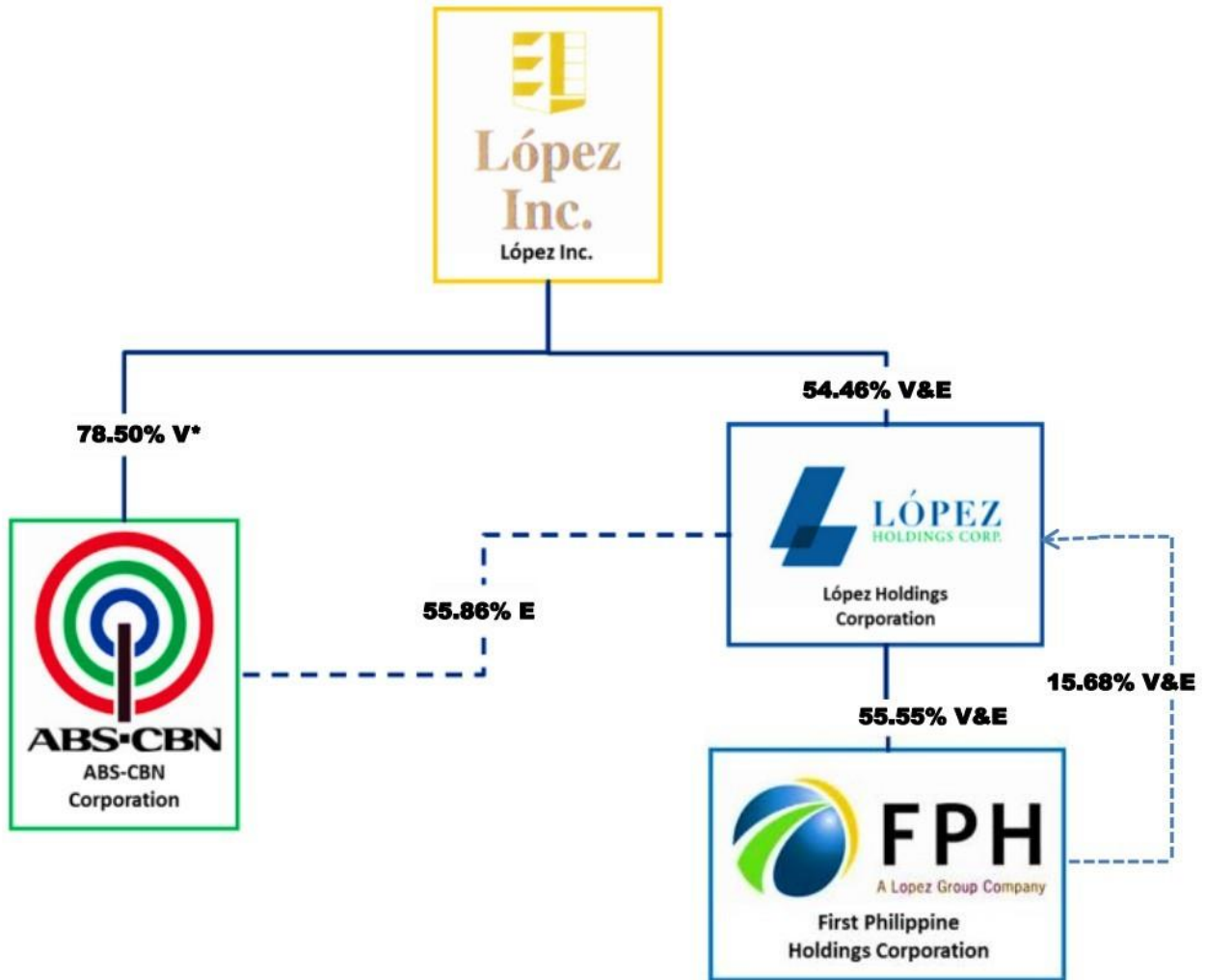
2. The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.	None
3. Changes in contingent liabilities or contingent assets since the last annual balance sheet date.	None
4. Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period.	None
5. Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way.	None
6. Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.	None
7. All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.	None
8. Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.	None
9. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.	None
10. Any significant elements of income or loss that did not arise from the registrant's continuing operations.	None
11. Any seasonal aspects that had a material effect on the financial condition or results of operations.	None
12. Disclosure not made under SEC Form 17-C.	None

Annex A

The stockholders, directors and officers of the Company, their respective number of Common Shares and the corresponding percentage of these Common Shares as of June 30, 2024 are as follows:

Name of Stockholder	Relationship	No. of Shares	% of Total Outstanding Shares
1	First Philippine Holdings Corporation	5,296,015,375	86.58%
2	Federico R. Lopez	14,923	0.00%
3	Nestor J. Padilla	21,150,001	0.35%
4	Miguel Ernesto L. Lopez	243,694	0.00%
5	Francis Giles B. Puno	5,656	0.00%
6	Oscar J. Hilado	1	0.00%
7	Monico V. Jacob	2	0.00%
8	Emmanuel S. de Dios	1,000	0.00%
9	Jose Valentin A. Pantangco, Jr.	1	0.00%
10	Roberta L. Feliciano	1,000	0.00%
11	Benjamin R. Lopez	14,923	0.00%
12	Valerie Jane L. Soliven	29,000	0.00%
13	Ellen V. Almodiel	0	0.00%
14	Davy T. Tan	0	0.00%
15	Manuel L. Lopez Jr.	0	0.00%
16	Angela Marie B. Pagulayan	0	0.00%
17	Estela Y. Dasmariñas	1,882	0.00%
18	Jesse S. Tan	0	0.00%
19	Christine T. Coqueiro	0	0.00%
20	Romeo G. Del Mundo, Jr.	0	0.00%
21	Jovie Jade Lim-Dy	0	0.00%
22	Enrique I. Quiason	3,575	0.00%
23	Alexis Nikolai S. Diesmos	13,000	0.00%
24	Ma. Fe Carolyn Go Pinoy	0	0.00%
25	Stella May A. Fortu	0	0.00%
26	Sherry Rose Isidoro Lorenzo	0	0.00%
27	Samantha Joyce G. Castillo	0	0.00%
28	Vienn C. Tionglico-Guzman	0	0.00%
29	Karen C. Go	0	0.00%
30	Vergel V. Rape	0	0.00%
31	Others (Public)	799,268,165	13.07%
		6,116,762,198	100.00%

ROCKWELL LAND CORPORATION AND SUBSIDIARIES
MAP OF RELATIONSHIPS OF COMPANIES WITHIN THE GROUP
 As of June 30, 2024



* voting rights include preferred shares



FIRST PHILIPPINE HOLDINGS CORP. AND SUBSIDIARIES
CORPORATE STRUCTURE
 June 30, 2024

*15.68%

FPH
 A Lopez Group Company
 POWERED BY GOOD
 55.55%
First Philippine Holdings

Power Generation

67.84%
First Gen Corporation



Healthcare and Education

78.86% **Asian Eye Institute, Inc.**
 100% **PI Health Manufacturing and Distribution Services, Inc.**
 100% **PI Health**
 100% **First Industrial Science & Technology College, Inc.**
 100% **The Medical Services of America (Philippines) Inc.**
 100% **MSAPH**

Real Estate

86.58% **ROCKWELL LAND**
 100% **Rockwell Integrated Property Services, Inc.**
 100% **Rockwell Primaries Development Corporation**
 100% **Rockwell Primaries South Development Corp.**
 100% **Stonewell Property Development Corporation**
 74.63% **Rockwell Performing Arts Theater Corp.**
 100% **Rockwell Leisure Club, Inc.**
 100% **Rockwell Hotels and Leisure Management Corp.** 50%
 100% **Rockwell IPI Retailscapes, Inc.** 80%
 60% **Rockwell MFA Corp.** 70.0%
 65.00% **Rockwell Carmelray Development Corp.**
 70.00% **Rockwell Nepo Development Corp.**
 100% **First Philippine Industrial Park**
 100% **FPIP Property Developers and Management Corporation**
 100% **FPIP Utilities Inc.**
 85.00% **Grand Batangas Resort Development Incorporated**
 100% **FIT**
 100% **First Industrial Township, Inc.**
 100% **First Industrial Township Water, Inc.**
 100% **FPIP Commercial Properties Inc.**
 57.7%
First Batangas Hotel Corp.

Energy Solutions

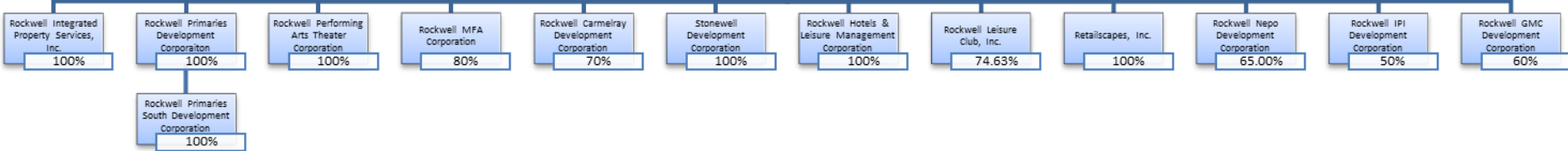
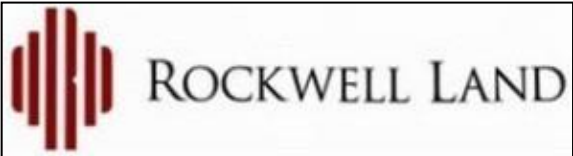
100% **First Philec**
 100% **First Philippine Electric Corporation**
 99.15% **Philippine Electric Corporation**
 100% **First Philec, Inc.**
 100% **First Philec Inc.**
 100% **First Philippine Power Systems**
 100% **First Philec Manufacturing Technologies Corporation**
 89.04% **First Philec Solar Corporation**
 100.00% **First Philec Energy Solutions, Inc.**
 100% **First PV Ventures Corporation**
 70.00% **First Philec Nexolon Corporation**
 100% **First Philec Solar Solutions**
 100% **FP Island Energy Corp.**
 100% **PI Energy Inc.**

Construction

100% **First Balfour, Inc.**
First Balfour
 100% **ThermaPrime Drilling Corporation**
 100% **Therma One Transport Corporation**
 100% **Torreverde Corp.**
 100% **First Balfour Management Technical Services, Inc.**
 100% **Thermafina Towage, Inc.**

Other Businesses

30.00% **Panay Electric Company**
 66.92% **InfoPro Business Solutions Inc.**
 100% **First Philippine Industrial Corporation**
 100% **FPH Capital Resources Inc.**
 100% **FPH Pi Ventures**
 100% **FGHC International**
 98% **FPHC Realty and Development Corporation**
 100% **First Philippine Utilities Corporation**
 100% **Securities Transfer Services, Inc.**
 100% **FPH Fund**
 100% **FPH Ventures**
 100% **First Philippine Properties Corp.**
 100% **FPH Land Ventures Inc.**
 67% **TerraPrime, Inc.**
 100% **First Industrial Township Utilities, Inc.**
 100% **First Philippine Dev't Corp.**
 100% **FWV Biofields Corp.**
 60% **First Sumiden Realty, Inc.**
 100% **Legacy Homes Inc.**



SIGNATURE

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

Issuer: ROCKWELL LAND CORPORATION

By:



Ellen V. Almodiel
Executive Vice President, Chief Finance
and Compliance Officer

Date: August 13, 2024