COVER SHEET

SEC Registration Number

6	2	8	9	3						

Company Name

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

Principal Office (No./Street/Barangay/City/Town/Province)

2F, 8 ROCKWELL, HIDALGO DRIVE ROCKWELL CENTER, MAKATI CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q		N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
ellena@rockwell.com.ph	7-793-0088	N/A

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
46,058 (as of 31 OCT 2021)	June 30 2021	December 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Ellen V. Almodiel	ellena@rockwell.com.ph	7-793-0088	N/A

Contact Person's Address

Ground Floor, East Podium, Joya Lofts & Towers, 28 Plaza Drive, Rockwell Center, Makati City 1200

Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

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) 793-0088

(Telephone Number)

September 30, 2021

(Quarter Ending)

SEC Form 17-Q Quarterly Report

(Form Type)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-QA

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

- For the quarterly period ended **September 30, 2021**
- 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) 8793-0088**
- 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

Title of each class	Number of shares issued and outstanding
Common shares	**6,116,762,198**

Amount of Debt Outstanding
PhP25,364,266,886(3rd Quarter 2021)

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

(b) has been subject to such filing requirements for the past ninety (90) days.
Yes **[X]**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)

	September 30, 2021	December 31, 2020
	Unaudited	Audited
ASSETS		
Current Assets		
Cash and cash equivalents	**₱3,152**	₱3,205
Trade and other receivables	**5,545**	4,110
Contract asset	**12,035**	12,082
Real estate inventories	**15,631**	13,155
Advances to contractors	**1,996**	1,571
Other current assets	**2,464**	2,251
Total Current Assets	**40,823**	36,374
Noncurrent Assets		
Investment properties – net	**14,132**	14,486
Property and equipment – net	**3,623**	5,283
Investment in joint venture and associate	**3,088**	2,829
Contract asset – net of current portion	**2,455**	2,117
Investment in equity instruments at FVOCI	**30**	32
Deferred tax assets	**78**	76
Other noncurrent assets	**479**	739
Total Noncurrent Assets	**23,885**	25,562
Total Assets	**₱64,708**	₱61,936
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	**₱8,287**	₱7,328
Current portion of interest-bearing loans and borrowings	**3,535**	7,355
Subscription Payable	**484**	684
Total Current Liabilities	**12,306**	15,367
Noncurrent Liabilities		
Interest-bearing loans and borrowings - net of current portion	**21,702**	17,403
Deferred tax liabilities	**1,560**	1,602
Lease liability	**640**	621
Pension liability - net	**287**	295
Deposits and other liabilities	**2,404**	1,786
Total Noncurrent Liabilities	**26,593**	21,707
Total Liabilities	**₱38,898**	₱37,073
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	**6,271**	6,271
Additional paid-in capital	**28**	28
Other comprehensive income	**14**	14
Other equity adjustments	**540**	540
Share-based payments	**70**	70
Retained earnings		
Appropriated	**9,700**	9,700
Unappropriated	**6,835**	5,420
	23,458	22,040
Less cost of treasury shares	**(185)**	(185)
Total Equity Attributable to Equity Holders of the Parent Company	**23,273**	21,858
Non-controlling interests	**2,536**	3,004
Total Equity	**₱25,809**	₱24,862
Total Liabilities and Equity	**₱64,708**	₱61,936

See accompanying Notes to Financial Statements

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amount in Millions)

	2021 Unaudited		2020 Unaudited	
	July 1 to September 30	January 1 to September 30	July 1 to September 30	January 1 to September 30
REVENUE				
Real estate sales	₱1,372	₱6,302	₱1,839	₱4,043
Interest income	286	1,087	413	1,389
Lease income	283	863	249	866
Others	145	424	137	482
	2,086	8,676	2,638	6,780
EXPENSES				
Cost of real estate	988	4,284	1,493	3,048
General and administrative expenses	419	1,238	406	1,281
Selling expenses	185	656	209	455
	1,592	6,178	2,107	4,784
INCOME BEFORE OTHER INCOME (EXPENSES)	494	2,498	531	1,996
OTHER INCOME (EXPENSES)				
Interest expense	(204)	(785)	(380)	(1,088)
Share in net income of joint venture and associate	91	277	84	250
Foreign exchange gain - net	8	9	(38)	(43)
	(105)	(499)	(334)	(881)
INCOME BEFORE INCOME TAX	389	2,000	197	1,115
PROVISION FOR INCOME TAX	72	124	45	262
NET INCOME	318	1,876	152	853
OTHER COMPREHENSIVE INCOME	–	(17)	–	–
TOTAL COMPREHENSIVE INCOME	318	1,859	152	853
Net Income Attributable to:				
Equity holders of the Parent Company	186	1,433	137	744
Non-controlling Interests	132	443	15	109
TOTAL	318	1,876	152	853
Total Comprehensive Income Attributable to:				
Equity holders of Rockwell Land Corporation	186	1,416	137	744
Non-controlling Interests	132	443	15	109
TOTAL	318	1,859	152	853
Basic/Diluted Earnings per Share (Note 8)	0.03	0.23	0.02	0.12

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										
						Retained Earnings					
	Capital Stock	Additional Paid-in Capital	Other comprehensive income	Other Equity Adjustments	Share-based Payments Plan	Appropriated	Unappropriated	Treasury Shares	Total	Equity Attributable to Non-Controlling Interests	Total Equity
At December 31, 2020 (Audited)	**6,271**	**28**	**14**	**540**	**70**	**9,700**	**5,420**	**(185)**	**21,858**	**3,004**	**24,862**
Net income	-	-	-	-	-	-	1,433	-	1,433	443	1,875
Other comprehensive income (loss)	-	-	-	-	-	-	(17)	-	(17)	-	(17)
Total comprehensive income for the year	-	-	-	-	-	-	1,415	-	1,415	443	1,858
Subsidiary's payment of dividends to NCI	-	-	-	-	-	-	-	-	-	(234)	(234)
Subsidiary's purchase of preferred shares from NCI	-	-	-	-	-	-	-	-	-	(676)	(676)
At September 30, 2021 (Unaudited)	**6,271**	**28**	**14**	**540**	**70**	**9,700**	**6,835**	**(185)**	**23,273**	**2,536**	**25,809**
At December 31, 2019 (Audited)	**6,271**	**28**	**17**	**540**	**70**	**7,000**	**7,394**	**(185)**	**21,135**	**3,214**	**24,349**
Net income	-	-	-	-	-	-	744	-	744	109	853
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	744	-	744	109	853
Appropriations	-	-	-	-	-	2,700	(2,700)	-	-	-	-
Cash Dividends	-	-	-	-	-	-	(297)	-	(297)	-	(297)
Subsidiary's payment of dividends to NCI	-	-	-	-	-	-	-	-	-	(32)	(32)
Subsidiary's purchase of preferred shares from NCI	-	-	-	-	-	-	-	-	-	(75)	(75)
At September 30, 2020 (Unaudited)	**6,271**	**28**	**17**	**540**	**70**	**9,700**	**5,140**	**(185)**	**21,582**	**3,216**	**24,798**

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in Millions)

	January 1 to September 30	
	2021 Unaudited	**2020 Unaudited**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱2,000**	₱1,115
Adjustments for:		
Interest income	**(913)**	(1,028)
Depreciation and amortization	**521**	553
Interest expense	**785**	1,088
Share in net income of joint venture and associate	**(277)**	(250)
Pension costs	**58**	60
Operating income before working capital changes	**2,174**	1,537
Decrease (increase) in:		
Trade and other receivables	**1,360**	(950)
Contract assets	**530**	768
Real estate inventories	**(560)**	(262)
Advances to contractors	**(413)**	(256)
Other current assets	**(2,650)**	(643)
Increase (decrease) in:		
Trade and other payables	**3,185**	846
Net cash generated from operations	**3,626**	1,041
Income taxes paid	**98**	(171)
Interest paid	**(1,048)**	(1,093)
Net cash provided by (used in) operating activities	**2,676**	(223)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property and equipment	**(1,086)**	(27)
Investment properties	**(190)**	(583)
Investment in joint venture	**148**	305
Financial assets at fair value at other comprehensive income	**-**	12
Contribution to plan assets	**(70)**	(89)
Interest received	**8**	21
Net cash used in investing activities	**(1,190)**	(361)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Bank loans	**(5,304)**	(7,155)
Bonds Payable	**(3,313)**	(1,687)
Installment Payable	**-**	(600)
Dividends	**-**	(297)
Subsidiary's payment of dividends to non-controlling interest	**(234)**	(32)
Subsidiary's purchase of preferred shares from non-controlling interest	**(677)**	(75)
Availments of loans and borrowings	**9,100**	8,046
Increase (decrease) in deposits and other liabilities	**(1,112)**	326
Net cash provided by (used in) financing activities	**(1,540)**	(1,474)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**1**	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(53)**	(2,058)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**3,205**	5,706
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**₱3,152**	₱3,648

See accompanying Notes to Financial Statements

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 March 31, 2020, 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. The Securities and Exchange Commission approved the change in name to Rockwell Primaries Development Corporation on July 3, 2014 and was subsequently registered in Bureau of Internal Revenue on July 15, 2014.

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 constructing, establishing, operating and maintaining 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 Company owns 80% interest of RMFA as at September 30, 2021.

In 2019, Rockwell Land Corporation (the Parent Company) acquired additional 37.6% interest in Rockwell Carmelray Development Corporation (RCDC) for an aggregate purchase price of ₱2,409.0 million. As of September 30, 2021, the Parent Company now holds 63.1% of the common and preferred shares of RCDC. The Parent Company accounted for its acquisition of RCDC as a business combination using the ‘acquisition’ method.

The Company also has 76.4% 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 10, 2020, the company subscribed to 40% of the outstanding capital stock of Rockwell Nepo Development Corporation (Rockwell Nepo), formerly Nepwell Property Management Inc. Rockwell Nepo 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.

2. Summary of Significant Accounting and Financial Reporting Policies

Basis of Preparation

The accompanying consolidated financial statements have been prepared on a historical cost basis, except for available-for-sale investments that 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 values are rounded to the nearest thousands, except when otherwise indicated.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS also includes Philippine Accounting Standards (PAS), including Interpretations issued by the Financial Reporting Standards Council (FRSC).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Rockwell Land and its subsidiaries (collectively referred to as 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 non-controlling 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 statement 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 September 30, 2021
Rockwell Integrated Property Services, Inc.	Service provider	100%
Rockwell Primaries Development Corporation (Rockwell Primaries)	Real estate development	100%
Stonewell Property Development Corporation	Real estate development	100%
Rockwell Performing Arts Theater Corporation (formerly Primaries Properties Sales Specialists Inc.)	Marketing	100%
Rockwell Leisure Club Inc	Leisure club	76.4%
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 Corp. (Rock MFA)	Real Estate Development	80%
Rockwell Carmelray Development Corporation	Real Estate Development	63.1%
Rockwell Nepo Development Corporation	Real Estate Development	40%

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

Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new accounting pronouncements starting January 1, 2020. Adoption of these pronouncements did not have any significant impact on the Group's consolidated financial position or performance unless otherwise indicated.

- Adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (IAS 23, Borrowing Cost) for the Real Estate Industry

  In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under par. 35(c) of PIFRS 15. IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of a qualifying asset under IAS 23 considering that these inventories are ready for their intended sale in their current condition.

  The IFRIC agenda decision would change the Group's current practice of capitalizing borrowing costs on real estate projects with pre-selling activities.

  On February 11, 2020, the Philippine SEC issued Memorandum Circular No. 4, Series of 2020, providing relief to the Real Estate Industry by deferring the implementation of the above IFRIC Agenda Decision until December 31, 2020. Effective January 1, 2021, the Real Estate Industry will adopt the IFRIC agenda decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full with the requirements of the IFRIC agenda decision.

  For real estate companies that avail of the deferral, the SEC requires disclosure in the Notes to the Financial Statements of the accounting policies applied, a discussion of the deferral of the subject implementation issues, and a qualitative discussion of the impact in the financial statements had the IFRIC agenda decision been adopted.

  The Group did not avail of the relief provided by the SEC and instead adopted the IFRIC agenda decision retrospectively effective January 1, 2019. Accordingly, prior year consolidated financial statements have been restated to recognize as "Interest expense" and "Interest income" previously capitalized interest (net of interest income) as part of "Real estate inventories" account in 2018 and 2017.

- PFRS 16, *Leases*

  PFRS 16 supersedes PAS 17, Leases, Philippine Interpretation IFRIC 4, Determining whether an Arrangement contains a Lease, Philippine Interpretation SIC-15, Operating Leases-Incentives and Philippine Interpretation SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

  Lessor accounting under PFRS 16 is substantially unchanged from today's accounting under PAS 17. Lessors will continue to classify all leases using the same classification principle as in PAS 17 and distinguish between two types of leases: operating and finance leases. Therefore, PFRS 16 did not have an impact for leases where the Group is the lessor.

  The Group adopted PFRS 16 using the modified retrospective approach upon adoption of PFRS 16 in 2019 and elects to apply the standard to contracts that were previously identified as leases applying PAS 17 and Philippine Interpretation IFRIC-4. The Group will therefore not apply the standard to contracts that were not previously identified as containing a lease applying PAS 17 and Philippine Interpretation IFRIC-4.

Leases previously accounted for as operating leases
The Group recognized right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for all leases were recognized based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognized. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application.

- *Philippine Interpretation IFRIC-23, Uncertainty over Income Tax Treatments*

  The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of PAS 12, Income Taxes, and does not apply to taxes or levies outside the scope of PAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.
  The interpretation specifically addresses the following:
    - Whether an entity considers uncertain tax treatments separately
    - The assumptions an entity makes about the examination of tax treatments by taxation authorities
    - How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
    - How an entity considers changes in facts and circumstances

  An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

  The Group determined, based on its tax compliance review and assessment, and in consultation with its tax counsel, that it is probable that its tax treatments will be accepted by the taxation authorities. Accordingly, the interpretation did not have an impact on the consolidated financial statements of the Group.

- *Amendments to PFRS 9, Prepayment Features with Negative Compensation*

  Under PFRS 9, a debt instrument can be measured at amortized cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to PFRS 9 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

  These amendments had no impact on the consolidated financial statements of the Group.

- *Amendments to PAS 19, Employee Benefits, Plan Amendment, Curtailment or Settlement*

  The amendments to PAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

  Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event

  Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognized in other comprehensive income.

The amendments had no impact on the consolidated financial statements of the Group as it did not have any plan amendments, curtailments, or settlements during the period.

- *Amendments to PAS 28, Long-term Interests in Associates and Joint Ventures*

  The amendments clarify that an entity applies PFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in PFRS 9 applies to such long-term interests.

  The amendments also clarified that, in applying PFRS 9, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognized as adjustments to the net investment in the associate or joint venture that arise from applying PAS 28, Investments in Associates and Joint Ventures.

  These amendments had no impact on the consolidated financial statements as the Group does not have long-term interests in its associate and joint venture.

- *Annual Improvements to PFRSs 2015-2017 Cycle*

  Amendments to PFRS 3, Business Combinations, and PFRS 11, Joint Arrangements, Previously Held Interest in a Joint Operation

  The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

  A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in PFRS 3. The amendments clarify that the previously held interests in that joint operation are not remeasured.

  An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2019 and to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after January 1, 2019, with early application permitted. These amendments had no impact on the consolidated financial statements of the Group as there is no transaction where joint control is obtained.

  Amendments to PAS 12, Income Tax Consequences of Payments on Financial Instruments Classified as Equity

  The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognizes the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after January 1, 2019, with early application is permitted. These amendments had no impact on the consolidated financial statements of the Group because dividends declared by the Group do not give rise to tax obligations under the current tax laws.

- *Amendments to PAS 23, Borrowing Costs, Borrowing Costs Eligible for Capitalization*

  The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

  An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after January 1, 2019, with early application permitted.
  Since the Group's current practice is in line with these amendments, they had no impact on the consolidated financial statements of the Group.

- *Amendments to PFRS 3, Definition of a Business*

  The amendments to PFRS 3 clarify the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs. The amendments also add guidance to assess whether an acquired process is substantive and add illustrative examples. An optional fair value concentration test is introduced which permits a simplified assessment of whether an acquired set of activities and assets is not a business.

  An entity applies those amendments prospectively for annual reporting periods beginning on or after January 1, 2020, with earlier application permitted.

  These amendments will apply on future business combinations of the Group.

- *Amendments to PAS 1, Presentation of Financial Statements, and PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

  The amendments refine the definition of material in PAS 1 and align the definitions used across PFRSs and other pronouncements. They are intended to improve the understanding of the existing requirements rather than to significantly impact an entity's materiality judgements.

  An entity applies those amendments prospectively for annual reporting periods beginning on or after January 1, 2020, with earlier application permitted.

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, 2021

- *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

PFRS 17 is effective for reporting periods beginning on or after January 1, 2021, with comparative figures required. Early application is permitted.

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 Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (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.

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4. Receivables / Payables
(Amounts in Millions)

Aging of Receivables as of September 30, 2021:

	Neither Past Due or Impaired	Past Due but not Impaired				
		Less than 30 Days	31 to 60 Days	61 to 90 Days	More than 90 Days	Total
Real estate sales	₱4,500	₱17	₱14	₱9	₱270	₱4,809
Lease	244	64	94	99	-	502
Advances to officers and employees	41	-	-	-	-	41
Others	193	-	-	-	-	193
Total Receivable	**₱4,978**	**₱81**	**₱108**	**₱108**	**₱270**	**₱5,545**

Aging of Payables as of September 30, 2021:

	Due within 3 months	Due Between 3 to 12 months	Total
Trade and Other Payables	₱4,742	₱2,191	₱6,933
Security Deposit (Current Portion)	167	135	302
Retention Payable (Current Portion)	54	830	884
Deferred Lease Income (Current Portion)	168	-	168
Total Payable	**₱5,131**	**₱3,156**	**₱8,287**

5. Trade and Other Payables

(Amounts in Millions)

The trade and other payables as of September 30, 2021 is broken down as follows:

Trade	₱1,633
Deferred Output VAT	1,620
Accrued expense	2,169
Contract liabilities:	
Excess of collections over recognized receivables	1,115
Deposits from pre-selling of condominium units	3
Current portion of:	
Security deposits	302
Retention payable	884
Deferred lease income	168
Lease liabilities	21
Output VAT	280
Others	92
Total	**₱8,287**

6. Interest-bearing Loans & Borrowings

(Amounts in Millions)

This account consists of:

	September 30, 2021	December 31, 2020
Current		
Bonds payable	**₱-**	₱3,313
Term loan	1,844	2,639
Notes/ CTS loans payable	1,024	628
Short Term Loans	700	800
	3,568	7,380
Less unamortized loan transaction costs	33	25
Total Current Interest – bearing Loans & Borrowings	**₱3,535**	**₱7,355**
Noncurrent		
Term loan	₱21,483	₱17,039
Notes/ CTS loans payable	314	439
	21,797	17,478
Less unamortized loan transaction costs	94	75
Total Noncurrent Interest – bearing Loans & Borrowings	**₱21,702**	**₱17,403**
Total Interest-bearing Loans & Borrowings	**₱25,237**	**₱24,758**

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

Amounts (gross of unamortized cost)	September 30, 2021				
	Within 1 Year	1–2 Years	2–3 Years	More than 3 Years	Total
Fixed Rate					
Interest-bearing loans and borrowings	₱3,096	₱2,653	₱1,969	₱14,661	₱22,379
Floating Rate					
Interest-bearing loans and borrowings	472	356	301	1,857	2,986
Total	₱3,568	₱3,009	₱2,270	₱16,518	₱25,365

Amounts (gross of unamortized cost)	December 31, 2020				
	Within 1 Year	1–2 Years	2–3 Years	More than 3 Years	Total
Fixed Rate					
Interest-bearing loans and borrowings	₱7,216	₱1,425	₱1,419	₱11,689	₱21,749
Floating Rate					
Interest-bearing loans and borrowings	164	525	338	2,082	3,109
Total	₱7,380	₱1,950	₱1,757	₱13,771	₱24,858

Issuances, Repurchases and Repayments of Debt and Equity Securities January-September 2021

Issuances of Debt and Equity Securities / New Financing through Loans

Nature	Amount (in mm)
Term Loans	₱ 6,130
Short term Loans	2,700
CTS Financing	270
Total	**₱ 9,100**

Repayment of Debt and Equity Securities

Nature	Amount (in mm)
Term Loans	₱ 471
Short term Loans	2,800
CTS Financing	2,033
Bonds	3,313
Total	**₱ 8,617**

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 and hotel operations. Commercial buildings in its portfolio include the Power Plant Mall and 8 Rockwell 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. Hotel operations is engaged in leasing of serviced apartments and management of hotel and resort operations. Its hotel portfolio includes the Aruga serviced apartments located in Edades Towers and Garden Villas.

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 President, 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.

	September 30, 2021 (Unaudited)		
	Residential Development	**Commercial Development**	**Total**
Revenue	**₱ 7,520**	**₱ 1,156**	**₱ 8,676**
Costs and expenses	(5,271)	(385)	(5,656)
Share in net income of joint venture and associate	(3)	280	277
Other expense-net	9	–	9
EBITDA	**2,255**	**1,051**	**3,306**
Depreciation and amortization			(522)
Interest expense			(785)
Provision for income tax			(124)
Share of minority			(443)
Consolidated Net Income			**₱ 1,433**

	September 30, 2020 (Unaudited)		
	Residential Development	**Commercial Development**	**Total**
Revenue	**₱ 5,303**	**₱ 1,477**	**₱ 6,780**
Costs and expenses	(3,758)	(473)	(4,232)
Share in net income of joint venture and associate	–	250	250
Other expense-net	(43)	–	(43)
EBITDA	**1,502**	**1,254**	**2,755**
Depreciation and amortization			(552)
Interest expense			(1,087)
Provision for income tax			(262)
Share of minority			(110)
Consolidated Net Income			**₱ 744**

The following tables present assets and liabilities information regarding the Group's residential and commercial development business segments as of September 30, 2021 and December 31, 2020:

	September 30, 2021 (Unaudited)		
	Residential Development	**Commercial Development**	**Total**
Assets and liabilities:			
Segment Assets	₱ 35,324	₱ 8,540	₱ 43,864
Investment Properties	980	13,152	14,132
Investment in Joint Venture and Associate	753	2,335	3,088
Property & equipment	3,220	403	3,623
Total assets	**₱ 40,277**	**₱ 24,430**	**₱ 64,707**
Segment liabilities	**₱ 22,683**	**₱ 14,655**	**₱ 37,338**
Deferred tax liabilities -net	1,560	–	1,560
Total liabilities	**₱ 24,243**	**₱ 14,655**	**₱ 38,898**

	December 31, 2020 (Audited)		
	Residential Development	Commercial Development	Total
Assets and liabilities:			
Segment Assets	₱ 33,299	₱ 6,038	₱ 39,337
Investment Properties	775	13,711	14,486
Investment in Joint Venture and Associate	–	2,829	2,829
Property & equipment	2,914	2,369	5,283
Total assets	**₱ 36,988**	**₱ 24,947**	**₱ 61,935**
Segment liabilities	₱ 25,094	₱ 10,378	₱ 35,472
Deferred tax liabilities -net	1,601	–	1,601
Total liabilities	**₱ 26,695**	**₱ 10,378**	**₱ 37,073**

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

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

	September 30, 2021	September 30, 2020
Net income attributable to equity holders of the Parent Company	₱1,432.6	₱743.6
Dividends on preferred shares	(1.2)	(1.2)
Net income attributable to common shares (a)	₱1,431.4	₱742.3
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	1,599,648	3,937,647
Weighted average common shares – diluted (c)	6,118,361,846	6,120,699,845
Per share amounts:		
Basic (a/b)	₱0.23	₱0.12
Diluted (a/c)	0.23	0.12

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 September 30, 2021 and December 31, 2020. There are no material unrecognized financial assets and liabilities as of September 30, 2021 and December 31, 2020.

	September 30, 2021				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Assets					
Investment Properties	**₱14,132**	**₱26,433**	**₱–**	**₱1,735**	**₱24,698**
Due to related parties	**300**	**290**			**290**
Investment in equity instruments at FVOCI	**30**	**30**	**27**	**–**	**3**
	₱14,462	**₱26,753**	**₱27**	**₱1,735**	**₱24,991**

	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Liabilities					
Interest-bearing loans & borrowings (including noncurrent portion)	**₱25,237**	**₱26,330**	**₱–**	**₱–**	**₱26,330**
Retention payable (including noncurrent portion)	**1,515**	**1,402**	**–**	**–**	**1,402**
Security deposits (including noncurrent portion)	**608**	**590**	**–**	**–**	**590**
	₱27,360	**₱28,322**	**₱–**	**₱–**	**₱28,322**

	December 31, 2020				
	Carrying Value	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Assets					
Investment Properties	₱14,486	₱26,433	₱–	₱1,735	₱24,698
Due to related parties	400	378	–	–	378
Investment in equity instruments at FVOCI	32	32	28	–	3
	₱14,918	₱26,842	₱ 28	₱1,735	₱25,079

	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Liabilities					
Interest-bearing loans & borrowings (including noncurrent portion)	₱24,758	₱25,932	₱–	₱–	₱25,932
Retention payable (including noncurrent portion)	1,432	1,366	–	–	1,366
Security deposits (including noncurrent portion)	577	563	–	–	563
	₱26,767	₱27,861	₱–	₱–	₱27,861

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 1.0% to 5.4% as at September 30, 2021 and 0.99% to 3.95% as at December 31, 2020

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 1.0% to 5.4% as at September 30, 2021 and 0.99% to 3.95% as at December 31, 2020.

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:

As indicated	**For the nine months ended September 30**	
	2021	**2020**
ROA (*)	3.9%	1.8%
ROE (*)	9.9%	4.6%
	As of September 30, 2021	**As of December 31, 2020**
Current ratio *(x)*	3.32	2.37
Debt to equity ratio *(x)*	0.98	1.00
Net debt to equity Ratio *(x)*	0.86	0.87
Asset to equity ratio *(x)*	2.51	2.49
Interest coverage ratio *(x)*	3.15	3.29

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 nine months ended 30 September 2021 and 2020

Rockwell Land Corporation ("the Group") registered Php8,676 million in consolidated revenues, higher by 28% from last year's Php6,780 million. Residential development accounted for 87% of the total revenues in 2021, higher than last year's 78%.

Total EBITDA reached Php3,306 million, higher than last year's Php2,755 million driven by higher EBITDA from residential development segment. Overall EBITDA margin registered at 38% of total revenues, which is lower compared to last year's 41% due to higher costs from residential segment from cost recognition of projects which started revenue and cost recognition in the 2nd half of 2020. The total revenues used as basis for the EBITDA margin excludes gross revenues from the joint venture with Meralco and T.G.N. Realty Corporation which are reported separately under "Share in Net Losses (Income) in JV and associate". Share in net income in the joint venture and associate contributes 8% to the Company's total EBITDA.

Residential development and commercial development contributed 68% and 32% to the total EBITDA, respectively.

Consolidated net income after tax registered at Php1,875 million, higher from last year's Php853 million. NIAT to Parent for the nine months is Php1,433 million, 93% higher from same period last year of Php744 million.

Business Segments

Residential Development generated Php7,520 million, contributing 87% of the total revenues for the period. Bulk of the revenues came from the real estate sales, including accretion from interest income.

EBITDA from this segment amounted to Php2,255 million, 50% higher than the same period last year at Php1,502 million mainly attributable to higher sales booking and higher project accomplishments.

Commercial Development revenues amounted to Php1,156 million, 22% lower than 2020's Php1,477 million primarily due to higher concessions given to retail establishments. This segment contributed 13% to total revenues excluding the share in the joint venture with Meralco for the Rockwell Business Center in Ortigas, Pasig City.

Retail Operations which includes retail leasing, interest income and other mall revenues is continuously affected by the implementation of quarantine with revenue amounting to Php464 million 6% lower from same period last year. Office Operations generated Php643 million which is equivalent to 7% of the total revenues. Office operations include office leasing, sale and other revenues.

Hotel Operations which includes room and other hotel revenues generated Php49 million, 25% lower from same period last year due lower occupancy and average room rate.

The segment's EBITDA amounted to Php1,052 million, 16% lower from the same period last year. This includes the share in net income in the joint venture and associate amounting to Php280 million, contributing 27% to the segment's EBITDA.

Costs and Expenses

Cost of real estate and selling amounted to Php4,940 million. The cost of real estate and selling to total revenue ratio is at 57%, higher than 2020's 52%.

General and administrative expenses (G&A) amounted to Php1,238 million, 3% lower than last year mainly due to lower manpower costs, direct operating costs of cinema and occupancy and admin costs.

Interest Expense amounted to Php785 million, lower by 28% than last year's Php1,088 million mainly due to lower average interest rate.

Share in Net Income (Losses) in JV and associate realized share in net income of RBC and Rockwell Nepo amounting to Php277 million, 11% growth from last year's income of Php250 million due to higher revenues. At its 70% share, the Company generated total revenues of Php427 million and share in net income of Php280 million from RBC. At its 40% share, the Company generate a share in net loss of Php 3 million from Rockwell Nepo. The share in net income is reported net of taxes and represents the Company's share in the operations generated by RBC and Rockwell Nepo.

Project and capital expenditures

The Group spent a total of Php5.6 billion (gross of VAT) for project and capital expenditures for the nine months of 2021. Bulk of the expenditures pertained to development costs, mainly that of Proscenium, Rockwell South and Mactan projects and land acquistions.

Financial Condition

The Group's total assets as of September 30, 2021 amounted to Php64.7 billion, higher by 4% from 2020's year-end amount of Php61.9 billion. On the other hand, total liabilities amounted to Php38.9 billion, higher by 5% from 2020's Php37.1 billion. The increase in total assets were mainly from contract assets from revenue recognition from new sales and project accomplishments and real estate inventories.

Current ratio as of September 30, 2021 increased to 3.32x from 2.37x as of end 2020. Net debt to equity ratio is at 0.86x as of September 30, 2021, lower than 2020's yearend ratio of 0.87x.

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

Statement of Comprehensive Income Items – Nine Months 2021 vs. Nine Months 2020

56% increase in Real Estate Sales
Mainly due to higher sales booking from projects with significant completion, and start of revenue and cost recognition of Arton, Mactan and Rockwell South projects in the 2nd half of 2020 and launch of Balmori Suites.

22% decrease in Interest Income
Mainly due to due to sell out and completion of Proscenium and The Vantage, offset by income from newly launched projects.

12% decrease in Other Revenues
Due to lower cancellation income.

41% increase in Cost of Real Estate
Primarily due to higher sales booking and start of cost recognition of various projects.

44% increase in Selling Expenses
Primarily due to start of amortization of prepaid commissions for projects which started revenue and cost recognition, and higher marketing spend for newly launched projects.

28% decrease in Interest Expense
Primarily due to lower average interest rate.

11% increase in Share in Net Income of JV and associate
Due to higher average rental rates from tenant renewals.

Statement of Financial Position items – September 30, 2021 vs. December 31, 2020

35% increase in Trade and other receivables - net
Primarily due to receivable recognition following project completion.

19% increase in Real estate inventories
Due to reclassification of costs from Property and Equipment for The Balmori Suites project (formerly Aruga Makati), and new land acquisitions.

27% increase in Advances to contractors
Due to payments made to suppliers for projects Eastbay, The Arton and Mactan.

31% decrease in Property and equipment - net
Due to reclassification of The Balmori Suites project (formerly Aruga Makati) to Real estate inventories.

9% increase in Other current assets
Due to increase in Creditable withholding taxes.

9% increase in Investment in Joint Venture and Associate
Due to recognized share in the net income of Joint Venture.

16% increase in Contract assets – net of current portion
Primarily due to revenue recognition from new sales and project accomplishments.

35% decrease in Other noncurrent assets
Due to reclassification of The Balmori Suites advances to contractors and collection of due from Rockwell South land owners.

13% increase in Trade and other payables
Due to increase in accrued expense for project development costs, Output VAT and excess of collections over recognized receivables.

52% decrease in Current portion of interest-bearing loans and borrowings
Due to full payment of the bonds payable in the first quarter.

29% decrease in Subscription Payable
Mainly due to payment of subscribed capital stock for Rockwell Nepo Development Corporation.

25% increase in Interest-bearing loans and borrowings – net of current portion
Mainly due to availment of new loans.

35% increase in Deposits and other liabilities
Due to increase in collections from preselling projects and excess of collections over recognized receivables.

Key Performance Indicators

As indicated	**For the nine months ended September 30**	
	2021	**2020**
ROA (*)	3.9%	1.8%
ROE (*)	9.9%	4.6%
	As of September 30, 2021	**As of December 31, 2020**
Current ratio *(x)*	3.32	2.37
Debt to equity ratio *(x)*	0.98	1.00
Net debt to equity Ratio *(x)*	0.86	0.87
Asset to equity ratio *(x)*	2.51	2.49
Interest coverage ratio *(x)*	3.15	3.29

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*

PART II – OTHER INFORMATION

Item 3. Other Notes and Disclosures

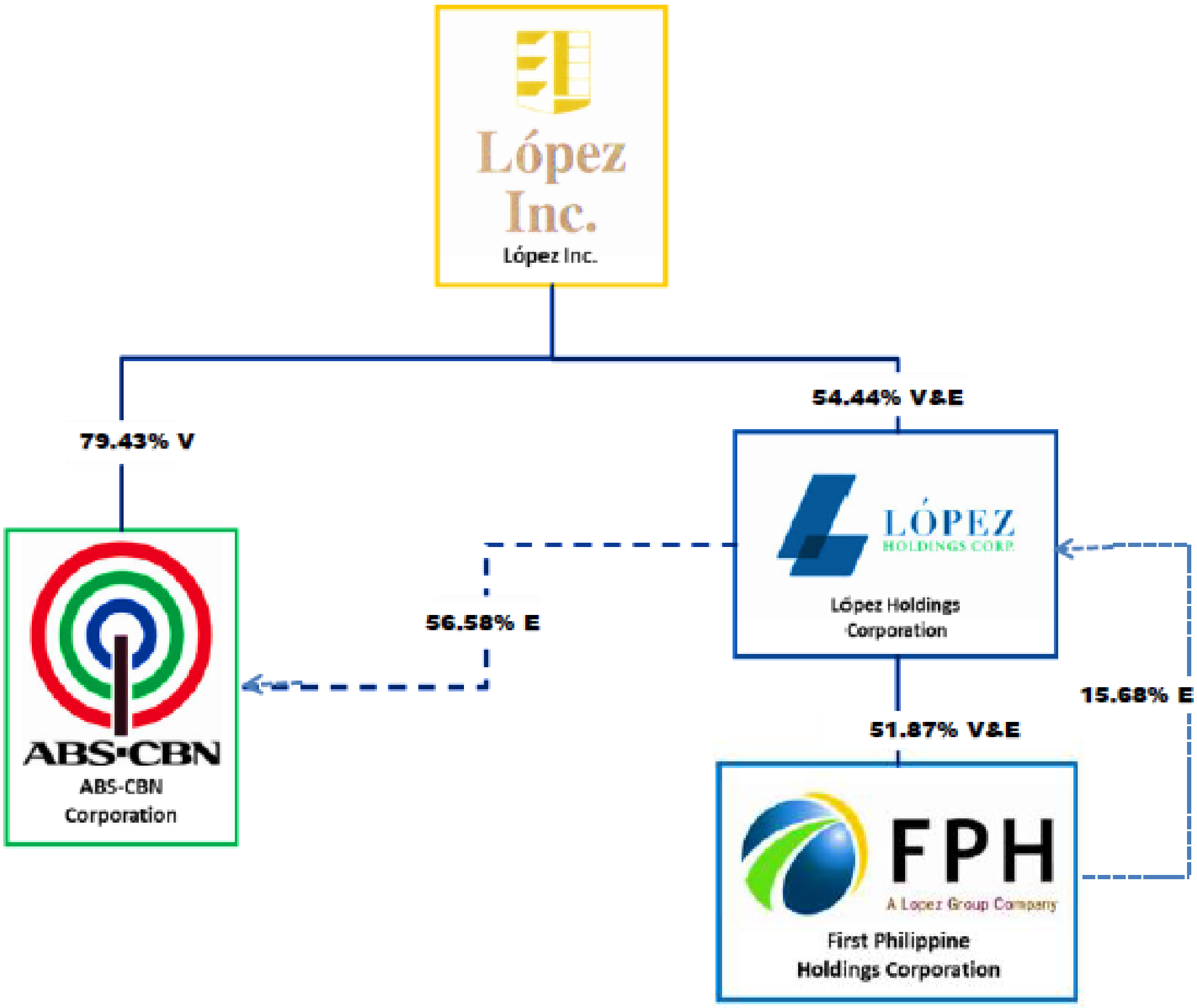
1. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.	Dividend declaration
2. The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal 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 -

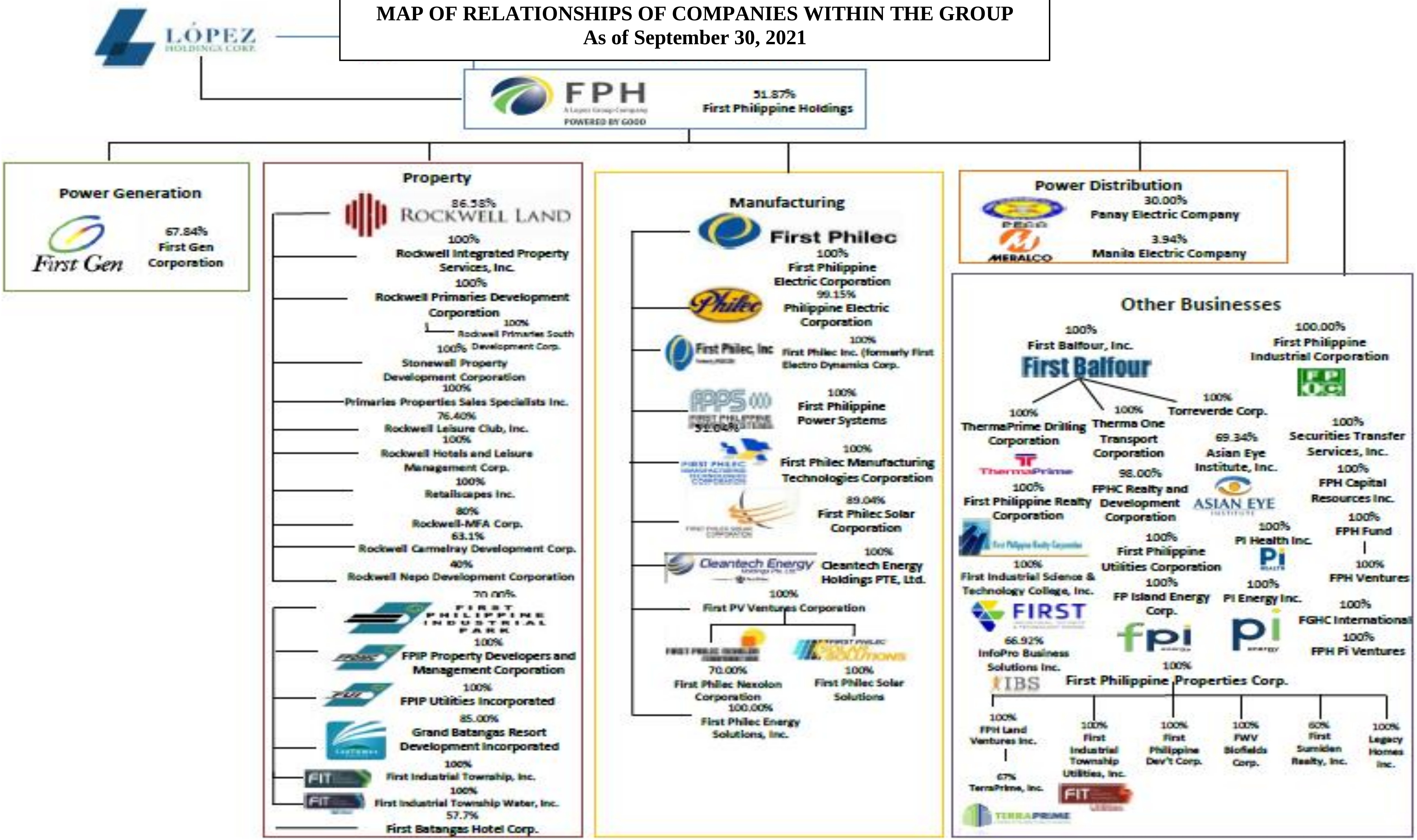
The stockholders, directors and officers of the Company, their respective number of Common Shares and the corresponding percentage of these Common Shares as of September 30, 2021 are as follows:

Name of Stockholder		Relationship	No. of Shares	% of Total Outstanding Shares
1	First Philippine Holdings Corporation	Shareholder	5,296,015,375	86.58%
2	Manuel M. Lopez	Shareholder and Director	2,959,173	0.05%
3	Oscar M. Lopez	Shareholder and Director	174,898	0.00%
4	Federico R. Lopez	Director	1	0.00%
5	Nestor J. Padilla	Shareholder and Director	21,150,001	0.35%
6	Miguel Ernesto L. Lopez	Shareholder and Director	243,694	0.00%
7	Francis Giles B. Puno	Shareholder and Director	5,656	0.00%
8	Oscar J. Hilado	Director	1	0.00%
9	Monico V. Jacob	Director	2	0.00%
10	Albert F. Del Rosario	Director	2,818	0.00%
11	Jose Valentin A. Pantangco, Jr.	Director	1	0.00%
12	Benjamin R. Lopez	Director	1	0.00%
13	Valerie Jane L. Soliven	Officer	28,000	0.00%
14	Maria Lourdes L. Pineda	Shareholder and Officer	141,272	0.00%
15	Ellen V. Almodiel	Officer	0	0.00%
16	Davy T. Tan	Officer	0	0.00%
17	Manuel L. Lopez Jr.	Officer	0	0.00%
18	Estela Y. Dasmariñas	Shareholder and Officer	1,882	0.00%
19	Angela Marie B. Pagulayan	Officer	0	0.00%
20	Jesse S. Tan	Officer	0	0.00%
21	Christine T. Coqueiro	Officer	0	0.00%
22	Jovie Jade Lim-Dy	Officer	0	0.00%
23	Geraldine B. Brillantes	Officer	0	0.00%
24	Romeo G. Del Mundo, Jr.	Officer	0	0.00%
25	Enrique I. Quiason	Officer	3,575	0.00%
26	Esmeraldo C. Amistad	Officer	0	0.00%
27	Alexis Nikolai S. Diesmos	Officer	13,000	0.00%
28	Ma. Fe Carolyn Go-Pinoy	Officer	0	0.00%
29	Stella May A. Fortu	Officer	0	0.00%
30	Others (Public)	Shareholder	796,022,848	13.01%
		6,116,762,198	**100.00%**	

ROCKWELL LAND CORPORATION AND SUBSIDIARIES
MAP OF RELATIONSHIPS OF COMPANIES WITHIN THE GROUP
As of September 30, 2021



ROCKWELL LAND CORPORATION AND SUBSIDIARIES
MAP OF RELATIONSHIPS OF COMPANIES WITHIN THE GROUP
As of September 30, 2021



ROCKWELL LAND

- 100% Rockwell Integrated Property Services Inc.
- 100% Rockwell Primaries Development Corp.
  - 100% Rockwell Primaries South Development Corporation
- 100% Stonewell Property Development Corp.
- 100% Primaries Properties Sales Specialists Inc.
- 100% Rockwell Hotels & Leisure Management Corp.
- 76.4% Rockwell Leisure Club, Inc.
- 100% Retailscapes Inc.
- 80% Rockwell MFA Corporation
- 63.17% Rockwell Carmelray Development Corp
- 40% Rockwell Nepo Development Corp

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: November 12, 2021