



RL FUND MANAGEMENT, INC.

Performance Report for the Second Quarter of 2022

12 August 2022

This document was prepared by RL Fund Management, Inc. ("RLFMI") for **RL Commercial REIT, Inc.** ("RCR" or the "Company") in compliance with the reportorial requirements of the REIT Implementing Rules & Regulations under Republic Act No. 9856.



RL FUND MANAGEMENT, INC.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements and forward-looking information that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to known and unknown risks; uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expected future results; performance or achievements expressed or implied by forward-looking statements; RCR's overall future business, financial condition, and results of operations, including, but not limited to financial position or cash flow; RCR's goals for or estimates of future operational performance or results; and changes in the regulatory environment including, but not limited to, policies, decisions, and determinations of governmental or regulatory authorities. Although RCR has extensive experience and that the forward-looking statements may be reasonable, nothing herein should be relied upon as a commitment as RCR cannot guarantee future events due to various risks and uncertainties.



RL FUND MANAGEMENT, INC.

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RL FUND MANAGEMENT, INC.

I. PORTFOLIO OVERVIEW

RL Commercial REIT, Inc. ("RCR"), a company designated by Robinsons Land Corporation ("RLC") to operate as a Real Estate Investment Trust ("REIT"), leases to a diversified tenant base a high-quality portfolio (the "Portfolio") of 15 commercial real estate assets (the "Properties" and each, a "Property") across the Philippines with an aggregate Portfolio gross leasable area ("GLA") of 435,682 sqm as of 30 June 2022. The Portfolio consists of commercial spaces primarily leased for office purposes, with minimal retail spaces on some of the Properties to support the needs of office tenants.

The initial Portfolio of 14 assets comprises the Assigned Properties and the Cybergate Center Buildings with an aggregate Appraised Value of ₱74,007.5 million as of 30 June 2022 located in central business districts ("CBDs") across Metro Manila and in the key cities of Naga, Tarlac, Cebu and Davao outside of Metro Manila.

On 08 March 2022, RCR entered into a Deed of Sale with Robinsons Land Corporation ("RLC") for the acquisition of Robinsons Cybergate Bacolod for ₱734.0 million, exclusive of value-added tax. Robinsons Cybergate Bacolod is the 15th asset acquired by RCR. It is located in Bacolod City, Negros Occidental with GLA of 10,367 sqm.

Details of RCR's portfolio as of 30 June 2022 are as follows:

	Location	Year Completed	Registration/ Certification	Office Grade (1)	GLA (sqm)	% of Total Portfolio GLA	Appraised Value (₱ million)(2)	Title to Asset	Title to Land
Metro Manila									
Assigned Properties									
Robinsons Equitable Tower	Ortigas CBD, Pasig City	1999	PEZA	A	14,365	3.3%	3,426.5	Freehold over 96 units ⁽³⁾	Subdivided interest in land
Robinsons Summit Center	Makati CBD, Makati City	2001	PEZA	A	31,394	7.2%	11,477.2	Freehold over 31 units ⁽⁴⁾	Subdivided interest in land
Cyberscape Alpha	Ortigas CBD, Pasig City	2014	PEZA	A	49,902	11.5%	8,553.8	Building owned	Land leased from Sponsor for 99 years
Cyberscape Beta	Ortigas CBD, Pasig City	2014	PEZA	A	42,245	9.7%	7,806.0	Building owned	Land leased from Sponsor for 98 years
Tera Tower	Bridgetowne Complex, IT Park, Quezon City	2015	PEZA, LEED Gold	A / Prime	35,087	8.1%	6,069.4	Building owned	Land leased from Sponsor for 98 years
Cyber Sigma	McKinley West, Fort Bonifacio, Taguig City	2017	PEZA	A	49,970	11.5%	5,831.2	Building owned	Land leased from BCDA for 25 years ⁽⁵⁾
Exxa-Zeta Tower	Bridgetowne Complex, IT Park, Quezon City	2018	PEZA, LEED Silver	A / Prime	74,584	17.1%	11,869.1	Building owned	Land leased from Sponsor for 99 years
Cybergate Center Building Leases									
Robinsons Cybergate Center 2	Cybergate Complex, IT Park, Mandaluyong City	2007	PEZA	A	43,672	10.0%	6,841.4	Building leased from Sponsor	N/A
Robinsons Cybergate Center 3	Cybergate Complex, IT Park, Mandaluyong City	2008	PEZA	A	44,614	10.2%	7,881.9	Building leased from Sponsor	N/A

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	Location	Year Completed	Registration/ Certification	Office Grade (1)	GLA (sqm)	% of Total Portfolio GLA	Appraised Value (P million)(2)	Title to Asset	Title to Land
Outside Metro Manila									
Assigned Properties									
Robinsons Cybergate Cebu	Cebu City	2011	PEZA	B	6,866	1.6%	677.4	5/F to 7/F owned	Land leased from Sponsor for 98 years
Galleria Cebu	Cebu City	2017	PEZA	A	8,851	2.0%	944.4	3/F to 4/F owned	Land leased from Sponsor for 99 years
Robinsons Place Luisita 1.....	Robinsons Luisita Complex, Tarlac City	2018	PEZA	B	5,786	1.3%	621.6	Building owned	Land leased from Sponsor for 99 years
Cybergate Naga	Robinsons Place Naga Complex, Naga City	2018	PEZA	B	6,069	1.4%	690.4	3/F to 5/F owned	Land leased from Sponsor for 99 years
Cybergate Delta 1.....	Robinsons Cyberpark Davao, Davao City	2018	PEZA	B	11,910	2.7%	1,317.1	Building owned	Land leased from Sponsor for 99 years
Robinsons Cybergate Bacolod.....	Robinsons Cybergate Bacolod, Bacolod City	2018	PEZA	B	10,367	2.4%	744.8	Building owned	Land leased from Sponsor for 50 years(6)
Total					435,682	100.0%	74,752.4		

Notes:

- (1) According to the JLL Report, office buildings classified as "Grade A" or "Prime" are modern specification buildings with high quality finishes, typically located in prime locations while those classified as "Grade B" are medium quality buildings in prime locations or "Grade A" standard buildings, but in secondary locations.
- (2) The valuation of the properties is done using the Discounted Cashflows ("DCF") Approach or Income Approach. Under the DCF approach, the cashflows of the properties were discounted based on a weighted average cost of capital (WACC) using the Capital Asset Pricing Model.
- (3) The Company owns 96 units out of 353 units comprising the Robinsons Equitable Tower. Title over each unit is evidenced by a CCT which represents ownership over the unit and an undivided interest in the land on which the Robinsons Equitable Tower is located.
- (4) The Company owns 31 units out of 32 units comprising the Robinsons Summit Center. Title over each unit is evidenced by a CCT which represents ownership over the unit and an undivided interest in the land on which the Robinsons Summit Center is located.
- (5) The lease is renewable for another 25 years and includes an Option to Purchase the land and its improvements from BCDA on the 24th year of the initial lease period.
- (6) The lease is renewable for a term of 25 years upon terms and conditions mutually acceptable to both parties.

II. FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2022

A. Interim Statement of Comprehensive Income for the Six Months Ended 30 June 2022

	(P thousands)
REVENUE	
Rental income	2,147,642
Income from dues	405,668
Income from dues - net	33,482
	<u>2,586,792</u>
FAIR VALUE CHANGE IN INVESTMENT PROPERTIES	
Increase in fair value of investment properties	—
Straight-line adjustments	(93,720)
Lease commissions	(7,695)
	<u>(101,415)</u>
Other income	8,614
	<u>2,493,991</u>
COSTS AND EXPENSES	
Direct operating costs	327,709
General and administrative expenses	172,559
Interest expense on lease liability	4,803
	<u>505,071</u>
OPERATING INCOME	<u>1,988,920</u>
OTHER INCOME	
Interest Income	1,122
INCOME BEFORE INCOME TAX	<u>1,990,042</u>
Provision for income tax	(224)
NET INCOME	<u>1,989,818</u>
Other comprehensive income	—
Total comprehensive income	<u>1,989,818</u>
Distributable income	<u>2,091,233</u>
Adjusted funds from operations	<u>1,956,860</u>
Basic/Diluted earnings per share	<u>0.2000</u>
Dividend per share declared to-date	<u>0.1937</u>

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B. Revenue, Rental Income, and Net Income Contribution of Each Property

The contribution of each of the Properties to the Company's Revenue are as follows:

Contribution to Revenue	For the period ending June 2022 (Unaudited)	
	(P thousands)	(%)
Robinsons Equitable Tower	93,076	3.73%
Robinsons Summit Center	325,357	13.05%
Cyberscape Alpha	285,715	11.46%
Cyberscape Beta	252,535	10.13%
Tera Tower	184,611	7.40%
Cyber Sigma	319,949	12.83%
Exxa-Zeta Tower	375,824	15.07%
Robinsons Cybergate Center 2	222,505	8.92%
Robinsons Cybergate Center 3	265,121	10.63%
Robinsons Cybergate Cebu	21,167	0.85%
Galleria Cebu	31,000	1.24%
Robinsons Place Luisita 1	23,507	0.94%
Cybergate Naga	22,056	0.88%
Cybergate Delta 1	47,857	1.92%
Robinsons Cybergate Bacolod	23,711	0.95%
Total	2,493,991	100.00%

The contribution of each of the Properties to the Company's Rental Income are as follows:

Contribution to Rental Income	For the period ending June 2022 (Unaudited)	
	(P thousands)	(%)
Robinsons Equitable Tower	82,386	3.84%
Robinsons Summit Center	311,950	14.53%
Cyberscape Alpha	257,778	12.00%
Cyberscape Beta	226,956	10.57%
Tera Tower	157,450	7.33%
Cyber Sigma	291,231	13.56%
Exxa-Zeta Tower	308,427	14.36%
Robinsons Cybergate Center 2	173,931	8.10%
Robinsons Cybergate Center 3	211,067	9.83%
Robinsons Cybergate Cebu	13,580	0.63%
Galleria Cebu	23,123	1.08%
Robinsons Place Luisita 1	19,292	0.90%
Cybergate Naga	15,724	0.73%
Cybergate Delta 1	37,959	1.76%
Robinsons Cybergate Bacolod	16,788	0.78%
Total	2,147,642	100.00%

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The contribution of each of the Properties to the Company's Net Income are as follows:

Contribution to Net Income	For the period ending June 2022 (Unaudited)	
	(P thousands)	(%)
Robinsons Equitable Tower	72,418	3.64%
Robinsons Summit Center	283,564	14.25%
Cyberscape Alpha	232,492	11.68%
Cyberscape Beta	195,908	9.85%
Tera Tower	143,817	7.23%
Cyber Sigma	260,092	13.07%
Exxa-Zeta Tower	290,864	14.62%
Robinsons Cybergate Center 2	178,472	8.97%
Robinsons Cybergate Center 3	208,935	10.50%
Robinsons Cybergate Cebu	16,782	0.84%
Galleria Cebu	24,374	1.22%
Robinsons Place Luisita 1	16,407	0.82%
Cybergate Naga	12,440	0.63%
Cybergate Delta 1	33,626	1.69%
Robinsons Cybergate Bacolod	19,627	0.99%
Total	1,989,818	100.00%

C. Costs and Expenses

Cost and expenses consist of direct operating expenses, general and administrative expenses and interest expense on lease liability.

	For the period ending June 2022 (Unaudited, P thousands)
Direct operating expenses	
Fund management fees	115,231
Property management fees	105,429
Repairs and maintenance	38,060
Contracted services	32,017
Depreciation and amortization	14,555
Accretion of interest expense	14,160
Utilities	8,257
	327,709
General and administrative expenses	
Rent expense	96,867
Taxes and licenses	48,553
Insurance	11,237
Advertising and promotions	1,661
Professional fees	1,099
Supplies expense	685
Association dues	280
Others	12,177
	172,559

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<i>(Forward)</i>	For the period ending June 2022 (Unaudited, ₱ thousands)
Interest expense on lease liability	4,803
Total costs and expenses	505,071

D. Interim Statement of Cash Flows for Six Months Ended 30 June 2022

	(₱ thousands, Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES	
Income before income tax	1,990,042
Adjustments for:	
Fair value change in investment properties	101,415
Depreciation and amortization	14,555
Interest expense	4,803
Interest income	(1,122)
Operating income before working capital changes	2,109,693
Changes in operating assets and liabilities:	
Decrease in:	
Receivables	101,298
Other current assets	13,948
Increase in:	
Accounts and other payables	24,039
Deposits and other liabilities	59,681
Cash generated from operations	2,308,660
Income tax paid	(224)
Interest received	1,122
Net cash flows provided by operating activities	2,309,557
CASH FLOWS USED IN INVESTING ACTIVITIES	
Additions to investment properties	(803,095)
Increase in other noncurrent assets	(94,367)
Net cash flows used in investing activities	(897,462)
CASH FLOWS USED IN FINANCING ACTIVITIES	
Payment of dividends	(1,875,386)
NET DECREASE IN CASH AND CASH EQUIVALENT	(463,291)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,373,255
CASH AND CASH EQUIVALENTS AT 30 JUNE 2022	909,964

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E. Distributable Income and Adjusted Funds from Operations for the Six Months Ended 30 June 2022
(P thousands, Unaudited)

Total comprehensive income	1,989,818
Fair value change in investment properties	101,415
Distributable income	2,091,233
<i>Less:</i>	
Maintenance capital expenditure reserve	(30,737)
Fair value change in investment properties	(101,415)
Reversal of other non-cash accounting adjustments to comply with accounting standards	13,224
Rent expense paid	(15,445)
Adjusted funds from operations	1,956,860

The fair value of the Company's investment properties is determined using the Income Approach by an external valuer. It is reduced by the application of the straight-line method of recognizing rental income and lease commissions for the period. For the six months ending 30 June 2022, gain or loss arising from the change in the fair value of investment properties amounted to nil; while straight-line adjustments in rent and lease commissions amounted to ₱93.7 million and ₱7.7 million, respectively totaling ₱101.4 million.

F. Borrowings

In 2021, RCR secured the highest issuer credit rating of PRS Aaa (corp.), with a Stable Outlook, from Philippine Rating Services Corp. (PhilRatings).

With a PRS Aaa (corp.) rating, the highest issuer credit rating assigned on the PRS scale, RCR is deemed to have a very strong capacity to meet its financial commitments relative to that of other Philippine corporates. The rating includes a stable outlook for RCR, which means it is expected to remain unchanged in the next 12 months.

The investment-grade Issuer Credit Rating allows RCR to increase its leverage limit from 35% to 70% of the total value of its deposited property, according to the REIT Implementing Rules and Regulations (IRR). This gives RCR greater financial flexibility to support its organic and inorganic growth for long-term sustainability.

RCR did not breach the borrowing limit per REIT IRR as it did not have any outstanding borrowings as of 30 June 2022 and 31 December 2021.

III. OPERATING STATISTICS AS OF 30 JUNE 2022

A. Occupancy Rate

Building	GLA (in sqm)	Occupied Area (in sqm)	Occupancy Rate
Robinsons Equitable Tower	14,365	14,215	99%
Robinsons Summit Center	31,394	31,394	100%
Cyberscape Alpha	49,902	49,902	100%
Cyberscape Beta	42,245	41,861	99%
Tera Tower	35,087	35,087	100%
Cyber Sigma	49,970	49,970	100%
Exxa-Zeta Tower	74,584	73,090	98%
Robinsons Cybergate Center 2	43,672	43,565	100%
Robinsons Cybergate Center 3	44,614	44,387	99%
Robinsons Cybergate Cebu	6,866	6,866	100%
Galleria Cebu	8,851	8,851	100%
Robinsons Place Luisita 1	5,786	5,786	100%
Cybergate Naga 1	6,069	6,069	100%
Cybergate Delta 1	11,910	11,910	100%
Robinsons Cybergate Bacolod	10,367	9,205	89%
Total	435,682	432,158	99%

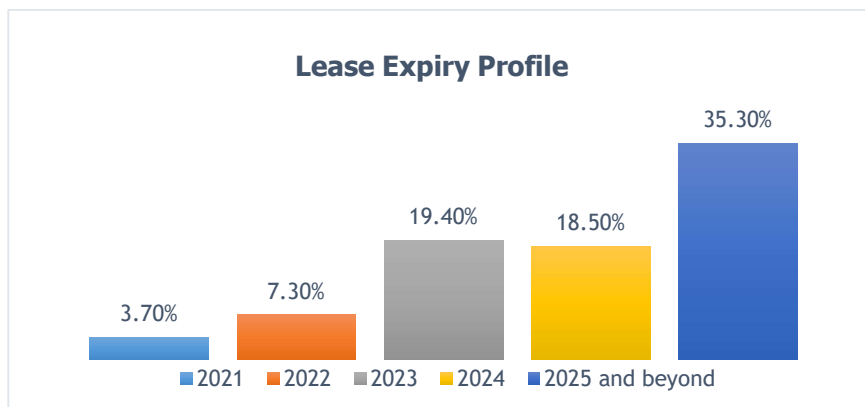
B. Tenant Mix

Tenant mix, excluding spaces occupied by affiliates as of 30 June 2022 is as follows:

	BPO	Traditional	Others
As a % of Total Occupied Area	80%	11%	9%

C. Weighted Average Lease Expiry

Weighted Average Lease Expiry as of 30 June 2022 is shown below:



IV. INVESTMENT RETURN

Following the listing of RCR's common stock in the Philippine Stock Exchange on 14 September 2021, RCR has adopted a dividend policy to maintain an annual cash dividend payout ratio of at least 90% of Distributable Income for the preceding fiscal year, subject to compliance with the requirements of the REIT Law and the Revised REIT IRR. RCR likewise intends to declare and pay out dividends on a quarterly basis each year as allowed under Rule 4 Section 4 of the Revised REIT IRR.

On 10 May 2022, RCR declared its first regular cash dividends for calendar year 2022 covering the period 01 January 2022 to 31 March 2022 at ₱0.0965 per outstanding common share, following the approval of the Board of Directors in their regular meeting held on the same date. The cash dividends were paid on 31 May 2022 to stockholders of record as of 26 May 2022.

On 09 August 2022, RCR declared its second regular cash dividends for calendar year 2022 covering the period 01 April 2022 to 30 June 2022 at ₱0.0972 per outstanding common share, following the approval of the Board of Directors in their regular meeting held on the same date. The cash dividends will be payable on 31 August 2022 to stockholders of record as of 23 August 2022.

To date, total shareholder return is 3.69% based on listing price of ₱6.45 per share.

	1Q 2022	2Q 2022	For the Period January to June 2022
Dividend per Share	₱0.0965	₱0.0972	₱0.1937
Number of Shares Outstanding	9,948,997,197	9,948,997,197	9,948,997,197
Total Dividend Amount (a)	₱960,078,230	₱967,042,528	₱1,927,120,757
Adjusted Funds from Operations (AFFO) (b)	₱970,652,183	₱986,208,288	₱1,956,860,471
Distributable Income (c)	₱1,036,867,654	₱1,054,364,879	₱2,091,232,533
Dividend Payout Ratio			
% of AFFO (a/b)	98.91%	98.06%	98.48%
% of Distributable Income (a/c)	92.59%	91.72%	92.15%
Dividend Yield			
at Listing Price of ₱6.45/share	5.98%	6.03%	6.01%
at Latest Share Price of ₱6.31/share ¹	6.12%	6.16%	6.14%
at 30-day VWAP of ₱6.31/share ¹	6.12%	6.16%	6.14%

¹ from *pse.com.ph* and *Technistock* as at 09 August 2022

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V. KEY PERFORMANCE INDICATORS

	As of June 30, 2022	As of December 31, 2021
Current ratio ¹	1.77	3.70
Acid test ratio (Quick ratio) ²	1.67	3.53
Debt-to-equity ratio ³	RCR does not have any financial indebtedness as of June 30, 2022 and December 31, 2021	
Asset-to-equity ratio ⁴	1.03	1.03
Net book value per share ⁵	₱6.05	₱6.03

	For the Period Ended June 30	
	2022	2021
Earnings per share ⁶	₱0.20	(₱3.54)
Interest Rate coverage ratio ⁷	RCR does not have any financial indebtedness as of June 30, 2022 and March 31, 2021	
Net profit/ operating margin ⁸	0.80	0.00
Solvency ratio ⁹	RCR does not have any financial indebtedness as of June 30, 2022 and March 31, 2021	
Return on equity ¹⁰	0.06	0.06
Return on assets ¹¹	0.06	0.05

Notes:

- (1) **Current ratio** is computed as Current Assets over Current Liabilities
- (2) **Acid test ratio (Quick ratio)** is computed as Quick Assets over Current Liabilities (Quick Assets include Cash)
- (3) **Debt-to-equity ratio** is computed as the ratio of financial indebtedness (which for the applicable periods is equivalent to loans payable gross of debt issue cost and short-term loans) to Total Shareholders' Equity
- (4) **Asset-to-equity ratio** is computed as Total Assets over Total Shareholders' Equity
- (5) **Net Book value per share** is computed as Total Shareholders' Equity over total common shares outstanding
- (6) **Earnings per share** is computed as Net Income over total commons shares outstanding
- (7) **Interest rate coverage ratio** is computed as Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) over interest expensed and capitalized from financial indebtedness
- (8) **Net profit/operating margin** is computed as Operating Income over Total Revenues
- (9) **Solvency ratio** is computed Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) over Total Debt (Total debt includes short-term debt and long-term debt)
- (10) **Return on equity** is computed as Net Income (12-month basis) over Total Shareholders' Equity
- (11) **Return on assets** is computed as Net Income (12-month basis) over Total Assets

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VI. ASSET ACQUISITION AND FINANCING STRATEGY

A. Asset Acquisition

1. TRANSACTION AND ASSET OVERVIEW

Details of RCR's asset acquisition and infusion for the period covering 01 January to 30 June 2022 are summarized as follows:

	Location	Year Completed	Registration	Office Grade ⁽¹⁾	GLA (sqm)	Occupancy (%) ⁽²⁾	Date and Mode of Acquisition / Infusion	Total Contract Price (P million) ⁽³⁾	Tenant Mix	Registered Owner
Metro Manila										
Robinsons Cyberscape Gamma	Ortigas CBD, Pasig City	2018	PEZA	A	44,797	92%	20 April 2022 via Property-for-Share Swap	5,388.0 ⁽⁴⁾	BPO, Traditional, Retail	RLC
Outside Metro Manila										
Robinsons Cybergate Bacolod	Bacolod City	2004	PEZA	B	10,367	89%	08 March 2022 via cash purchase	734.0	BPO, Traditional, Retail	RLC
Total					55,164			6,122.0		

Notes:

- (1) According to the JLL report, office buildings classified as Grade "A" or "Prime" are modern specification buildings with high quality finishes, typically located in prime locations while those classified as "Grade B" are medium quality buildings in prime locations or "Grade A" standard buildings, but in secondary locations.
- (2) As of date of acquisition and infusion
- (3) Exclusive of Value Added Tax (VAT), as applicable. The valuation of the properties is done using the Discounted Cashflows (DCF) Approach or Income Approach. Under the DCF approach, the cashflows of the properties were discounted based on a weighted average cost of capital (WACC) using the Capital Asset Pricing Model.
- (4) In accordance with Fairness Opinion, subject to confirmation of valuation by the Securities and Exchange Commission (SEC)

On 08 March 2022, the Company entered into a Deed of Sale with its Sponsor, Robinsons Land Corporation (RLC), for the acquisition of its 15th asset, **Robinsons Cybergate Bacolod (RCB)** for ₱734.0 million exclusive of VAT via cash purchase. This PEZA-registered two-storey commercial is predominantly leased to a BPO company.

On 20 April 2022, the Company entered into a Deed of Assignment with RLC for the infusion of **Robinsons Cyberscape Gamma (RCG)** valued at ₱5,888.0 million in exchange for RCR's shares. This is the second property-for-share swap transaction entered into by RCR with its Sponsor that will qualify as a tax-free exchange under Section 40(c)(2) of the Tax Code. This 37-storey commercial development will be RCR's 16th asset, which is likewise predominantly leased to BPO companies.

RCB and RCG are collectively referred to herein as the "Properties".

RCR will lease the land where the Properties are situated from RLC for 50 years with option to renew for another 25 years at a lease rate of seven percent (7%) of the rental income generated by the Properties for the period.

Both transactions have been approved by the Board of Directors of RLFM and RCR, as well as RCR's Related Party Transactions Committee.

The Company has already secured the Certificate Authorizing Registration (CAR) from the Bureau of Internal Revenue (BIR) for RCB and is in the process of securing one for RCG.

The SEC's approval of the property-for-share swap is expected to be issued this year. Immediately after, the Company shall apply for the listing of additional shares with the Philippine Stock Exchange.

RL FUND MANAGEMENT, INC.

2. PRINCIPAL INVESTMENT MANDATE

RLFMI's principal mandate is to pursue organic, as well as inorganic growth opportunities either through redevelopment of existing assets or through the dividend yield accretive acquisitions and/or infusions of high quality commercial properties that complement RCR's portfolio.

3. KEY INVESTMENT CRITERIA, SELECTION METHODOLOGY, AND INVESTMENT RATIONALE

Subject to the investment limits provided under Rule 5, Sec. 1 of SEC MC 1-2020, RCR's key investment criteria are as follows:

a. Yield Accretive: *Should provide attractive dividend yield growth to RCR*

The Properties will immediately start to contribute revenues to RCR upon acquisition of RCB and upon effectivity of the Property-for-Share Swap for RCG, creating immediate tangible value to shareholders through higher distributable income. Organic growth is underpinned by fixed annual rental escalations, with tenants typically having fixed rental escalations of between 3% to 5% p.a. Furthermore, there is a potential upside in revenues and distributable income once vacancies are filled.

At IPO price of ₱6.45 per share, the CY2022 projected annualized dividend yield of RCR after the acquisition of RCB and infusion of RCG is 6.06%, exceeding commitment per REIT Plan at 5.96%. Estimated yield is subject to actual operating performance and market conditions.

b. Three-Year Profitability History: *With operating profitability history of more than three years*

The Properties have been operational and profitable for more than three years.

c. Stable Occupancy: *With consistently high occupancy rates based on prevailing market terms;*

The Properties have maintained stable high occupancy rates of 89% for RCB and 92% for RCG.

d. Location and Accessibility: *(i) located in a CBD, emerging business districts or in key cities across the Philippines, typically with high-growth potential; and (ii) in proximity to various modes of public transport and major roads for enhanced accessibility to tenants;*

RCB fronts Araneta Avenue, one of Bacolod City's major thoroughfares linking both the northern and southern sections of the city.

Meanwhile, RCG has direct frontage along two roads making it easily accessible. The district where the RCG is situated is surrounded by four major thoroughfares: on the west by EDSA; on the north by Ortigas Avenue; on the east by Meralco Avenue; and on the south by Shaw Boulevard. These thoroughfares provide easy access to/from various sections of the metropolis. Public transportation is available throughout the day in both locations.

The acquisition and infusion of the Properties will extend RCR's wide geographical reach to 10 cities nationwide, diversifying the Company's revenue stream and mitigating concentration risk.

e. Tenant Profile: *The potential property should target clients that will contribute to the portfolio's diversified tenant base, predominantly targeting all sub-sectors of the IT-BPM and BPO industry, traditional office tenants as well as other tenant categories that will contribute to the stable occupancy of the buildings.*

RCR had an initial portfolio of 14 high-quality commercial assets, carefully curated for its stability, diversity, and focus on the resilient BPO sector. The acquisition and infusion of the Properties will further solidify RCR's tenant base from the essential services sector as majority of the tenants of RCB and RCG are BPO

RL FUND MANAGEMENT, INC.

companies. Other tenants are traditional companies and retail tenants which contribute to the stable occupancy of RCB and RCG.

- f. PEZA Registration:** *To the extent available, the potential property has PEZA registration or otherwise located in a PEZA-registered IT park.*

RCB is registered with PEZA as an IT Park entitled to certain tax and non-tax incentives including, among others, 5% special tax regime.

On the other hand, RCG is registered with PEZA as an Information Technology (IT) Center.

Tenants generally enjoy preferential tax rates and/or exemptions as a result of the Government's thrust to spur the growth of the IT-BPM and BPO industry through PEZA registration incentives.

RCR has a pipeline of over 400,000 sqm of gross leasable area (GLA) for potential acquisition from RLC consisting of existing office assets (including RCG), offices that are in various stages of construction, and BPO-occupied spaces in RLC's malls (including RCB).

As of the date of acquisition of RCB and infusion of RCG, the Properties were the ones that satisfied RCR's strategic and financial key investment criteria.

The acquisition and infusion will expand RCR's portfolio to 16 assets, widen its geographical footprint to 10 cities nationwide, boost portfolio value to over ₱80.0 billion and grow GLA by 13% to 480,479 sqm, solidifying the Company's position as the biggest Philippine REIT in terms of asset size and widest geographical coverage to-date.

4. TRANSACTIONAL CONSIDERATION AND PUBLIC FLOAT

In compliance with Rule 5, Sec. 9 (f) of SEC MC 1-2020, the total contract price of RCB at ₱734.0 million and RCG at ₱5,888.0 million were based on valuation report prepared by RCR's independent valuer, Santos Knight Frank (SKF).

SKF is a pioneer in appraisal practice both in Philippines and globally and is accredited by the SEC and PSE.

For RCG, upon confirmation of regulatory bodies of the transaction price, the asset will be exchanged for 777,807,133 common shares of RCR at an exchange price of ₱7.57 per share which is 0.22 higher than the 30-day Volume Weighted Average Price (VWAP) of ₱7.35 as of 20 April 2022.

The appraised value and the exchange price are within the values indicated in the Fairness Opinion issued by FTI Consulting, Inc. (FTI). The Discounted Cashflows (DCF) Method was used by FTI as the primary method to estimate the fair value of the RCG. Under the DCF Method, FTI discounted the cashflows of the RCG based on a weighted average cost of capital (WACC) using the Capital Asset Pricing Model. The Direct Capitalization Approach was used as secondary method to cross-check the fair value of the property.

FTI is an independent firm also accredited by the SEC and PSE.

RCR's public float will be 33.86% of the enlarged total shares outstanding, which is higher than the Minimum Public Ownership requirement of 33.33% per REIT IRR.

RL FUND MANAGEMENT, INC.

5. RISK ASSESSMENT

In the course of the conduct of a full due diligence and valuation of the Properties, RLFM and the independent appraiser carefully considered risks associated with the Properties that affect the demand for, and prevailing prices of office leases. These risks include potential vacancies and downward pressure on rent as occupiers may potentially shed space either due to business downturn as a result of the pandemic or space optimization in light of flexible arrangements.

RCR is and will be able to mitigate these potential risks due to the strength of its tenant mix anchored by the resilient BPO sector. The Properties are also a top choice due to their strategic location and quality (Grade A and Grade B) of the buildings. Organic growth is underpinned by fixed rental escalations, long-term contracted leases and stable occupancy rates.

B. Financing Strategy

RCR will consider asset acquisitions via different financing methods as the case may be, including but not limited to a tax-free exchange via asset-for-share swap or cash with the Sponsor, equity and debt capital raising transactions, bank loans, among others, depending on what is in RCR's best interests.

As of 30 June 2022, RCR has zero debt. With the assignment of Philratings to RCR of a credit rating of PRS Aaa (corp.), with a Stable Outlook, the Company has the capacity to increase its leverage limit to 70% of the total value of its deposited property, higher than the 35% limit set per Rule 5, Section 8 of the REIT IRR.

VII. Office Industry Benchmarks

All Metro Manila assets of RCR are in line with the market office rental rates⁽¹⁾.

	Quezon City	Ortigas Center	Mandaluyong	Makati ⁽²⁾	Taguig (BGC)
Rental rate/sqm/mo.	₱500-700	₱600-750	₱550-750	₱700-1,100	₱850-1,200



RL FUND MANAGEMENT, INC.

CERTIFICATION

This PERFORMANCE REPORT was prepared and assembled under our supervision in accordance with existing rules of the Securities and Exchange Commission. The information and data provided herein are complete, true, and correct to the basis of our knowledge and/or based on authentic records.

By:

RL FUND MANAGEMENT, INC.

Fund Manager of RL Commercial REIT, Inc.

ANNA KATRINA C. DE LEON

Attorney-in-fact

EILEEN B. FERNANDEZ

Attorney-in-fact

QUEZON CITY

AUG 12 2022

SUBSCRIBED AND SWORN to before me this 9th day of August 2022 at Pasig City, with the affiant/s exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
RL FUND MANAGEMENT, INC.	TIN: 010-622-265-000	
Represented by:		
Anna Katrina C. De Leon		
Eileen B. Fernandez		

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Book No. 104
Series of 2022.

ATTY. CONCEPCION P. VILLAREÑA
Notary Public for Quezon City
Until December 31, 2022
PTR No. 2442851 / January 3, 2022 Q.C
IBP No. 167802 / November 25, 2021 Q.C
Roll No. 30457 / 05-09-1960
MCLE VI-0030379 / 02-21-2020
ADM. MATTER No. NP-005 (2022-2023)
TIN NO. 131-942-754



**ROBINSONS LAND
CORPORATION**

YOUR DREAMS. OUR FOUNDATION.

LEVEL 2 GALLERIA CORPORATE CENTER, EDSA CORNER ORTIGAS AVENUE, QUEZON CITY
TEL. NO.: (632) 8397-1888

July 15, 2022

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City

Attention: **Hon. Vicente Graciano P. Felizmenio, Jr.**
Director, Markets and Securities Regulation Department

PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Subject: Fourth Quarterly Progress Report on the Application of Proceeds from the Sale of Shares in RL Commercial REIT, Inc. via Secondary Offering

Gentlemen:

In compliance with the disclosure requirements of the Philippine Stock Exchange, we submit herewith Robinsons Land Corporation's (RLC) fourth quarterly progress report on the application of proceeds received from the sale of its shares in RL Commercial REIT, Inc. via secondary offering as of and for the quarter ending June 30, 2022. Further attached is the report of RLC's external auditor.

As of June 30, 2022, the remaining balance of the proceeds from the secondary offering amounts to Five Billion Five Hundred Fifty-One Million Eight Hundred Eighty-Eight Thousand Eighteen and 39/100 (**₱5,551,888,018.39**).

The details are as follows:

Gross proceeds as of September 14, 2021	₱21,561,472,800.00
Add: Receipt of proceeds from overallotment shares	1,867,588,470.00
Less: Disbursements for Initial Public Offering expenses	747,542,016.33
Disbursements for capital expenditures:	
September 14, 2021 to December 31, 2021 (Annex A)	5,660,231,893.96
January 1, 2022 to to March 31, 2022 (Annex B)	4,710,115,065.99
April 1, 2022 to June 30, 2022 (Annex C)	6,759,284,275.33
Balance of proceeds as of June 30, 2022	₱5,551,888,018.39

Thank you.

SUBSCRIBED AND SWORN to before me this 15 day of JULY, 2022, me his/her Robinsons Land Corporation as proof of his/her identity and is known to me to be the person who executed and signed this document.

ATTY. IRIS FATIMA V. CERO

Notary Public for Pasig, San Juan, and Pateros

Appointment No. 137; until Dec. 31, 2023

12F Cyberscape Alpha, Sapphire &

Garnet Roads, Ortigas Center, Pasig City

Roll of Attorneys No. 65837; June 21, 2016

PTR No. 8207774; January 24, 2022; Pasig City

IBP No. 171119; December 21, 2021; RSM Chapter

MCLE Compliance No. VII-0014637; April 14, 2025

Very truly yours,

KERWIN MAX S. TAN
Chief Financial, Risk and
Compliance Officer

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**Disbursements for Capital Expenditures
For the Period Covering September 14, 2021 to December 31, 2021**

Date	Project Name	Amount
9/14/2021-12/21/2021	SYNC - S Tower	201,347,986.59
9/15/2021-12/24/2021	The Residences at The Westin Manila Sonata Place	78,946,281.80
9/15/2021-12/16/2021	Bloomfields General Santos	5,019,445.38
9/16/2021-11/29/2021	RP Dumaguete Expansion Phase 1	16,764,387.75
9/16/2021-12/29/2021	Galleria Residences - Tower 2	64,929,744.84
9/16/2021-12/31/2021	NuStar Hotel and Mall (Cebu Integrated Resort)	1,415,218,429.31
9/17/2021-12/20/2021	Iloilo Towers	184,393,895.23
9/17/2021-12/29/2021	Galleria Residences - Tower 1	44,009,287.63
9/17/2021-12/31/2021	Summit Hotel GenSan	90,160,215.72
9/20/2021-12/22/2021	Acacia Escalades - Building B	37,962,056.18
9/20/2021-12/14/2021	Cirrus	104,029,037.30
9/20/2021-12/21/2021	Sierra Valley Gardens - Building 1 and 2	203,881,390.31
9/20/2021-12/20/2021	The Magnolia Residences - Tower D	10,491,260.37
9/20/2021-12/23/2021	The Sapphire Bloc - East Tower	178,613,597.87
9/20/2021-12/24/2021	Westin Sonata Hotel	116,982,352.25
9/20/2021-11/09/2021	Brighton Bacolod	2,833,267.22
9/24/2021-12/22/2021	Opus	82,012,732.70
9/24/2021-12/20/2021	RP Gapan	186,074,322.33
9/24/2021-12/20/2021	RP La Union	70,861,908.75
9/24/2021-12/14/2021	Summit Hotel Naga / Go Hotels Naga	20,406,740.76
9/24/2021-12/20/2021	Montclair	143,703,798.80
9/24/2021-12/20/2021	Gateway Regency Studios	83,427,173.55
9/24/2021-12/23/2021	The Radiance Manila Bay - South Tower	12,413,910.06
9/29/2021	Robinsons Double Dragon Square (Robinsons Double Dragon Corp.)	6,946,785.65
10/05/2021-12/20/2021	GBF 1 & 2	340,518,163.97
10/06/2021-12/23/2021	Galleria Residences - Tower 3	48,172,184.03
10/08/2021-12/23/2021	Springdale Angono (SPA2)	37,222,550.10
10/11/2021-12/07/2021	Southsquare Village	5,345,062.20
10/11/2021-12/20/2021	RP Antipolo Expansion	136,176,861.48
10/11/2021-12/21/2021	RLX Mexico	134,061,540.12
10/11/2021-12/20/2021	Land acquisition (Pasig City)	594,655,186.75
11/15/2021	Terrazo At Robinsons Vineyard	826,473.21
11/29/2021-12/20/2021	Land acquisitions (various locations)	299,615,863.75
12/20/2021	Aurelia Residences (Shang Robinsons Properties, Inc.)	702,208,000.00
TOTAL		P5,660,231,893.96

Disbursements for Capital Expenditures
For the Period Covering January 01, 2022 to March 31, 2022

Date	Project Name	Amount
2/16/2022	Brighton Bacolod	148,500.00
3/28/2022	RLX San Fernando	63,500,000.00
01/03/2022-03/28/2022	GBF 1 & 2	290,136,167.90
01/03/2022-03/31/2022	NuStar Hotel and Mall (Cebu Integrated Resort)	1,168,007,142.01
01/04/2022-03/28/2022	Summit Hotel Naga / Go Hotels Naga	12,172,614.10
01/06/2022-03/28/2022	Iloilo Towers	120,207,946.35
01/06/2022-03/30/2022	SYNC - S Tower	132,726,891.22
01/06/2022-03/30/2022	Cirrus	88,470,675.25
01/06/2022-03/30/2022	Sierra Valley Gardens - Building 1 and 2	31,530,057.46
01/10/2022-03/14/2022	Grand Tierra Ph2	6,098,245.12
01/10/2022-03/15/2022	Land acquisitions (Visayas/Mindanao)	477,319,705.36
01/10/2022-03/16/2022	Springdale Angono (SPA2)	7,506,048.01
01/10/2022-03/21/2022	Summit Hotel GenSan	38,464,254.52
01/10/2022-03/21/2022	The Magnolia Residences - Tower D	4,035,901.62
01/10/2022-03/28/2022	The Residences at The Westin Manila Sonata Place	44,393,857.23
01/10/2022-03/28/2022	Galleria Residences - Tower 2	27,683,003.14
01/10/2022-03/28/2022	Galleria Residences - Tower 1	14,539,032.24
01/10/2022-03/28/2022	Acacia Escalades - Building B	12,627,150.78
01/10/2022-03/28/2022	Opus	207,640,300.96
01/10/2022-03/30/2022	Galleria Residences - Tower 3	42,552,562.29
01/10/2022-03/31/2022	Gateway Regency Studios	42,455,930.44
01/17/2022-03/28/2022	RP Antipolo Expansion	28,115,816.33
01/17/2022-03/28/2022	RP Gapan	78,265,321.63
01/17/2022-03/28/2022	Montclair	214,148,645.92
01/24/2022-03/01/2022	RP Dumaguete Expansion Phase 1	7,595,661.33
01/24/2022-03/21/2022	Southsquare Village	6,070,965.37
01/24/2022-03/21/2022	Westin Sonata Hotel	76,374,156.09
01/24/2022-03/28/2022	The Sapphire Bloc - East Tower	149,472,605.40
01/25/2022-03/01/2022	The Radiance Manila Bay - South Tower	4,692,361.42
01/31/2022-03/21/2022	RP La Union	19,849,976.23
01/31/2022-03/28/2022	Bridgetowne Complex	32,698,204.92
02/10/2022-02/14/2022	Bloomfields General Santos	1,723,851.06
02/11/2022-03/25/2022	Land acquisitions (various locations)	1,175,889,600.00
02/18/2021-03/10/2022	RLX Calamba	83,001,914.29
TOTAL		P4,710,115,065.99



**Disbursements for Capital Expenditures
For the Period Covering April 01, 2022 to June 30, 2022**

Date	Project Name	Amount
04/01/2022-06/16/2022	Acacia Escalades - Building B	33,994,871.32
04/01/2022-06/20/2022	Land acquisitions (Visayas/Mindanao)	143,696,631.65
04/01/2022-06/23/2022	Summit Hotel Naga / Go Hotels Naga	6,739,253.94
04/01/2022-06/27/2022	Opus	280,142,948.53
04/01/2022-06/30/2022	NuStar Hotel and Mall (Cebu Integrated Resort)	1,049,098,457.76
04/01/2022-06/30/2022	Montclair	281,916,809.56
04/04/2022-06/04/2022	RP Antipolo Expansion	79,894,842.02
04/04/2022-06/13/2022	The Magnolia Residences - Tower D	5,257,628.86
04/04/2022-06/13/2022	The Radiance Manila Bay - South Tower	9,351,209.82
04/04/2022-06/20/2022	Iloilo Towers	165,529,752.97
04/04/2022-06/20/2022	Sierra Valley Gardens - Building 1 and 2	192,557,180.42
04/04/2022-06/20/2022	Springdale Angono (SPA2)	27,440,607.74
04/04/2022-06/20/2022	The Residences at The Westin Manila Sonata Place	74,598,114.00
04/04/2022-06/20/2022	RP La Union	22,379,808.76
04/04/2022-06/27/2022	Cirrus	141,679,481.56
04/04/2022-06/27/2022	Summit Hotel GenSan	55,412,380.29
04/04/2022-06/27/2022	Galleria Residences - Tower 1	72,992,074.25
04/04/2022-06/27/2022	Gateway Regency Studios	56,438,461.08
04/04/2022-06/27/2022	RP Gapan	142,451,217.39
04/04/2022-06/29/2022	Galleria Residences - Tower 3	64,573,834.11
04/04/2022-06/29/2022	The Sapphire Bloc - East Tower	175,592,621.89
04/04/2022-06/30/2022	Galleria Residences - Tower 2	48,768,755.07
4/6/2022	Brighton Angono (BTPA)	1,383,584.14
04/08/2022-06/23/2022	Westin Sonata Hotel	99,604,351.93
04/11/2022-06/29/2022	RP Dumaguete Expansion Phase 1	9,521,781.18
04/11/2022-05/30/2022	Terrazo At Robinsons Vineyard	4,034,241.39
04/11/2022-06/06/2022	Grand Tierra Ph2	10,427,552.86
04/11/2022-06/20/2022	Southsquare Village	1,773,288.14
04/11/2022-06/22/2022	Bloomfields General Santos	6,652,368.40
04/12/2022-06/27/2022	RLX Calamba	77,311,923.58
04/19/2022-06/24/2022	GBF 1 & 2	407,630,733.73
04/21/2022-06/13/2022	SYNC - S Tower	113,044,097.02
4/25/2022	RLX Mexico	7,928,571.43
05/12/2022-06/30/2022	Land acquisitions (various locations)	1,901,585,511.35
6/13/2022	Sierra Valley	14,717,609.46
06/20/2022-06/27/2022	Bridgetowne Complex	99,621,717.73
6/30/2022	Land acquisition (Pasig City)	873,540,000.00
TOTAL		P6,759,284,275.33

STRICTLY CONFIDENTIAL

REPORT OF FACTUAL FINDINGS

Robinsons Land Corporation
Level 2, Galleria Corporate Center
EDSA corner Ortigas Avenue
Quezon City, Metro Manila

Attention: **Mr. Kerwin Max S. Tan**
Chief Financial, Risk and Compliance Officer

Dear Mr. Tan:

We have performed the procedures agreed with you and enumerated below with respect to the attached Quarterly Progress Report as of **June 30, 2022** covering periods from **April 1, 2022 to June 30, 2022** on the application of proceeds from the sale of your shares in **RL Commercial REIT, Inc.** via secondary offering and over-allotment of **Robinsons Land Corporation** (the "Company") on **September 14, 2021** and **October 13, 2021**, respectively. The procedures were performed solely to enable the Company to comply with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the information being presented by the Company relating to the use of proceeds. Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. These agreed-upon procedures and results thereof are summarized as follows:

1. Obtain the Quarterly Progress on application of proceeds from the sale of your shares in RL Commercial REIT, Inc. via secondary offering (the "Schedule") and perform the following:
 - Check the mathematical accuracy of the Schedule;
 - Compare the net proceeds received in the Schedule to the bank statement and journal voucher noting the date received and amount recorded;
 - Compare the additions and disbursements in the Schedule with the schedule of application of proceeds;
 - On a sample basis, trace additions and disbursements to the supporting documents such as progress billings, bank statements, invoices, and official receipts, and agree the amount to the accounting records;
 - On a sample basis, inquire into and identify the nature of the additions and disbursements. Check if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the secondary offering.

- 2 -

We report our findings below:

1. We checked the mathematical accuracy of the Schedule. No exceptions noted.
2. We compared the net proceeds received in the Schedule to the bank statement and journal voucher noting the date received and amount recorded. No exceptions noted.
3. We compared the additions and disbursements in the Schedule with the schedule of application of proceeds. No exceptions noted.
4. On a sample basis, we traced additions and disbursements to the supporting documents such as progress billings, bank statements, invoices, and official receipts, and agreed the amount to the accounting records. We noted that the Company disbursed a total of ₱6,759,284,275 for the periods from April 1, 2022 up to June 30, 2022 for the projects below. No exceptions noted.

Project Name	Amount
NCR: Makati / Mandaluyong/ Quezon City	₱2,775,125,511
Cebu Integrated Resort	1,049,098,458
GBF 1 & 2	407,630,734
Montclair	281,916,810
Opus	280,142,949
Sierra Valley Gardens 1 and 2	192,557,180
The Sapphire Bloc - East Tower	175,592,622
Iloilo Towers	165,529,753
Visayas/Mindanao	143,696,632
RP Gapan	142,451,217
Cirrus	141,679,482
SYNC - S Tower	113,044,097
Bridgetowne Complex	99,621,718
Westin Sonata Hotel	99,604,352
RP Antipolo Expansion	79,894,842
RLX Calamba	77,311,924
Manila Sonata Place	74,598,114
Galleria Residences - Tower 1	72,992,074
Galleria Residences - Tower 3	64,573,834
Gateway Regency Studios	56,438,461
Summit Hotel GenSan	55,412,380
Galleria Residences - Tower 2	48,768,755
Acacia Escalades - Building B	33,994,871
Springdale Angono (SPA2)	27,440,608
RP La Union	22,379,809
Sierra Valley	14,717,609
Grand Tierra Ph2	10,427,553
RP Dumaguete Expansion Phase 1	9,521,781
The Radiance Manila Bay - South Tower	9,351,210

(Forward)

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Project Name	Amount
RLX Mexico	₱7,928,571
Go Hotels Naga/Summit Hotel Naga	6,739,254
Bloomfields General Santos	6,652,368
The Magnolia Residences Tower D	5,257,629
Terrazo At Robinsons Vineyard	4,034,241
Southsquare Village	1,773,288
Brighton Angono (BTPA)	1,383,584
Total	₱6,759,284,275

5. On a sample basis, we inquired into and identified the nature of the additions and disbursements. We checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the secondary offering. No exceptions noted.

Because the above procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagements (PSRE), respectively, we do not express any assurance on the accounts of the Company or its financial statements, taken as a whole.

Had we performed additional procedures or performed an audit or review of the financial statements in accordance with PSA or PSRE, other matters might have come to our attention that would have been reported to you.

Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of proceeds from the offering and items specified above and do not extend to any financial statements of the Company taken as a whole.

SYCIP GORRES VELAYO & CO.



Michael C. Sabado

Partner

CPA Certificate No. 89336

Tax Identification No. 160-302-865

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 0664-AR-4 (Group A)

November 11, 2019, valid until November 10, 2022

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-073-2020, December 3, 2020, valid until December 2, 2023

PTR No. 8854360, January 3, 2022, Makati City

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
City of Pasig *ifm*) S.S.

I certify that on JUL 15 2022 before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Name	Competent Evidence of Identity	Date / Place Issued
Michael C. Sabado	P1178919B	March 25, 2019/DFA

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 139 ;
Page No. 29 ;
Book No. 11 ;
Series of 2022.

ifm
ATTY. IRIS FATIMA V. CERO
Notary Public for Pasig, San Juan, and Pateros
Appointment No. 137; until Dec. 31, 2023
12F Cyberscape Alpha, Sapphire &
Garnet Roads, Ortigas Center, Pasig City
Roll of Attorneys No. 65837; June 21, 2016
PTR No. 8207774; January 24, 2022; Pasig City
IBP No. 171119; December 21, 2021; RSM Chapter
MCLE Compliance No. VII-0014637; April 14, 2025



LEVEL 2 GALLERIA CORPORATE CENTER, EDSA CORNER ORTIGAS AVENUE, QUEZON CITY
TEL. NO.: (632) 8397-1888

July 15, 2022

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City

Attention: **Hon. Vicente Graciano P. Felizmenio, Jr.**
Director, Markets and Securities Regulation Department

PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Subject: Second Quarterly Progress Report on the Application of Proceeds from the Sale of Robinsons Cybergate Bacolod

Gentlemen:

In compliance with the disclosure requirements of the Philippine Stock Exchange, we submit herewith Robinsons Land Corporation's (RLC) second quarterly progress report on the application of proceeds received from the sale of Robinsons Cybergate Bacolod to RL Commercial REIT, Inc. for the second quarter of calendar year 2022 covering April 1 to June 30, 2022. Robinsons Cybergate Bacolod is an office development located in Bacolod City, Negros Occidental. Further attached is the report of RLC's external auditor.

As of June 30, 2022, the remaining balance of the proceeds from the sale amounts to Six Hundred Fifty-Eight Million Nine Hundred Sixty-Nine Thousand Seven Hundred Twenty-Seven Pesos and 68/100 (P658,969,727.68).

The details are as follows:

Gross proceeds as of March 8, 2022	P822,080,000.00
Less: Disbursements for cost directly attributable to the sale	44,040,000.00
Disbursements for capital expenditures:	
March 8 to 31, 2022 (<i>Annex A</i>)	17,310,372.91
April 1, 2022 to June 30, 2022 (<i>Annex B</i>)	101,759,899.41
Balance of proceeds as of June 30, 2022	P658,969,727.68

Thank you.

Very truly yours,

Kerwin Max S. Tan
KERWIN MAX S. TAN
Chief Financial, Risk and
Compliance Officer

SUBSCRIBED AND SWORN to before me this JUL 15 2022 day of _____, affiant personally appearing before me and exhibiting to me his/her Driver's License No. 401-88-024921 issued on _____ as proof of his/her identity and is known to me to be the person who executed and signed this document.

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BOOK No. 11
SERIES OF 20 22

Iris Batima V. Cero
ATTY. IRIS BATIMA V. CERO
Notary Public for Pasig, San Juan, and Pateros
Appointment No. 137; until Dec. 31, 2023
12F Cyberscape Alpha, Sapphire &
Garnet Roads, Ortigas Center, Pasig City
Roll of Attorneys No. 65837; June 21, 2016
PTR No. 8207774; January 24, 2022; Pasig City
IBP No. 171119; December 21, 2021; RSM Chapter
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**Disbursements for Capital Expenditures
For the Period Covering March 8 to 31, 2022**

Date	Project Name	Amount
3/21-28/2022	Robinsons Metro East Redevelopment and The Link	P17,310,372.91
TOTAL		P17,310,372.91

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**Disbursements for Capital Expenditures
For the Period Covering April 1, 2022 to June 30, 2022**

Date	Project Name	Amount
4/11-6/20/2022	Robinsons Metro East Redevelopment and The Link	P19,353,317.88
4/7-6/24/2022	Robinsons Manila Redevelopment	82,406,581.53
TOTAL		P101,759,899.41

Handwritten signature

STRICTLY CONFIDENTIAL

REPORT OF FACTUAL FINDINGS

Robinsons Land Corporation

Level 2, Galleria Corporate Center
EDSA corner Ortigas Avenue
Quezon City, Metro Manila

Attention: **Mr. Kerwin Max S. Tan**
Chief Financial, Risk and Compliance Officer

Dear Mr. Tan:

We have performed the procedures agreed with you and enumerated below with respect to the attached Quarterly Progress Report as at **June 30, 2022** covering periods from **April 1, 2022 to June 30, 2022** on the application of proceeds received by **Robinsons Land Corporation** (the "Company") from the sale of Robinsons Cybergate Bacolod ("Cybergate Bacolod") to RL Commercial REIT, Inc. ("RCR") on **March 8, 2022**. The procedures were performed solely to enable the Company to comply with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the information being presented by the Company relating to the use of proceeds. Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. These agreed-upon procedures and results thereof are summarized as follows:

1. Obtain the Quarterly Progress on application of proceeds from the sale of Cybergate Bacolod (the "Schedule") and perform the following:
 - Check the mathematical accuracy of the Schedule;
 - Compare the net proceeds received in the Schedule to the bank statement and journal voucher noting the date received and amount recorded;
 - Compare the additions and disbursements in the Schedule with the schedule of application of proceeds;

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- On a sample basis, trace additions and disbursements to the supporting documents such as progress billings, bank statements, invoices, and official receipts, and agree the amount to the accounting records;
- On a sample basis, inquire into and identify the nature of the additions and disbursements. Check if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the secondary offering.

We report our findings below:

1. We checked the mathematical accuracy of the Schedule. No exceptions noted.
2. We compared the net proceeds received in the Schedule to the bank statement and journal voucher noting the date received and amount recorded. No exceptions noted.
3. We compared the additions and disbursements in the Schedule with the schedule of application of proceeds. No exceptions noted.
4. On a sample basis, we traced additions and disbursements to the supporting documents such as progress billings, bank statements, invoices, and official receipts, and agreed the amount to the accounting records. We noted that the Company disbursed a total of ₱101,759,899 for the periods from April 1, 2022 up to June 30, 2022. No exceptions noted.

Project Name	Amount
Robinsons Manila Redevelopment	₱82,406,581
Robinsons Metro East Redevelopment and The Link	19,353,318
Total	₱101,759,899

5. On a sample basis, we inquired into and identified the nature of the additions and disbursements. We checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the secondary offering. No exceptions noted.

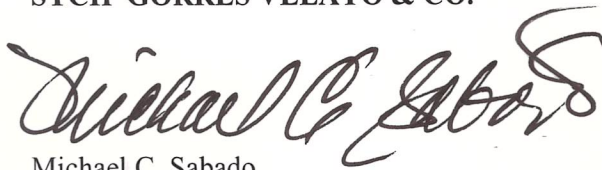
Because the above procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagements (PSRE), respectively, we do not express any assurance on the accounts of the Company or its financial statements, taken as a whole.

Had we performed additional procedures or performed an audit or review of the financial statements in accordance with PSA or PSRE, other matters might have come to our attention that would have been reported to you.

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Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of proceeds from the offering and items specified above and do not extend to any financial statements of the Company taken as a whole.

SYCIP GORRES VELAYO & CO.



Michael C. Sabado

Partner

CPA Certificate No. 89336

Tax Identification No. 160-302-865

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 0664-AR-4 (Group A)

November 11, 2019, valid until November 10, 2022

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-073-2020, December 3, 2020, valid until December 2, 2023

PTR No. 8534357, January 4, 2021, Makati City

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
City of Pasig *you*) S.S.

I certify that on JUL 15 2022, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Name	Competent Evidence of Identity	Date / Place Issued
Michael C. Sabado	P1178919B	March 25, 2019/DFA

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 142 ;
Page No. 30 ;
Book No. 11 ;
Series of 2022 *you*

ATTY. IRIS FATIMA V. CERO
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Notary Public for Pasig, San Juan, and Pateros
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