

COVER SHEET

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C R O W N E Q U I T I E S , I N C . A N D
S U B S I D I A R I E S

(Group's Full Name)

C R O W N C E N T E R 1 5 8 J U P I T E R
C O R N . G A R C I A S T . B E L
A I R M A K A T I C I T Y

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

ELMER B. SERRANO
Contact Person

(02) 687 1195
Company Telephone Number

1 2 3 1
Month Day
Fiscal Year

SEC 17-Q
FORM TYPE

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles
Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number
Document I.D.

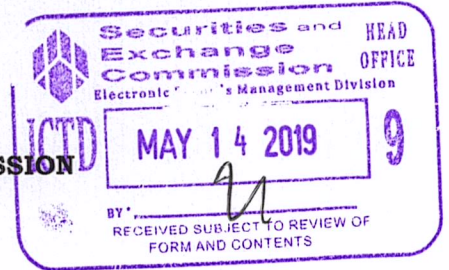
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q



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

- 1. For the quarterly period ended: March 31, 2019
- 2. Commission Identification Number: 39745 3. BIR Tax Identification No.: 002-837-461
- 4. Exact name of issuer as specified in its charter: CROWN EQUITIES, INC.
- 5. Province, country or other jurisdiction of incorporation or organization: Philippines
- 6. Industry Classification Code: (SEC Use Only)
- 7. Address of issuer's principal office: Crown Center, 158 N. Garcia corner Jupiter Street, Bel-Air, Makati City Postal Code: 1209
- 8. Issuer's telephone number, including area code: (632) 899-0081, (632) 899-0455
- 9. Former name, former address, and former fiscal year, if changed since last report: Not applicable
- 10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common shares	13,599,999,960 shares

11. Are any or all of these securities listed on the Philippine Stock Exchange.

Yes [X] No []

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

Philippine Stock Exchange / Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the Revised Securities Act (RSA) and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

Yes [X] No []

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

Yes [X] No []

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Please see Annex A

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

Discussions of Financial Condition and Changes in Financial Condition

CROWN EQUITIES, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Mar. 31, 2019 (Unaudited)	Dec. 31, 2018 (Audited)	Increase (Decrease)	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	356.48	503.46	(146.98)	-29.19%
Financial assets at fair value through profit or loss	200.64	133.81	66.84	49.95%
Installment contract receivables - current portion	20.54	20.74	(0.20)	-0.96%
Trade and other receivables - net	40.47	31.78	8.69	27.34%
Loan receivable - current portion	150.00	100.00	50.00	50.00%
Inventories	146.75	148.55	(1.80)	-1.21%
Other current assets	54.47	52.21	2.26	4.32%
Total Current Assets	969.35	990.54	(21.19)	-2.14%
Noncurrent Assets				
Available-for-sale financial asset	47.34	47.34	(0.00)	0.00%
Installment contracts receivable - net of current portion	75.85	64.74	11.11	17.17%
Property and equipment - net	263.94	267.11	(3.17)	-1.19%
Investment properties - net	995.35	995.39	(0.04)	0.00%
Deferred tax assets - net	19.64	19.64	-	0.00%
Goodwill	21.74	21.74	-	0.00%
Other noncurrent assets	4.65	4.00	0.65	16.14%
Total Noncurrent Assets	1,428.52	1,419.96	8.55	0.60%
	2,397.87	2,410.51	(12.64)	-0.52%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and other liabilities	201.34	212.08	(10.74)	-5.06%
Loans Payable	-	34.99	(34.99)	-100.00%
Income tax payable	1.61	-	1.61	0.00%
Total Current Liabilities	202.95	247.08	(44.13)	-17.86%
Noncurrent Liability				
Deferred tax liability	6.05	6.05	-	0.00%
Security Deposit	3.20	3.21	(0.01)	-0.43%
Retirement liability	17.52	17.03	0.49	2.89%
Total Liabilities	229.72	273.36	(43.65)	-15.97%
Equity				
Capital stock	1,360.00	1,351.79	8.21	0.61%
Additional paid-in capital	118.57	118.57	-	0.00%
Retained earnings	529.55	514.01	15.54	3.02%
Total Equity Attributable to Equity Holders of the Parent Company	2,008.12	1,984.36	23.76	1.20%
Non-controlling interests	160.03	152.78	7.25	4.74%
Total Equity	2,168.15	2,137.14	31.01	1.45%
	2,397.87	2,410.51	(12.64)	-0.52%

Amounts in million pesos, except percentages

Total Assets

Total assets posted a decrease of ₱12.64 million or 0.52% from ₱2.41 billion year-end 2018 to ₱2.40 billion as of March 31, 2019 primarily attributable to the settlement of obligations.

Current Assets

As of March 31, 2019, total current assets stood at ₱969.35 million, 2.14% lower than the year end 2018 level of ₱990.54 million. Cash was used for additional investment in the equities market, the grant of a short-term loan and the settlement of loans payable. The increase in recognized sales resulted in a decrease in inventories by ₱1.80 million or 1.21%. Other current assets, on the other hand, increased by ₱2.26 million or 4.32% due to the creditable withholding tax during the period.

Noncurrent Assets

Total noncurrent assets increased by ₱8.55 million during the quarter ending March 31, 2019. Installment contract receivable increased to ₱75.85 million as of March 31, 2019 from ₱64.74 million as of December 31, 2018 due to recognized sales for the period. The property and equipment dropped by ₱3.17 million due to its depreciation.

Liabilities and Stockholders' Equity

Total liabilities for the period decreased by ₱43.65 million or 15.97% from ₱273.36 million as of year-end 2018 to ₱229.72 million as of March 31, 2019. This was mainly attributable to the settlement of liabilities for the purchase of investment properties as well as the loans payable.

Meanwhile, stockholders' equity increased by ₱ 31.01 million as the corporation records the results of its operations for the period as well as the collection of subscription receivables.

Discussions on Results of Operation

CROWN EQUITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	March 31, 2019 (Unaudited)	March 31, 2018 (Unaudited)	Increase (Decrease)	% Change
REVENUES				
Real estate sales	31,875,745	18,008,469	13,867,276	77.00%
Sale of goods and services	18,270,995	18,430,281	(159,286)	-0.86%
Interest on installment contract receivable	5,809,939	3,728,250	2,081,689	55.84%
Interest on loans	2,968,750	250,000	2,718,750	1087.50%
Rent income	3,838,645	3,185,322	653,323	20.51%
Dividend income	898,277	754,900	143,377	18.99%
	63,662,351	44,357,223	19,305,128	43.52%
COST AND EXPENSES				
Cost of real estate sales	12,906,883	7,226,952	5,679,931	78.59%
Cost of medical goods and services	7,629,553	7,842,639	(213,086)	-2.72%
Salaries and employee benefits	12,355,813	11,946,251	409,562	3.43%
Depreciation and amortization	3,966,672	3,457,215	509,457	14.74%
Commission	518,858	1,466,341	(947,484)	-64.62%
Other operating expenses	10,128,449	8,229,821	1,898,628	23.07%
	47,506,227	40,169,218	7,337,010	18.27%
OTHER INCOME (CHARGES) - Net	10,081,092	(1,708,990)	11,790,082	-689.89%
INCOME BEFORE INCOME TAX	26,237,216	2,479,015	23,758,201	958.37%
INCOME TAX EXPENSE - Net	3,443,849	2,142,633	1,301,216	60.73%
NET INCOME/(LOSS)	22,793,367	336,382	22,456,985	6676.04%
Attributable to:				
Equity holders of the parent company	15,544,359	(2,217,830)	17,762,189	-801%
Non-controlling interests	7,249,007	2,554,212	4,694,796	184%
	22,793,367	336,382	22,456,985	6676.04%

Total revenue for the first quarter ending March 31, 2019 amounted to ₱63.66 million. This is a 43.52% growth over the same period in 2018. Revenues from real estate sales and real estate related interest income account for 59.20% of the total revenues. Real estate sales amounted to ₱31.88 million which is 77.00% higher than the ₱18.01 million recorded last year. The related interest on installment contracts receivable likewise increased by 55.84% to ₱5.81 million from the previous period's ₱3.73 million. There were more real estate lots and houses recognized sold during the period compared to those recognized for the same period in 2018.

Meanwhile, the sale of goods and services from the healthcare business amounted to ₱18.27 million or 28.70% of the total revenues.

On the other hand, rent income from the lease of office space in Crown Center and the Fortmed Center in Sta. Rosa, continue to improve. It increased by 20.51% compared to the same period in 2018 as contracts get renewed and occupancy rate improves.

While total revenues grew by 43.52%, total cost and expenses only increased by 18.27%. Cost of real estate sales and related commission expense increase due to the higher number of units recognized sold during the period.

Other income improved this quarter registering a positive ₱10.08 million primarily from interest income earned from bank placements.

Income tax expense amounted to ₱3.44 million for the period resulting to a net income of ₱22.79 million

Key Performance Indicators

Indicator	As of		Formula
	Mar. 2019	Dec. 2018	
Current Ratio	4.78x	4.01x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	1.76x	2.04x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.11x	0.13x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.10x	0.11x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.11x	1.13x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.42x	0.41x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
	YTD		
	Mar. 2019	Dec. 2018	
Interest Coverage Ratio	Nil	Nil	$\frac{\text{Earnings before Interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	35.80%	122.18%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	0.95%	12.61%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings (Loss) Per Share	0.001143	0.01983	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$

The Company measures its performance based on the utilization of assets and the return on its investments.

Liquidity

As of March 31, 2019, current ratio increased to 4.78x compared to 4.01x as of December 31, 2018 due to a significant use of cash to acquire shares in the stock market as well as the decrease in current liabilities particularly accounts payable and loans payable. Cash ratio during the period dropped to 1.76x from 2.04x as of March 31, 2019 and December 31, 2018, respectively. Liquidity position remains positive during the period.

Solvency / Leverage

Leverage stance remained low as of March 31, 2019 having debt-equity at 0.11x, debt-asset ratio at 0.10x and asset-equity ratio at 1.11x due to the Corporation's efficient management of its liabilities. The company has a nil interest coverage ratio as it has not incurred any interest expense for the period.

Investment Ratio

Continued competence of the Corporation's investments made investment ratio of 0.42x and 0.41x as of March 31, 2019 and December 31, 2018, respectively.

Profitability

Net income margin significantly decreased to 36.80% for the first quarter of 2019.

Return on Assets

The return on assets as of March 31, 2019 decreased to 0.95% due to a lower recognized income for the quarter.

Earnings per Share

As a result of the decrease in the Company's profitability for the first quarter of 2019, earnings per share is .001143x compared to .01983 earnings per share as of December 31, 2018. The Company's number of outstanding shares has been fixed for the past five years.

PART II - OTHER INFORMATION

There are no information not previously reported in a report on SEC Form 17-C that will be reported under this section.

The Company and its subsidiaries have no significant investment in any complex financial instruments. They have neither foreign currency denominated nor local peso-denominated loans. The Company's financial risk exposure is limited to its investments reported as "Financial Assets at Fair Value through Profit and Loss" in its Statement of Financial Position. But this exposure is insignificant in relation to the Company's total asset base. Moreover, these investments in the local and foreign stock market are always marked to market thus reflecting the most verifiable values available.

The Company's risk management policies are religiously observed and fair values of investments are reviewed by the Executive Committee on a weekly basis.

Management has no known trends, demands, commitments, events or uncertainties in the present operations of the Company that is likely to result in the Company's liquidity increasing or decreasing in any material way nor it is aware of any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation and there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligation), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

As of this report, the Company has no material commitment for capital expenditure. Management is not aware of any trends, events or uncertainties that have or will have material impact on net sales or revenues or income from continuing operations neither of its operating subsidiaries nor of any seasonal aspects that had a material effect on the financial condition or results of operation of the Company.

SIGNATURES

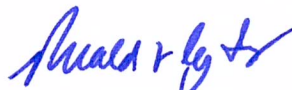
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CROWN EQUITIES, INC.

By:



Eugene B. Macalalag
First Vice President



Romuald U. Dy Tang
President

Date: May 10, 2019

CROWN EQUITIES, INC. AND SUBSIDIARIES

**UNAUDITED FINANCIAL STATEMENTS
MARCH 31, 2019**

CROWN EQUITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Mar. 31, 2019 Unaudited	Dec. 31, 2018 Audited
ASSETS		
Current Assets		
Cash and cash equivalents	356,480,801	503,460,814
Financial assets at fair value through profit or loss	200,644,427	133,809,204
Installment contract receivables - current portion	20,539,003	20,737,202
Trade and other receivables - net	40,471,730	31,781,219
Loan receivable - current portion	150,000,000	100,000,000
Inventories	146,749,734	148,546,595
Other current assets	54,465,665	52,209,024
Total Current Assets	969,351,360	990,544,058
Noncurrent Assets		
Available-for-sale financial asset	47,344,659	47,344,659
Installment contracts receivable - net of current portion	75,847,214	64,735,375
Property and equipment - net	263,939,078	267,107,786
Investment properties - net	995,354,217	995,390,410
Deferred tax assets - net	19,643,843	19,643,843
Goodwill	21,740,604	21,740,604
Other noncurrent assets	4,647,803	4,001,905
Total Noncurrent Assets	1,428,517,417	1,419,964,582
	2,397,868,777	2,410,508,640
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other liabilities	201,343,064	212,081,806
Loans Payable	-	34,993,527
Income tax payable	1,606,856	-
Total Current Liabilities	202,949,920	247,075,333
Noncurrent Liability		
Deferred tax liability	6,047,808	6,047,808
Security Deposit	3,199,477	3,213,377
Retirement liability	17,520,316	17,028,317
Total Liabilities	229,717,521	273,364,835
Equity		
Capital stock	1,359,999,996	1,351,785,906
Additional paid-in capital	118,570,274	118,570,274
Retained earnings	529,552,564	514,008,211
Total Equity Attributable to Equity Holders of the Parent Company	2,008,122,834	1,984,364,391
Non-controlling interests	160,028,422	152,779,414
Total Equity	2,168,151,256	2,137,143,805
	2,397,868,777	2,410,508,640

CROWN EQUITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	March 31, 2019 (Unaudited)	March 31, 2018 (Unaudited)
REVENUES		
Real estate sales	31,875,745	18,008,469
Sale of goods and services	18,270,995	18,430,281
Interest on installment contract receivable	5,809,939	3,728,250
Interest on loans	2,968,750	250,000
Rent income	3,838,645	3,185,322
Dividend income	898,277	754,900
	63,662,351	44,357,223
COST AND EXPENSES		
Cost of real estate sales	12,906,883	7,226,952
Cost of medical goods and services	7,629,553	7,842,639
Salaries and employee benefits	12,355,813	11,946,251
Depreciation and amortization	3,966,672	3,457,215
Commission	518,858	1,466,341
Other operating expenses	10,128,449	8,229,821
	47,506,227	40,169,218
OTHER INCOME (CHARGES) - Net	10,081,092	(1,708,990)
INCOME BEFORE INCOME TAX	26,237,216	2,479,015
INCOME TAX EXPENSE - Net	3,443,849	2,142,633
NET INCOME/(LOSS)	22,793,367	336,382
Attributable to:		
Equity holders of the parent company	15,544,360	(2,217,830)
Non-controlling interests	7,249,007	2,554,212
	22,793,367	336,382

CROWN EQUITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTERS ENDED MARCH 31, 2019 AND 2018

	Equity Attributable to Equity Holders of the Parent Company						Non-controlling Interests	Total Equity
	Capital Stock	Additional Paid-in Capital	Retained Earnings	Actuarial Gains	Total			
As of January 1, 2019	1,351,785,906	118,570,274	507,951,044	6,057,167	1,984,364,391	152,779,414	2,137,143,805	
Total comprehensive income for period	-	-	15,544,360	-	15,544,360	7,249,007	22,793,367	
Net income for the period	-	-	15,544,360	-	15,544,360	7,249,007	22,793,367	
Subscription receivable collected	8,214,090	-	-	-	8,214,090	-	8,214,090	
As of March 31, 2019	1,359,999,996	118,570,274	523,495,404	6,057,167	2,008,122,841	160,028,421	2,168,151,262	
As of January 1, 2018	1,348,035,906	118,570,274	238,281,080	4,815,022	1,709,702,282	151,299,215	1,861,001,497	
Total comprehensive income for period	-	-	(2,217,830)	-	(2,217,830)	2,554,212	336,382	
Net income for the period	-	-	(2,217,830)	-	(2,217,830)	2,554,212	336,382	
Subscription receivable collected	3,750,000	-	-	-	3,750,000	-	3,750,000	
As of March 31, 2018	1,351,785,906	118,570,274	236,063,250	4,815,022	1,711,234,452	153,853,427	1,865,087,879	

CROWN EQUITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTERS ENDED MARCH 31, 2019 AND 2018

	2019 (Unaudited)	2018 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	26,237,216	2,479,015
Adjustments for:		
Depreciation and amortization	3,966,672	3,457,215
Retirement expense	605,004	492,000
Interest income	(16,177,886)	(4,889,501)
Unrealized foreign exchange gain (loss)	131,592	(1,386,410)
Gain (Loss) from cancelled contracts and forfeited customers' deposits	5,258,472	5,258,472
Dividend income	(898,277)	(754,900)
Unrealized (gain) loss in the change in value of financial assets at FVPL	(305,849)	1,830,248
Operating income before working capital changes	18,816,943	6,486,139
Decrease (Increase) in:		
Financial assets at fair value through profit or loss	(66,529,374)	(19,714,077)
Installment contract receivables	(16,680,283)	(905,671)
Receivables	(9,094,736)	(304,725)
Inventories	6,547,726	(2,258,156)
Other current assets	(2,256,641)	(7,212,874)
Increase (decrease) in accounts and other payables	(14,591,111)	4,680,745
Cash generated from (absorbed by) operations	(83,787,475)	(19,228,619)
Interest received	16,177,886	4,889,501
Dividend received	898,277	754,900
Income taxes paid	(1,836,993)	(231,487)
Net cash provided by operating activities	(68,661,311)	(13,815,706)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of assets held for sale	-	102,450,000
Acquisition of property and equipment	(370,448)	(759,051)
Acquisition of investment properties	(391,327)	(233,490,601)
Other noncurrent assets	(645,898)	6,240
Net cash provided by (used in) investing activities	(51,407,673)	(131,793,411)
CASH FLOWS FROM FINANCING ACTIVITIES		
Collection of subscriptions receivable	8,214,090	3,750,000
Decrease in due to related parties	(34,993,527)	(5,192,307)
Net cash provided by (used in) financing activities	(26,779,437)	(1,442,307)
EFFECT OF FOREIGN CURRENCY EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	(131,592)	1,386,410
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(146,980,013)	(145,665,014)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	503,460,814	264,388,005
CASH AND CASH EQUIVALENTS AT END OF YEAR	356,480,801	118,722,991

CROWN EQUITIES, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Reporting Entity

Crown Equities, Inc. (“CEI” or the “Parent Company”) is an investment holding company incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 24, 1969. The Parent Company’s registered office address is located at the Crown Center, 158 Jupiter corner N. Garcia Streets, Makati City.

The consolidated financial statements comprise the financial statements of the Parent Company and its Subsidiaries (collectively referred to as the “Group”). The Parent Company’s shares of stock are listed and traded at the Philippine Stock Exchange (PSE).

The Group operates within the Philippines and is mainly involved in real estate business, healthcare services and investment holding. As of March 31, 2019, and 2018, the Parent Company has ownership interests in the following subsidiaries and associates, all incorporated in the Philippines:

	Effective Percentage of Ownership	
	2019	2018
Subsidiaries		
<i>Real Estate</i>		
Crown Central Properties, Corp. (CCPC) ^(a)	48%	48%
Parkfield Land Holdings, Inc. (PLHI) ^(b)	75%	75%
<i>Healthcare</i>		
Healthcare Systems of Asia Phils., Inc. (HSAPI)	97%	97%
Fortmed Medical Clinics Makati, Inc. (FMCMI) ^(c)	97%	97%
Joint Venture		
Sky Leisure Properties, Inc. (SLPI)	-	50%

^(a) Management has determined that the Company has control over the financial and operating policies of CCPC through representation of the Board of Directors.

^(b) This company has not yet started commercial operations.

^(c) This represents direct and indirect ownership in 2018 and 2017, respectively.

2. Basis of Preparation

Statement of Compliance

The consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS). PFRS are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). PFRS consist of PFRS, Philippine Accounting Standards (PAS), and Philippine Interpretations issued by the Financial Reporting Standards Council (FRSC).

Basis of Measurement

The consolidated financial statements of the Group have been prepared on the historical cost basis except for financial assets at fair value through profit or loss (FVPL).

Functional and Presentation Currency

The consolidated financial statements are presented in Philippine peso, which is also the Parent Company's functional currency. All financial information presented is rounded to the nearest peso, except when otherwise indicated.

Basis of Consolidation

The Group obtains and exercises control through voting rights. The Group's consolidated financial statements comprise the accounts of the Parent Company, and its subsidiaries as enumerated in Note 1, after the elimination of intercompany balances and transactions with subsidiaries, including income, expenses and dividends. Unrealized profits and losses from intercompany transactions are also eliminated in full.

The consolidated financial statements are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances.

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

Non-controlling interests consist of the interests not held by the Group in PLHI, HSAPI and CCPC as of March 31, 2019 and 2018.

3. Commitments and Contingencies

There are commitments, guarantees, litigations and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the accompanying financial statements.

4. Other Information

Business Segment

For management purposes, the Group is organized into three (3) major business segments namely real estate, healthcare services and investment holdings. These are also the basis of the Group in reporting its primary segment information.

- a. Real estate segment involves acquisition of land, planning and developing residential communities such as development and sale of condominium units and parking slots, residential lots and housing units.
- b. Healthcare services involves in delivering out-patient health care service through ambulatory care centers. This includes the sale of medical goods and services.
- c. Investment holdings create project investments and later dispose these investments after creating value.

The following tables present revenue and profit information regarding business segments of the Group for the three-month period ended March 31, 2019 and 2018 and certain assets and liability information regarding industry segments as at March 31, 2019 and 2018 (in thousands).

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date March 31, 2019					
REVENUES	47,924	18,271	378	(2,911)	63,662
RESULTS					
Segment results	19,520	(1,015)	27	-	18,532
Other income	7,642	60	3	-	7,705
Income Tax Expense	(3,431)	(12)	(1)	-	(3,444)
Minority Interest	(7,277)	29	(1)	-	(7,249)
Net Income(Loss)	16,454	938	28	-	15,544
ASSETS AND LIABILITIES					
Segment Assets	2,648,608	46,898	95,987	(415,465)	2,376,128
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,648,608	46,898	117,727	(415,465)	2,397,869
Segment Liabilities	226,811	20,196	75,864	(93,153)	229,718
OTHER SEGMENT INFORMATION					
Depreciation	2,630	1,019	318	-	3,967
Capital Expenditure in property and equipment	235	135	-	-	370
Capital Expenditure in Investment Property	391	-	-	-	391
Investments and advances in associates – net	379,274	-	21,329	(400,603)	-

Amounts in Php thousands.

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date March 31, 2018					
REVENUES	28,338	18,431	273	(2,685)	44,357
RESULTS					
Segment results	4,146	(692)	(56)	-	3,398
Other income(charges)-net	(948)	29	-	-	(919)
Income Tax Expense	(1,985)	(158)	-	-	(2,143)
Minority Interest	(2,580)	26	-	-	(2,554)
Net Income(Loss)	(1,367)	795	(56)	-	(2,218)
ASSETS AND LIABILITIES					
Segment Assets	2,376,060	40,915	99,358	(415,495)	2,100,838
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,376,060	40,915	121,099	(415,495)	2,122,579
Segment Liabilities	255,534	17,510	79,254	(94,807)	257,491
OTHER SEGMENT INFORMATION					
Depreciation	2,154	1,009	295	-	3,457
Capital Expenditure in property and equipment	670	89	-	-	759
Capital Expenditure in Investment Property	233,491	-	-	-	233,491
Investments and advances in associates – net	641,596	-	21,329	(404,092)	258,833

Amounts in Php thousands

Income (Loss) Per Share

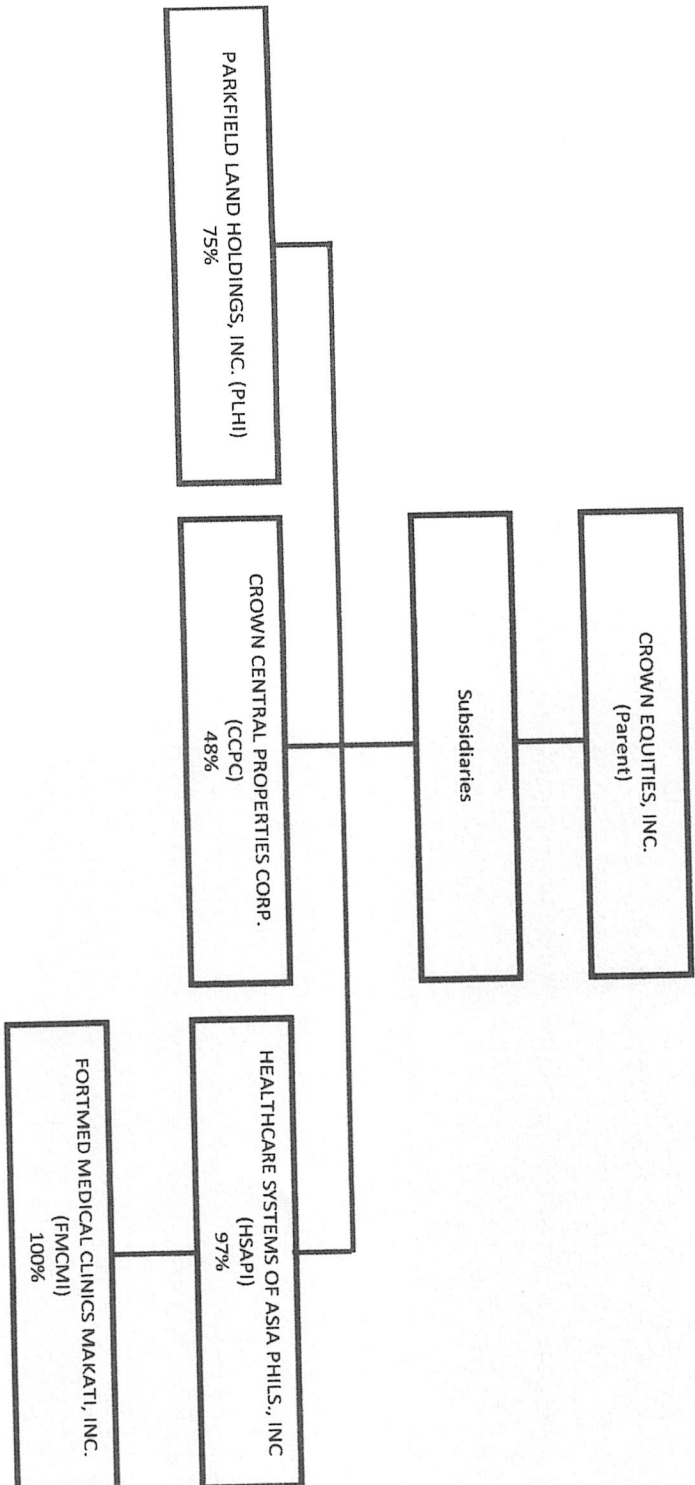
Income (loss) per share is computed by dividing net income or loss attributable to parent stockholders by the weighted average number of common shares outstanding during the year. Income (loss) per share amounts were computed as follows:

	As of Mar. 31, 2019	As of Mar. 31, 2018
Net income (loss) attributable to parent stockholders	₱15,544,359	(₱2,217,830)
Divided by weighted Average number of Outstanding common shares	13,599,999,960	13,599,999,960
Income (loss) per share	(₱0.001143)	(₱0.000163)

CROWN EQUITIES, INC. AND SUBSIDIARIES
Aging of Financial Assets
As of March 31, 2019

Types of Accounts	Total	1 month	2 to 6 months	7 mos. To 1 year	1 to 3 years	3 to 5 years	5 years & above
Financial Assets							
a. Cash and cash equivalents							
1. Cash in bank	10,643,301	10,643,301					
2. Short-term placements	345,837,500	345,837,500					
	356,480,801	356,480,801					
b. Trade receivable							
1. Installment contract receivable	96,386,217	3,281,404	8,172,427	9,085,172	23,920,305	21,615,119	30,311,790
2. Receivable from sale of medical goods and services	18,350,285	8,024,987.45	2,700,813.28	1,620,487.97	670,166.68	454,687.48	4,879,142
Less: Allowance for doubtful account	(6,850,185)	-	-	(846,189)	(670,167)	(454,687)	(4,879,142)
Net trade receivable	107,886,317	11,306,392	10,873,240	9,859,471	23,920,305	21,615,119	30,311,790
c. Non-trade receivable							
1. Due from project developers	23,800,812			23,800,812			
2. Receivable from buyers	1,911,579			1,911,579			
3. Rent receivables	2,087,711			2,087,711			
4. Interest receivables	311,834			311,834			
6. Others	859,694			859,694			
Sub-total	28,971,630			28,971,630			
Less: Allowance for doubtful account	-						
Net Non-trade receivable	28,971,630			28,971,630			

CROWN EQUITIES, INC. AND SUBSIDIARIES
CORPORATE STRUCTURE
March 31, 2019



CROWN EQUITIES, INC. AND SUBSIDIARIES
SCHEDULE OF ALL PHILIPPINE FINANCIAL REPORTING STANDARDS
AND INTERPRETATIONS AS AT MARCH 31, 2018

Title	Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements			
Conceptual Framework Phase A: Objectives and qualitative characteristics	✓		
PFRS Practice Statement Management Commentary			✓
PFRSs Practice Statement 2: Making Materiality Judgments			✓

Philippine Financial Reporting Standards (PFRS)

PFRS	Title	Adopted	Not Adopted	Not Applicable
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards	✓		
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters			✓
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters			✓
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters			✓
	Amendments to PFRS 1: Government Loans			✓
	Amendments to PFRS 1: First-time Adoption of Philippine Financial Reporting Standards - Deletion of Short-term Exemptions for First-time Adopters	✓		
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations			✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
	Amendments to PFRS 2: Classification and Measurement of Share-based Payment Transactions			✓
PFRS 3 (Revised)	Business Combinations	✓		

PFRS	Title	Adopted	Not Adopted	Not Applicable
	Amendment to PFRS 3: Accounting for Contingent Consideration in a Business Combination			✓
	Amendment to PFRS 3: Scope Exceptions for Joint Ventures	✓		
PFRS 4	Insurance Contracts			✓
	Amendments to PFRS 4: Financial Guarantee Contracts			✓
	Amendments to PFRS 4: Applying PFRS 9, <i>Financial Instruments</i> with PFRS 4, <i>Insurance Contracts</i>			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations	✓		
	Amendment to PFRS 5: Changes in Methods of Disposal			✓
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to PFRS 7: Disclosures - Transfers of Financial Assets	✓		
	Amendments to PFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	✓		
	Amendment to PFRS 7: Servicing Contracts			✓
	Amendment to PFRS 7: Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements			✓
PFRS 8	Operating Segments	✓		
	Amendments to PFRS 8: Aggregation of Operating Segments	✓		
	Amendments to PFRS 8: Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets	✓		
PFRS 9	Financial Instruments	✓		
PFRS 10	Consolidated Financial Statements	✓		
	Amendments to PFRS 10: Transition Guidance			✓
	Amendments to PFRS 10: Investment Entities			✓

PFRS	Title	Adopted	Not Adopted	Not Applicable
	Amendments to PFRS 10: Investment Entities: Applying the Consolidation Exception			✓
PFRS 11	Joint Arrangements	✓		
	Amendments to PFRS 11: Transition Guidance			✓
	Amendments to PFRS 11: Accounting for Acquisitions of Interests in Joint Operations			✓
PFRS 12	Disclosure of Interests in Other Entities	✓		
	Amendments to PFRS 12: Transition Guidance			✓
	Amendments to PFRS 12: Investment Entities			✓
	Amendments to PFRS 12: Investment Entities: Applying the Consolidation Exception			✓
	Amendment to PFRS 12: Clarification of the Scope of the Standard	✓		
PFRS 13	Fair Value Measurement	✓		
	Amendment to PFRS 13: Short-term receivables and Payables	✓		
	Amendment to PFRS 13: Portfolio Exception			✓
PFRS 14	Regulatory Deferral Accounts			✓
PFRS 15	Revenue from Contracts with Customers	✓		
	Amendments to PFRS 15: Clarifications to PFRS 15	✓		

Philippine Accounting Standards (PASs)

PAS	Title	Adopted	Not Adopted	Not Applicable
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendments to PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Amendment to PAS 1: Clarification of the Requirements for Comparative Presentation	✓		
	Amendments to PAS 1: Disclosure Initiative	✓		
PAS 2	Inventories	✓		
PAS 7	Statement of Cash Flows	✓		
	Amendments to PAS 7: Disclosure Initiative	✓		

PAS	Title	Adopted	Not Adopted	Not Applicable
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
PAS 10	Events after the Reporting Period	✓		
PAS 12	Income Taxes	✓		
	Amendments to PAS 12: Recovery of Underlying Assets	✓		
	Amendments to PAS 12: Recognition of Deferred Tax Assets for Unrealized Losses	✓		
PAS 16	Property, Plant and Equipment	✓		
	Amendment to PAS 16: Classification of Servicing Equipment			✓
	Amendment to PAS 16: Revaluation Method - Proportionate Restatement of Accumulated Depreciation			✓
	Amendment to PAS 16: Property, Plant and Equipment - Clarification of Acceptable Methods of Depreciation and Amortization	✓		
	Amendment to PAS 16: Agriculture: Bearer Plants			✓
PAS 17	Leases	✓		
PAS 19 (Revised)	Employee Benefits	✓		
	Amendment to PAS 19: Defined Benefit Plans: Employee Contributions	✓		
	Amendment to PAS 19: Discount Rate: Regional Market Issue			✓
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			✓
PAS 21	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation			✓
PAS 23 (Revised)	Borrowing Costs			✓
PAS 24 (Revised)	Related Party Disclosures	✓		
	Amendment to PAS 24: Key Management Personnel	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
PAS 27 (Amended)	Separate Financial Statements	✓		
	Amendments to PAS 27: Investment Entities	✓		

PAS	Title	Adopted	Not Adopted	Not Applicable
	Amendments to PAS 27: Equity Method in Separate Financial Statements			✓
PAS 28 (Amended)	Investments in Associates and Joint Ventures	✓		
	Amendments to PAS 28: Investment Entities: Applying the Consolidation Exception			✓
	Amendments to PAS 28: Measuring an Associate or Joint Venture at Fair Value			✓
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Financial Instruments: Presentation	✓		
	Amendments to PAS 32: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendment to PAS 32: Classification of Rights Issues			✓
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities	✓		
	Amendments to PAS 32: Tax Effect of Distribution to Holders of Equity Instruments	✓		
PAS 33	Earnings per Share	✓		
PAS 34	Interim Financial Reporting			✓
	Amendment to PAS 34: Interim Financial Reporting and Segment Information for Total Assets and Liabilities			✓
	Amendment to PAS 34: Disclosure of Information 'Elsewhere in the Interim Financial Report'			✓
PAS 36	Impairment of Assets	✓		
	Amendments to PAS 36: Recoverable Amount Disclosures for Non-Financial Assets	✓		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓		
PAS 38	Intangible Assets	✓		
	Amendment to PAS 38: Revaluation Method - Proportionate Restatement of Accumulated Amortization			✓
	Amendment to PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization			✓
PAS 39	Financial Instruments: Recognition and Measurement			✓
PAS 40	Investment Property	✓		

PAS	Title	Adopted	Not Adopted	Not Applicable
	Amendment to PAS 40: Clarifying the Interrelationship between PFRS 3 and PAS 40 when Classifying Property as Investment Property or Owner-occupied Property			✓
	Amendments to PAS 40: Transfers of Investment Property	✓		
PAS 41	Agriculture			✓
	Amendment to PAS 41: Agriculture: Bearer Plants			✓

Philippine Interpretations

Interpretations	Title	Adopted	Not Adopted	Not Applicable
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			✓
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	Determining Whether an Arrangement Contains a Lease			✓
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			✓
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment			✓
IFRIC 7	Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies			✓
IFRIC 9	Reassessment of Embedded Derivatives			✓
	Amendments to Philippine Interpretation IFRIC-9: Embedded Derivatives			✓
IFRIC 10	Interim Financial Reporting and Impairment			✓
IFRIC 12	Service Concession Arrangements			✓
IFRIC 14	PAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction			✓
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			✓
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners			✓
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			✓

Interpretations	Title	Adopted	Not Adopted	Not Applicable
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			✓
IFRIC 21	Levies			✓
IFRIC 22	Foreign Currency Transactions and Advance Consideration			✓

PHILIPPINE INTERPRETATIONS - SIC

Interpretations	Title	Adopted	Not Adopted	Not Applicable
SIC-7	Introduction of the Euro			✓
SIC-10	Government Assistance - No Specific Relation to Operating Activities			✓
SIC-15	Operating Leases - Incentives			✓
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders			✓
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease			✓
SIC-29	Service Concession Arrangements: Disclosures.			✓
SIC-32	Intangible Assets - Web Site Costs			✓

CROWN EQUITIES, INC. AND SUBSIDIARIES
SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS
EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

Unappropriated Retained Earnings, January 1, 2019	₱486,303,266
Net income for the period	9,778,909
Less: Non-actual/unrealized income, net of tax:	
Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents)	(305,849)
Subtotal	(305,849)
Add: Net income actually earned during the period	9,473,060
TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION, MARCH 31, 2019	₱495,776,326

Crown Equities, Inc.
 Schedule M - Key Performance Indicators
 March 31, 2019

Indicator	As of		Formula
	Mar-19	Dec-18	
Current Ratio	4.78x	4.01x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	1.76x	2.04x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.11x	0.13x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.10x	0.11x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.11x	1.13x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Interest Coverage Ratio	Nil	Nil	$\frac{\text{Earnings before Interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	35.80%	122.18%	$\frac{\text{Net Income}}{\text{Net Revenue}}$
Investment Ratio	0.42x	0.41x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
Return on Assets	0.95%	12.61%	$\frac{\text{Net Income}}{\text{Average Total Assets}}$
Earnings(Loss) Per Share	0.001143	0.01983	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$