



Mary Katherine B. Alampay <katherine.alampay@mvgslaw.com>

Crown Equities, Inc. - 17Q for 1st Quarterly Report for 2020

Mary Katherine B. Alampay <katherine.alampay@mvgslaw.com>

Wed, Jun 24, 2020 at 3:46 PM

To: MSRDCOVID19 <msrd_covid19@sec.gov.ph>

Cc: "LOURVIC D. PACIS" <ldpaxis@sec.gov.ph>, Phil Ivan Chan <philivan.chan@mvgslaw.com>

Ladies and Gentlemen:


On behalf of Crown Equities, Inc. ("CEI"), we hereby submit the SEC Quarterly Report of CEI for the 1st quarter of the year 2020.

In light of the implementation of General Community Quarantine ("GCQ") imposed over Metro Manila effective until June 30, 2020, and in compliance with the directive of the Securities and Exchange Commission (the "Commission") to course correspondence and all applicable filings to the department concerned at the proper e-mail addresses provided, we respectfully file the attached Quarterly Report through e-mail.

The foregoing was disclosed to the Philippine Stock Exchange, Inc. ("PSE") Edge Platform through SEC Form 17-Q today, June 24, 2020.

Thank you and we trust that you find the foregoing in order.

Very truly yours,
Phil Ivan A. Chan
Assistant Corporate Secretary
Crown Equities, Inc.

 **CEI 17Q Q1 2020.pdf**
13656K



Mary Katherene B. Alampay <katherene.alampay@mvgslaw.com>

Crown Equities, Inc. - 17Q for 1st Quarterly Report for 2020

LOURVIC D. PACIS <ldpacos@sec.gov.ph>

Wed, Jun 24, 2020 at 4:39 PM

To: "Mary Katherene B. Alampay" <katherene.alampay@mvgslaw.com>

Cc: MSRDCOVID19 <msrd_covid19@sec.gov.ph>, Phil Ivan Chan <philivan.chan@mvgslaw.com>

Acknowledged.

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CR03657-2020

**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
Mar 31, 2020
2. SEC 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 principal office
Crown Center, 158 Jupiter Corner N, Garcia Street. Bel-Air, Makati City
Postal Code
1209
8. Issuer's telephone number, including area code
(632) 8899-04-55
9. Former name or former address, and former fiscal year, if changed since last report
N/A
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 | 14,959,999,950 |

11. Are any or all of registrant's securities listed on a Stock Exchange?
 Yes No
If yes, state the name of such stock exchange and the classes 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 SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the

Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

Yes No

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

Yes No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

Crown Equities, Inc. CEI

PSE Disclosure Form 17-2 - Quarterly Report *References: SRC Rule 17 and Sections 17.2 and 17.8 of the Revised Disclosure Rules*

| | |
|--|-----------------|
| For the period ended | Mar 31, 2020 |
| Currency (indicate units, if applicable) | Phillipine Peso |

Balance Sheet

| | Period Ended | |
|--------------------------------------|---------------|---|
| | Mar 31, 2020 | Fiscal Year Ended (Audited) Dec 31, 2019 |
| Current Assets | 834,608,176 | 846,681,443 |
| Total Assets | 2,341,642,342 | 2,355,857,511 |
| Current Liabilities | 175,392,062 | 165,281,046 |
| Total Liabilities | 206,174,313 | 193,150,009 |
| Retained Earnings/(Deficit) | 355,962,808 | 387,891,854 |
| Stockholders' Equity | 2,135,468,028 | 2,162,707,502 |
| Stockholders' Equity - Parent | 1,975,227,903 | 2,007,156,947 |
| Book Value per Share | 0.14 | 0.15 |

Income Statement

| | Current Year (3 Months) | Previous Year (3 Months) | Current Year-To-Date | Previous Year-To-Date |
|--|------------------------------------|-------------------------------------|-----------------------------|------------------------------|
| Gross Revenue | 58,535,757 | 60,693,601 | 58,535,757 | 60,693,601 |
| Gross Expense | 43,845,296 | 47,506,228 | 43,845,296 | 47,506,228 |
| Non-Operating Income | 6,130,189 | 13,181,435 | 6,130,189 | 13,181,435 |
| Non-Operating Expense | 43,628,255 | 131,592 | 43,628,255 | 131,592 |
| Income/(Loss) Before Tax | -22,807,605 | 26,237,216 | -22,807,605 | 26,237,216 |
| Income Tax Expense | 4,431,871 | 3,443,849 | 4,431,871 | 3,443,849 |
| Net Income/(Loss) After Tax | -27,239,476 | 22,793,367 | -27,239,476 | 22,793,367 |
| Net Income Attributable to Parent Equity Holder | -31,929,045 | 15,544,360 | -31,929,045 | 15,544,360 |
| Earnings/(Loss) Per Share (Basic) | -0 | 0 | -0 | 0 |
| Earnings/(Loss) Per Share (Diluted) | -0 | 0 | -0 | 0 |

| | Current Year (Trailing 12 months) | Previous Year (Trailing 12 months) |
|--|--|---|
| Earnings/(Loss) Per Share (Basic) | -0 | 0 |
| Earnings/(Loss) Per Share (Diluted) | -0 | 0 |

Other Relevant Information

N/A

Filed on behalf by:

| | |
|--------------------|-------------------------------|
| Name | Elmer Serrano |
| Designation | Corporate Information Officer |

COVER SHEET

| | | | | | | | | | | |
|--|--|--|--|--|--|---|---|---|---|---|
| | | | | | | 3 | 9 | 7 | 4 | 5 |
|--|--|--|--|--|--|---|---|---|---|---|

S.E.C. Registration Number

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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 | | | | | | | | | | | | | | | | | | | | | | | | | | |
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(Group's Full Name)

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|---|---|---|---|---|--|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|--|--|
| 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 | | |
| e | r | | N | . | | G | a | r | c | i | a | | S | t | r | e | e | t | s | , | | M | a | k | a | t | i | | C | | |
| i | t | y | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

| | |
|------------------------|------------------------|
| Atty. Elmer B. Serrano | 899-0081 |
| Contact Person | Group Telephone Number |

| | | | | | | | | | | | |
|----------------|---|------------|---|-----------|---|---|---|---|---|-------------------------|--|
| 1 | 2 | 3 | 1 | S | E | C | 1 | 7 | Q | | |
| <i>Month</i> | | <i>Day</i> | | FORM TYPE | | | | | | <i>Month</i> <i>Day</i> | |
| Annual Meeting | | | | | | | | | | | |

Secondary License Type, If Applicable

| | |
|---------------------------|---------------------------------|
| | |
| Dept. Requiring this Doc. | Amended Articles Number/Section |

| | | | | |
|---------------------------|----------------------------|----------|--|---------|
| | Total Amount of Borrowings | | | |
| Total No. of Stockholders | | Domestic | | Foreign |

To be accomplished by SEC Personnel concerned

| | |
|---------------|---------|
| | _____ |
| File Number | LCU |
| | _____ |
| Document I.D. | Cashier |

STAMPS

Remarks = pls. use black ink for scanning purposes.

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, 2020
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 in Company or organization: Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office: Crown Center, 158 Jupiter Corner N. Garcia Street, Bel-Air, Makati City
Postal Code: 1209
8. Issuer's telephone number, including area code: (632) 8899-04-55
9. Former name, former address and former fiscal year, if changed since last report: N/A
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

| <u>Title of each Class</u> | <u>Number of shares of common stock outstanding and amount of debt outstanding</u> |
|----------------------------|--|
| Common | 14,959,999,950 shares |

11. Are any or all of the securities listed on a Stock Exchange?

Yes No

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

Philippine Stock Exchange / Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 there under or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Company Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No

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

Yes No

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

| ASSETS | March 2020 Unaudited | December 2019 Audited | Increase (Decrease) | % Change |
|---|-------------------------|--------------------------|------------------------|---------------|
| Current Assets | | | | |
| Cash and cash equivalents | 371,945,285 | 343,966,400 | 27,978,885 | 8.13% |
| Receivables | 113,966,872 | 105,035,689 | 8,931,183 | 8.50% |
| Investments in quoted shares | 154,060,650 | 195,597,395 | (41,536,745) | -21.24% |
| Inventories | 143,304,847 | 150,147,431 | (6,842,584) | -4.56% |
| Other current assets | 51,330,523 | 51,934,528 | (604,005) | -1.16% |
| Total Current Assets | 834,608,176 | 846,681,443 | (12,073,267) | -1.43% |
| Noncurrent Assets | | | | |
| Installment contracts receivable - net of current portion | 76,822,968 | 77,734,875 | (911,907) | -1.17% |
| Investment in unquoted shares | 47,344,659 | 47,344,659 | - | 0.00% |
| Investment properties | 1,083,153,211 | 1,083,217,004 | (63,793) | -0.01% |
| Property and equipment | 254,309,333 | 255,415,444 | (1,106,111) | -0.43% |
| Goodwill | 21,740,604 | 21,740,604 | - | 0.00% |
| Deferred tax assets | 20,781,982 | 20,782,966 | (984) | 0.00% |
| Other noncurrent assets | 2,881,409 | 2,940,516 | (59,107) | -2.01% |
| Total Noncurrent Assets | 1,507,034,165 | 1,509,176,068 | (2,141,903) | -0.14% |
| | 2,341,642,342 | 2,355,857,511 | (14,215,169) | -0.60% |

Total Assets

Total assets posted a decrease of ₱14.22 million or 0.60% from the ₱2.35 billion at year-end 2019 to ₱2.34 billion as of March 31, 2020 primarily attributable to the decrease in both the current and non-current assets.

Current Assets

As of March 31, 2020, total current assets stood at ₱834.61 million, 1.43% lower than the year end 2019 level of ₱846.68 million. Cash recorded a net increase resulting from collection of installment contracts receivable and operating cash requirement. On the other hand, the increase in recognized sales resulted in a decrease in inventories by ₱6.80 million or by 4.56%. Meanwhile, investments in quoted shares decreased by 21.2% mainly due to unrealized decline in market value resulting from the weak equities market as the impact of Covid-19 reached a pandemic level during the first quarter.

Noncurrent Assets

Total noncurrent assets decreased by ₱2.14 million during the quarter ending March 31, 2020. Installment contract receivable recorded a net decrease to ₱76.8 million from ₱77.7 million as of December 31, 2019 due to recognized sales and collection for the period. The property and equipment dropped by ₱1.1 million due to depreciation.

Liabilities and Stockholders' Equity

Total liabilities for the period increased by ₱13.0 million or 6.7% from ₱193.1 million level as of year-end 2019 to ₱206.1 million as of March 31, 2020. This was mainly attributable to the collection of customers' deposit coming from unrealized sales and the recognition of tax liability resulting from income of a subsidiary.

Meanwhile, stockholders' equity decreased by ₱ 27.2 million as the corporation records the results of its operations for the period.

| | March 2020 Unaudited | December 2019 Audited | Increase (Decrease) | % Change |
|---|-------------------------|--------------------------|------------------------|---------------|
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | | | | |
| Accounts and other payables | 169,912,926 | 162,269,220 | 7,643,706 | 4.71% |
| Income tax payable | 5,479,136 | 3,011,826 | 2,467,310 | 81.92% |
| Loans payable | - | - | - | - |
| Total Current Liabilities | 175,392,062 | 165,281,046 | 10,111,016 | 6.12% |
| Noncurrent Liabilities | | | | |
| Retirement benefits liability | 20,134,559 | 18,142,561 | 1,991,998 | 10.98% |
| Security deposits | 3,813,511 | 2,892,221 | 921,290 | 31.85% |
| Deferred tax liabilities | 6,834,181 | 6,834,181 | - | 0.00% |
| Total Noncurrent Liabilities | 30,782,251 | 27,868,963 | 2,913,288 | 10.45% |
| Total Liabilities | 206,174,313 | 193,150,009 | 13,024,304 | 6.74% |
| Equity | | | | |
| Capital stock | 1,977,523,246 | 1,977,523,246 | - | 0.00% |
| Additional paid-in capital (APIC) | 118,570,274 | 118,570,274 | - | 0.00% |
| Retained earnings | 355,962,808 | 387,891,854 | (31,929,046) | -8.23% |
| Other comprehensive income | 4,694,826 | 4,694,824 | 2 | 0.00% |
| Treasury shares | 2,456,751,154 | 2,488,660,196 | (31,929,044) | -1.28% |
| | (481,523,251) | (481,523,251) | - | 0.00% |
| Equity Attributable to Equity Holders of the Parent Corporation | 1,975,227,903 | 2,007,156,947 | (31,929,044) | -1.59% |
| Non-controlling interests | 160,240,125 | 155,550,555 | 4,689,570 | 3.01% |
| Total Equity | 2,135,468,028 | 2,162,707,502 | (27,239,474) | -1.26% |
| | 2,341,642,342 | 2,355,857,511 | (14,215,169) | -0.60% |

Discussions on Results of Operation

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

| | 31Mar2020 Unaudited | 31Mar2019 Unaudited | Variance | % Variance |
|--|------------------------|------------------------|---------------------|--------------|
| REVENUE | | | | |
| Real estate sales | 33,956,690 | 31,875,745 | 2,080,945 | 7% |
| Sale of services | 15,423,657 | 18,263,656 | (2,839,999) | -16% |
| Interest income from installment contracts receivable | 4,475,655 | 5,809,939 | (1,334,284) | -23% |
| Rental income | 3,633,659 | 3,838,645 | (204,986) | -5% |
| Dividend income | 1,046,096 | 898,277 | 147,819 | 16% |
| Others | | 7,339 | (7,339) | -100% |
| DIRECT COSTS | 58,535,757 | 60,693,601 | (2,157,844) | -4% |
| | 23,626,052 | 25,691,548 | (2,065,496) | -8% |
| GROSS INCOME | 34,909,705 | 35,002,053 | (92,349) | 0% |
| SELLING AND ADMINISTRATIVE EXPENSES | (20,219,244) | (21,814,680) | 1,595,436 | -7% |
| OTHER INCOME (CHARGES) – Net | (37,498,065) | 13,049,843 | (50,547,909) | -387% |
| INCOME BEFORE INCOME TAX | (22,807,605) | 26,237,216 | (49,044,821) | -187% |
| PROVISION FOR (BENEFIT FROM) INCOME TAX | | | | |
| INCOME TAX EXPENSE- NET | 4,431,871 | 3,443,849 | 988,022 | 29% |
| NET INCOME | 4,431,871 | 3,443,849 | 988,022 | 29% |
| OTHER COMPREHENSIVE INCOME | (27,239,476) | 22,793,367 | (50,032,843) | -220% |
| <i>Item that will not be reclassified subsequently to profit or loss</i> | (1,397,493) | | (1,397,493) | 0% |
| TOTAL COMPREHENSIVE INCOME | (28,636,969) | 22,793,367 | (51,430,336) | -226% |

Total revenue for the first quarter ending March 31, 2020 amounted to ₱58.5 million. This is a 4% decline over the same period in 2019. Revenues from real estate sales and real estate related interest income account for 66% of the total revenues. Real estate sales amounted to ₱33.9 million which is 7% higher than the ₱31.8 million recorded in the previous year. The related interest on installment contracts receivable likewise decreased by 23% to ₱4.47 million from the previous period's ₱5.8 million as amortization payments get collected.

Meanwhile, the sale of goods and services from the healthcare business amounted to ₱15.4 million or 26% of the total revenues. Sales from the clinics were hampered by the rising concern over the spread of Covid-19 virus.

On the other hand, rent income from the lease of office space in Crown Center and the Fortmed Center in Sta. Rosa, continued despite at slower pace. It decreased by 5% compared to the same period in 2019 as some contracts expire.

While total revenues declined by 4%, total cost and expenses decreased by 8%. Cost of real estate sales and related commission expense barely moved during the period. On the other hand, costs of delivering healthcare services increased due to the shift in revenue concentration.

Other income for the quarter significantly declined registering a negative ₱37 million primarily resulting from unrealized decline in value of investment in quoted shares. Income tax expense amounted to ₱4 million for the period resulting to a net loss of ₱27.2 million

Key Performance Indicators

| Indicator | As of | | Formula |
|---------------------------|-----------|-----------|--|
| | Mar. 2020 | Dec. 2019 | |
| Current Ratio | 4.76x | 5.12x | $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ |
| Cash Ratio | 2.12x | 2.08x | $\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$ |
| Debt-Equity Ratio | 0.10x | 0.09x | $\frac{\text{Total Liabilities}}{\text{Total Equity}}$ |
| Debt-Asset Ratio | 0.09x | 0.08x | $\frac{\text{Total Liabilities}}{\text{Total Assets}}$ |
| Asset-Equity Ratio | 1.10x | 1.09x | $\frac{\text{Total Asset}}{\text{Total Equity}}$ |
| Investment Ratio | 0.46x | 0.46x | $\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$ |
| Net Income Margin | 0.47% | 0.14% | $\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$ |
| Return on Assets | -0.01% | 1.40% | $\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$ |
| Earnings (Loss) Per Share | -0.00213 | 0.00114 | $\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$ |

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

Liquidity

As of March 31, 2020, current ratio decreased to 4.76x compared to 5.12x as of December 31, 2019. Cash ratio during the period improve to 2.12x in March 2020 from 2.08x as of December 31, 2019. Liquidity position remains positive during the period.

Solvency / Leverage

Leverage stance remained low as of March 31, 2020 having debt-equity at 0.10x, debt-asset ratio at 0.09x and asset-equity ratio at 1.1x 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 0.46x and 0.46x as of March 31, 2020 and December 31, 2019, respectively.

Profitability

Net income margin significantly decreased to -0.47% for the first quarter of 2020.

Return on Assets

The return on assets as of March 31, 2020 decreased to -0.01% due to a lower realized income for the quarter.

Earnings per Share

As a result of the decrease in the Company's profitability for the first quarter of 2020, earnings per share is negative 0.00213 compared to 0.00114 earnings per share as of December 31, 2019. The Company's number of outstanding shares has increased due to the declaration of stock dividend in 2019.

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. Except for the potential impact of the Covid-19 pandemic, 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

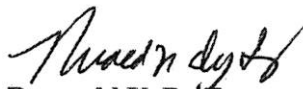
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CROWN EQUITIES, INC.

By:



Eugene B. Macalalag
First Vice President



Romuald U. Dy Tang
President

Date: June 22, 2020

ANNEX A

CROWN EQUITIES, INC. AND SUBSIDIARIES

**UNAUDITED FINANCIAL STATEMENTS
MARCH 31, 2020**

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

| ASSETS | March 2020 Unaudited | December 2019 Audited |
|---|---------------------------------|----------------------------------|
| Current Assets | | |
| Cash and cash equivalents | 371,945,285 | 343,966,400 |
| Receivables | 113,966,872 | 105,035,689 |
| Investments in quoted shares | 154,060,650 | 195,597,395 |
| Inventories | 143,304,847 | 150,147,431 |
| Other current assets | 51,330,523 | 51,934,528 |
| Total Current Assets | 834,608,176 | 846,681,443 |
| Noncurrent Assets | | |
| Installment contracts receivable - net of current portion | 76,822,968 | 77,734,875 |
| Investment in unquoted shares | 47,344,659 | 47,344,659 |
| Investment properties | 1,083,153,211 | 1,083,217,004 |
| Property and equipment | 254,309,333 | 255,415,444 |
| Goodwill | 21,740,604 | 21,740,604 |
| Deferred tax assets | 20,781,982 | 20,782,966 |
| Other noncurrent assets | 2,881,409 | 2,940,516 |
| Total Noncurrent Assets | 1,507,034,165 | 1,509,176,068 |
| | 2,341,642,342 | 2,355,857,511 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts and other payables | 169,912,926 | 162,269,220 |
| Income tax payable | 5,479,136 | 3,011,826 |
| Loans payable | - | - |
| Total Current Liabilities | 175,392,062 | 165,281,046 |
| Noncurrent Liabilities | | |
| Retirement benefits liability | 20,134,559 | 18,142,561 |
| Security deposits | 3,813,511 | 2,892,221 |
| Deferred tax liabilities | 6,834,181 | 6,834,181 |
| Total Noncurrent Liabilities | 30,782,251 | 27,868,963 |
| Total Liabilities | 206,174,313 | 193,150,009 |
| Equity | | |
| Capital stock | 1,977,523,246 | 1,977,523,246 |
| Additional paid-in capital (APIC) | 118,570,274 | 118,570,274 |
| Retained earnings | 355,962,808 | 387,891,854 |
| Other comprehensive income | 4,694,826 | 4,694,824 |
| | 2,456,751,154 | 2,488,680,198 |
| Treasury shares | (481,523,251) | (481,523,251) |
| Equity Attributable to Equity Holders of the Parent Company | 1,975,227,903 | 2,007,156,947 |
| Non-controlling interests | 160,240,125 | 155,550,555 |
| Total Equity | 2,135,468,028 | 2,162,707,502 |
| | 2,341,642,342 | 2,355,857,511 |

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

| | 31Mar2020 | 31Mar2019 |
|--|--------------|--------------|
| | Unaudited | Unaudited |
| REVENUE | | |
| Real estate sales | 33,956,690 | 31,875,745 |
| Sale of services | 15,423,657 | 18,263,656 |
| Interest income from installment contracts receivable | 4,475,655 | 5,809,939 |
| Rental income | 3,633,659 | 3,838,645 |
| Dividend income | 1,046,096 | 898,277 |
| Others | | 7,339 |
| | 58,535,757 | 60,693,601 |
| DIRECT COSTS | 23,626,052 | 25,691,548 |
| GROSS INCOME | 34,909,705 | 35,002,053 |
| SELLING AND ADMINISTRATIVE EXPENSES | (20,219,244) | (21,814,680) |
| OTHER INCOME (CHARGES) – Net | (37,498,065) | 13,049,843 |
| INCOME BEFORE INCOME TAX | (22,807,605) | 26,237,216 |
| PROVISION FOR (BENEFIT FROM) INCOME TAX | | |
| INCOME TAX EXPENSE- NET | 4,431,871 | 3,443,849 |
| | 4,431,871 | 3,443,849 |
| NET INCOME | (27,239,476) | 22,793,367 |
| OTHER COMPREHENSIVE INCOME | | |
| <i>Item that will not be reclassified subsequently to profit or loss</i> | (1,397,493) | |
| TOTAL COMPREHENSIVE INCOME | (28,636,969) | 22,793,367 |
| NET INCOME ATTRIBUTABLE TO: | | |
| Equity holders of the Parent Company | (31,929,045) | 15,544,360 |
| Non-controlling interests | 4,689,570 | 7,249,007 |
| | (27,239,475) | 22,793,367 |

CROWN EQUITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | 31Mar2020 Unaudited | 31Mar2019 Unaudited |
|--|------------------------|------------------------|
| EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY | | |
| Capital Stock | | |
| Balance at beginning of year | 1,977,523,246 | 1,833,309,157 |
| Stock dividend declared | - | - |
| Collection of subscriptions receivable | - | 8,214,090 |
| Balance at end of year | 1,977,523,246 | 1,841,523,247 |
| Additional Paid-in Capital | 118,570,274 | 118,570,274 |
| Retained Earnings | | |
| Balance at beginning of year | 387,891,854 | 507,951,044 |
| Adjustment to | - | - |
| Stock dividend declared | - | - |
| Net income | (31,929,044) | 15,544,360 |
| Balance at end of year | 355,962,810 | 523,495,404 |
| Other Comprehensive Income <i>Not to be reclassified to profit or loss in subsequent periods</i> | | |
| Balance at beginning of year | 4,694,824 | 6,057,167 |
| Other comprehensive income (loss) | - | - |
| Balance at end of year | 4,694,824 | 6,057,167 |
| Treasury Shares | (481,523,251) | (481,523,251) |
| | 1,975,227,903 | 2,008,122,841 |
| NON-CONTROLLING INTERESTS | | |
| Balance at beginning of year | 155,550,555 | 152,779,414 |
| Total comprehensive income attributable to non-controlling interests | 4,689,571 | 7,249,007 |
| Dividends declared by a subsidiary | - | - |
| Balance at end of year | 160,240,126 | 160,028,421 |
| | 2,135,468,029 | 2,168,151,262 |

CROWN EQUITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | March 31, 2020 Unaudited | March 31, 2019 Unaudited |
|---|-----------------------------|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | (22,807,605) | 26,237,216 |
| Adjustments for: | | |
| Interest income from: | | |
| Cash in banks and short-term placements | (7,026,288) | (13,209,136) |
| Loans receivable | (1,670,974) | (2,968,750) |
| Depreciation and amortization | 3,410,264 | 3,966,672 |
| Unrealized loss (gain) on changes in investments in quoted shares | - | (305,849) |
| Dividend income | (1,046,096) | (898,277) |
| Retirement benefits | 492,000 | 605,004 |
| Unrealized foreign exchange loss (gain) | 79,171 | 131,592 |
| Gain (Loss) from cancelled contracts and forfeited customer's deposit | - | 5,258,472 |
| Operating income (loss) before working capital changes | (28,569,527) | 18,816,944 |
| Decrease (increase) in: | | |
| Investments in quoted shares | 41,514,512 | (66,529,374) |
| Receivables | (8,019,275) | (25,775,019) |
| Inventories | 6,842,584 | 6,547,726 |
| Other assets | (1,300,462) | (2,902,539) |
| Increase (decrease) in: | | |
| Accounts and other payables | 7,643,706 | (14,591,111) |
| Security deposits | 921,290 | - |
| Net cash generated from (used for) operations | 19,032,828 | (84,433,373) |
| Interest received | 8,697,262 | 16,177,886 |
| Income taxes paid | - | (1,836,993) |
| Change in the fair value of plan asset | 1,500,000 | - |
| Dividends received | 1,046,096 | 898,277 |
| Net cash flows from operating activities | 30,276,186 | (69,307,209) |

(forward)

| | March 31, 2020 Unaudited | March 31, 2019 Unaudited |
|---|-----------------------------|-----------------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisitions of: | | |
| Investment properties | (394,407) | (391,327) |
| Property and equipment | (1,845,953) | (370,448) |
| Net cash flows from investing activities | (2,240,360) | (50,761,775) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Collection of subscriptions receivable | - | 8,214,090 |
| Decrease in due to related parties | - | (34,993,527) |
| Net cash flows from financing activities | - | (26,779,437) |
| EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | (56,939) | (131,592) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 27,978,887 | (146,980,013) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 343,966,400 | 503,460,814 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 371,945,285 | 356,480,801 |

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

1. Corporate Information

General Information

Crown Equities, Inc. ("CEI" or the "Parent Company"), a public corporation under Section 17.2 of the Securities Regulation Code (SRC), was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on October 24, 1969. The registration was extended for another 50 years in 2018. The Parent Company is an investment holding company, currently engaged in the business of real estate development and healthcare through its subsidiaries. Its shares are listed on the Philippine Stock Exchange (PSE).

The Parent Company's registered office address is located at the 5th Floor Crown Center, 158 Jupiter cor. N. Garcia Sts., Bel-Air Makati City.

Subsidiaries

The consolidated financial statements include the accounts of CEI and the following subsidiaries (collectively referred herein as the "Group") as at March 31, 2020 and 2019:

| Name of Subsidiary | % of Ownership | Nature of Business | Principal Place of Business |
|---|----------------|--------------------|-----------------------------|
| Crown Central Properties, Corp. (CCPC) ^(a) | 48% | Real Estate | Biñan, Laguna |
| Parkfield Land Holdings, Inc. (PLHI) | 75% | Real Estate | Makati City |
| Healthcare Systems of Asia Phils., Inc (HSAPI) | 97% | Holding | Makati City |
| Fortmed Medical Clinics Makati, Inc. (FMCMI) ^(b) | 97% | Healthcare | Makati City |
| Argent Capital Holdings Corporation (ACHC) ^(c) | 100% | Holding | Makati City |

(a) Management has determined that the Parent Company has control over the financial and operating policies of CCPC through representation on the Board of Directors (BOD) (see Note 3).

(b) Indirectly owned through HSAPI.

(c) Newly incorporated in 2019.

1. 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, 2020 and 2019.

2. 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.

3. 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, 2020 and 2019 and certain assets and liability information regarding industry segments as at March 31, 2020 and 2019 (in thousands).

| | Real Estate | Healthcare Services | Investment Holdings | Elimination | Total |
|---|-------------|---------------------|---------------------|-------------|-----------|
| Year to Date March 31, 2020 | | | | | |
| REVENUES | 45,741 | 15,424 | 334 | (2,963) | 58,536 |
| RESULTS | | | | | |
| Segment results | (16,634) | 1,848 | 97 | - | (14,690) |
| Other income | (37,614) | 52 | 64 | - | (37,498) |
| Income Tax Expense | (4,420) | (10) | (1) | - | (4,432) |
| Minority Interest | 4,745 | (54) | - | - | 4,690 |
| Net Income(Loss) | (25,400) | 1,807 | 33 | - | 27,239 |
| ASSETS AND LIABILITIES | | | | | |
| Segment Assets | 2,598,164 | 47,984 | 99,394 | (425,640) | 2,319,901 |
| Intangible Assets | - | - | 21,741 | - | 21,741 |
| Total Assets | 2,598,164 | 47,984 | 121,135 | (425,640) | 2,341,642 |
| Segment Liabilities | 208,837 | 22,397 | 77,908 | (102,967) | 206,174 |
| OTHER SEGMENT INFORMATION | | | | | |
| Depreciation | 2,632 | 449 | 328 | - | 3,410 |
| Capital Expenditure in property and equipment | 1,706 | 140 | - | - | 1,846 |
| Capital Expenditure in Investment Property | 394 | - | - | - | 394 |
| Investments and advances in associates – net | 328,088 | - | 21,329 | (349,418) | - |

Amounts in Php 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(charges)-net | 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 | 2,648,698 | 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 | 2,154 | 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, 2020 | As of Mar. 31, 2019 |
|---|------------------------|------------------------|
| Net income (loss) attributable to parent stockholders | (P31,929,045) | P15,544,359 |
| Divided by weighted Average number of | | |
| Outstanding common shares | 14,959,999,950 | 13,599,999,960 |
| Income (loss) per share | (P0.002134) | P0.001143 |

CROWN EQUITIES INC. AND SUBSIDIARIES

Aging of Financial Assets

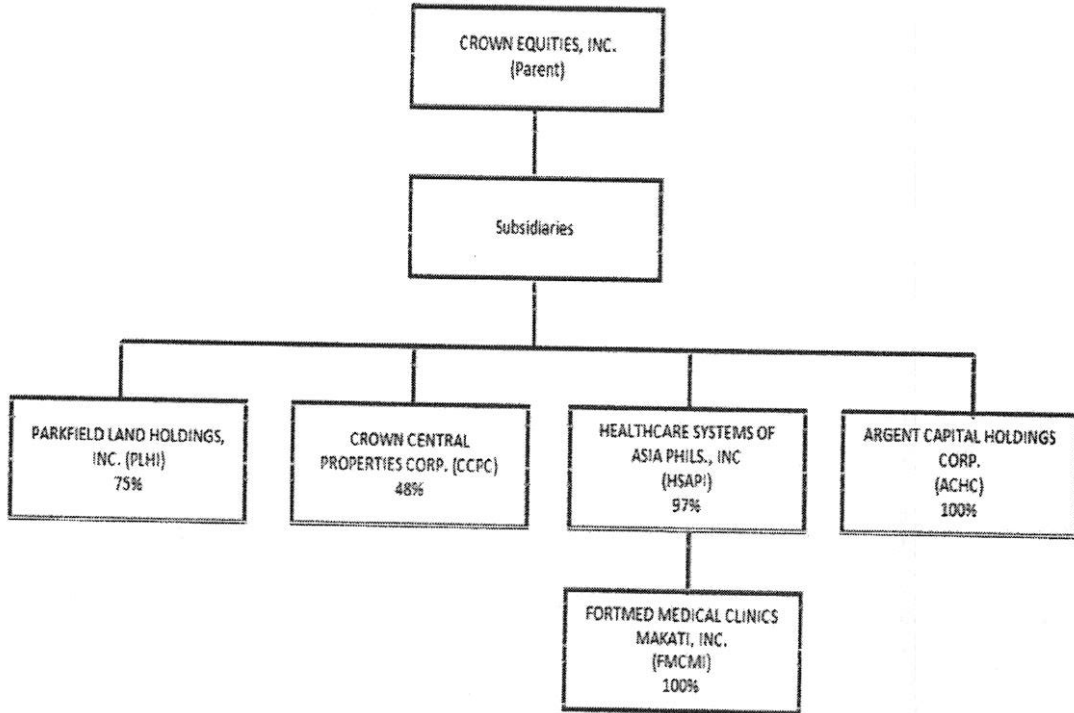
As of March 31, 2020

| Type 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 | 84,032,327 | 84,032,327 | | | | | |
| 2. Short Term Placement | 287,912,957 | 287,912,957 | | | | | |
| | 371,945,285 | 371,945,285 | | | | | |
| b. Trade Receivable | | | | | | | |
| 1. Installment Contract Receivable | 94,941,370 | 1,010,141 | 14,249,089 | 3,096,252 | 16,335,027 | 11,124,001 | 49,126,860 |
| 2. Receivable from sale of medical goods and services | 19,833,191 | 2,978,426 | 8,930,473 | 1,047,286 | 467,516 | 1,249,807 | 5,159,684 |
| Less: Allowance for Doubtful Accounts | (7,093,230) | | | | (361,439) | (1,866,697) | (4,865,094) |
| Net Trade Receivable | 107,681,332 | 3,988,567 | 23,179,562 | 4,143,538 | 16,441,103 | 10,507,111 | 49,421,451 |
| c. Non Trade Receivable | | | | | | | |
| 1. Due to project developer | 12,929,054 | | 12,929,054 | | | | |
| 2. Receivable from buyers | 1,284,251 | | 1,284,251 | | | | |
| 3. Rent receivables | 1,817,371 | | 1,817,371 | | | | |
| 4. Interest Receivables | 311,834 | | 311,834 | | | | |
| 5. Others | 32,289,944 | | 32,289,944 | | | | |
| Sub-Total | 48,632,454 | | 48,632,454 | | | | |
| Less: Allowance for doubtful accounts | (15,523,947) | | (15,523,947) | | | | |
| Net Non-Trade Receivable | 33,108,507 | | 33,108,507 | | | | |

CROWN EQUITIES, INC. AND SUBSIDIARIES

CONGLOMERATE MAP

March 31, 2020



CROWN EQUITIES, INC. AND SUBSIDIARIES
SCHEDULE OF ALL PHILIPPINE FINANCIAL REPORTING STANDARDS
AND INTERPRETATIONS AS AT MARCH 31, 2019

| 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 | ✓ | | |
| | Amendments to PAS 27: Equity Method in Separate | | | ✓ |

| PAS | Title | Adopted | Not Adopted | Not Applicable |
|------------------|---|---------|-------------|----------------|
| | 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 | ✓ | | |
| | Amendment to PAS 40: Clarifying the Interrelationship | | | ✓ |

| PAS | Title | Adopted | Not Adopted | Not Applicable |
|--------|---|---------|-------------|----------------|
| | 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 | | | ✓ |
| IFRIC 20 | Stripping Costs in the Production Phase of a Surface | | | ✓ |

| Interpretations | Title | Adopted | Not Adopted | Not Applicable |
|-----------------|---|---------|-------------|----------------|
| | 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-PARENT
EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

| | |
|--|---------------------|
| Unappropriated Retained Earnings, January 1, 2020 | ₱364,350,240 |
| Net income (loss) for the period | (34,484,663) |
| Less: Non-actual/unrealized income, net of tax: | |
| Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents) | 43,537,892 |
| Subtotal | 43,537,892 |
| Add: Net income (loss) actually earned during the period | 9,053,229 |
| TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION, MARCH 31, 2020 | ₱373,403,469 |

Crown Equities, Inc.
Schedule M – Key Performance Indicator
March 31, 2020

| Indicator | As of | | Formula |
|---------------------------|-----------|-----------|--|
| | Mar. 2020 | Dec. 2019 | |
| Current Ratio | 4.76x | 5.12x | $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ |
| Cash Ratio | 2.12x | 2.08x | $\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$ |
| Debt-Equity Ratio | 0.10x | 0.09x | $\frac{\text{Total Liabilities}}{\text{Total Equity}}$ |
| Debt-Asset Ratio | 0.09x | 0.08x | $\frac{\text{Total Liabilities}}{\text{Total Assets}}$ |
| Asset-Equity Ratio | 1.10x | 1.09x | $\frac{\text{Total Asset}}{\text{Total Equity}}$ |
| Investment Ratio | 0.46x | 0.46x | $\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$ |
| Net Income Margin | 0.47% | 0.14% | $\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$ |
| Return on Assets | -0.01% | 1.40% | $\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$ |
| Earnings (Loss) Per Share | -0.00213 | 0.00114 | $\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$ |