



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

---

## Crown Equities, Inc. - 17Q for 2nd Quarterly Report for 2020

---

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

Fri, Aug 14, 2020 at 9:43 A

To: MSRD COVID19 <msrd\_covid19@sec.gov.ph>

Cc: "LOURVIC D. PACIS" <ldpaxis@sec.gov.ph>, "CATHERINE E. GALIZA" <cegaliza@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 2nd quarter of the year 2020.

In light of the implementation of Modified Enhanced Community Quarantine ("MECQ") imposed over Metro Manila effective until August 18, 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, August 14, 2020.


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

Very truly yours,  
Katherine Alampay

for

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

---

 **CEI 17Q Q2 2020.pdf**  
11875K



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

---

## Crown Equities, Inc. - 17Q for 2nd Quarterly Report for 2020

---

**MSRD COVID19** <msrd\_covid19@sec.gov.ph>

Fri, Aug 14, 2020 at 10:34 A

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

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

Sir/Madam,

We acknowledge receipt of your email below and the attached documents thereto.

Thank you.

Regards,

**MARKETS AND SECURITIES REGULATION DEPARTMENT  
PHILIPPINE SECURITIES AND EXCHANGE COMMISSION**

[Quoted text hidden]

# 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  
Jun 30, 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*

<b>For the period ended</b>	Jun 30, 2020
<b>Currency (indicate units, if applicable)</b>	Philippine Peso

### Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Jun 30, 2020	Dec 31, 2019
<b>Current Assets</b>	859,012,085	846,681,443
<b>Total Assets</b>	2,362,765,756	2,355,857,511
<b>Current Liabilities</b>	174,646,084	165,281,046
<b>Total Liabilities</b>	204,420,335	193,150,009
<b>Retained Earnings/(Deficit)</b>	377,771,507	387,891,854
<b>Stockholders' Equity</b>	2,158,345,421	2,162,707,502
<b>Stockholders' Equity - Parent</b>	1,997,036,599	2,007,156,947
<b>Book Value per Share</b>	0.14	0.15

**Income Statement**

	<b>Current Year (3 Months)</b>	<b>Previous Year (3 Months)</b>	<b>Current Year-To-Date</b>	<b>Previous Year-To-Date</b>
<b>Gross Revenue</b>	24,365,520	53,418,159	82,901,276	114,111,760
<b>Gross Expense</b>	21,794,777	43,245,740	65,640,073	90,751,968
<b>Non-Operating Income</b>	22,203,147	17,177,970	12,555,454	28,824,341
<b>Non-Operating Expense</b>	181,586	3,000,509	28,031,957	1,597,037
<b>Income/(Loss) Before Tax</b>	24,592,304	24,349,879	1,784,699	50,587,095
<b>Income Tax Expense</b>	1,714,909	5,972,145	6,146,779	9,415,994
<b>Net Income/(Loss) After Tax</b>	22,877,395	18,377,734	-4,362,081	41,171,101
<b>Net Income Attributable to Parent Equity Holder</b>	21,808,698	14,860,242	-10,120,348	30,404,602
<b>Earnings/(Loss) Per Share (Basic)</b>	0	0	-0	0
<b>Earnings/(Loss) Per Share (Diluted)</b>	0	0	-0	0

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

<b>Other Relevant Information</b>
N/A

**Filed on behalf by:**

<b>Name</b>	Elmer Serrano
<b>Designation</b>	Corporate Information Officer



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: June 30, 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>
<u>Common</u>	<u>14,959,999,950 shares</u>

- 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

### COVER SHEET

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

S.E.C. Registration Number

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		
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																										
<table style="display: inline-table; margin-right: 20px;"> <tr><td style="width: 20px; text-align: center;">1</td><td style="width: 20px; text-align: center;">2</td></tr> <tr><td style="text-align: center;"><i>Month</i></td><td style="text-align: center;"><i>Day</i></td></tr> </table> <table style="display: inline-table; margin-right: 20px;"> <tr><td style="width: 20px; text-align: center;">3</td><td style="width: 20px; text-align: center;">1</td></tr> <tr><td style="text-align: center;"><i>Month</i></td><td style="text-align: center;"><i>Day</i></td></tr> </table> <table style="display: inline-table; text-align: center;"> <tr><td style="border: 1px solid black; padding: 2px;">S</td><td style="border: 1px solid black; padding: 2px;">E</td><td style="border: 1px solid black; padding: 2px;">C</td><td style="border: 1px solid black; padding: 2px;">I</td><td style="border: 1px solid black; padding: 2px;">7</td><td style="border: 1px solid black; padding: 2px;">Q</td></tr> <tr><td colspan="6">FORM TYPE</td></tr> </table> <table style="display: inline-table; margin-left: 20px;"> <tr><td style="width: 20px; text-align: center;"> </td><td style="width: 20px; text-align: center;"> </td></tr> <tr><td style="text-align: center;"><i>Month</i></td><td style="text-align: center;"><i>Day</i></td></tr> <tr><td colspan="2" style="text-align: center;">Annual Meeting</td></tr> </table>	1	2	<i>Month</i>	<i>Day</i>	3	1	<i>Month</i>	<i>Day</i>	S	E	C	I	7	Q	FORM TYPE								<i>Month</i>	<i>Day</i>	Annual Meeting		<div style="border: 1px solid black; width: 60px; height: 15px; margin: 0 auto;"></div> <p style="font-size: small;">Secondary License Type, If Applicable</p>
1	2																										
<i>Month</i>	<i>Day</i>																										
3	1																										
<i>Month</i>	<i>Day</i>																										
S	E	C	I	7	Q																						
FORM TYPE																											
<i>Month</i>	<i>Day</i>																										
Annual Meeting																											
Dept. Requiring this Doc.	Amended Articles Number/Section																										
Total No. of Stockholders	Total Amount of Borrowings																										
	<table style="border: 1px solid black; text-align: center; font-size: x-small;"> <tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td></tr> <tr><td colspan="5" style="font-size: x-small;">Domestic</td></tr> </table> <table style="border: 1px solid black; text-align: center; font-size: x-small;"> <tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td></tr> <tr><td colspan="5" style="font-size: x-small;">Foreign</td></tr> </table>						Domestic										Foreign										
Domestic																											
Foreign																											

To be accomplished by SEC Personnel concerned

<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td></tr> </table> <p style="text-align: center; font-size: small;">File Number</p>											LCU
<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td></tr> </table> <p style="text-align: center; font-size: small;">Document I.D.</p>											Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes.

## 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	June 2020 Unaudited	December 2019 Audited	Increase (Decrease)	% Change
<b>Current Assets</b>				
Cash and cash equivalents	417,668,408	343,966,400	73,702,008	21.43%
Receivables	99,009,786	105,035,689	(6,025,903)	-5.74%
Investments in quoted shares	153,538,749	195,597,395	(42,058,646)	-21.50%
Inventories	138,974,492	150,147,431	(11,172,939)	-7.44%
Other current assets	49,820,650	51,934,528	(2,113,878)	-4.07%
<b>Total Current Assets</b>	<b>859,012,085</b>	<b>846,681,443</b>	<b>12,330,642</b>	<b>1.46%</b>
<b>Noncurrent Assets</b>				
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	1,082,693,993	1,083,217,004	(523,011)	-0.05%
Property and equipment	251,553,343	255,415,444	(3,862,101)	-1.51%
Goodwill	21,740,604	21,740,604	-	0.00%
Deferred tax assets	20,781,982	20,782,966	(984)	0.00%
Other noncurrent assets	2,816,123	2,940,516	(124,393)	-4.23%
<b>Total Noncurrent Assets</b>	<b>1,503,753,671</b>	<b>1,509,176,068</b>	<b>(5,422,397)</b>	<b>-0.36%</b>
	<b>2,362,765,756</b>	<b>2,355,857,511</b>	<b>6,908,245</b>	<b>0.29%</b>

#### Total Assets

Total assets posted an increase of ₱6.91 million or 0.29% from the ₱2.35 billion at year-end 2019 to ₱2.36 billion as of June 30, 2020 primarily attributable to the increase in the current assets.

#### Current Assets

As of June 30, 2020, total current assets stood at ₱859.01 million, 1.46% higher than the year end 2019 level of ₱846.68 million. Cash recorded a net increase resulting from sales and collection of installment contracts receivable. On the other hand, inventories decreased by ₱ 11.17 million or by 7.44% as sales were recognized. Meanwhile, investments in quoted shares decreased by 21.50% 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 of 2020.



### Noncurrent Assets

Total noncurrent assets decreased by ₱5.42 million during the quarter ending June 30, 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 ₱3.9 million due to depreciation.

### Liabilities and Stockholders' Equity

Total liabilities for the period increased by ₱11.3 million or 5.84% from ₱193.1 million level as of year-end 2019 to ₱204.4 million as of June 30, 2020. This was mainly attributable to the collection of customers' deposits coming from unrealized sales.

Meanwhile, stockholders' equity decreased by ₱ 4.36 million as the corporation records the results of its operations for the period.

	June 2020 Unaudited	December 2019 Audited	Increase (Decrease)	% Change
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Accounts and other payables	174,287,952	162,269,220	12,018,732.16	7.41%
Income tax payable	358,132	3,011,826	(2,653,694.30)	-88.11%
<b>Total Current Liabilities</b>	<b>174,646,084</b>	<b>165,281,046</b>	<b>9,365,037.86</b>	<b>5.67%</b>
<b>Noncurrent Liabilities</b>				
Retirement benefits liability	19,126,559	18,142,561	983,998	5.42%
Security deposits	3,813,511	2,892,221	921,290	31.85%
Deferred tax liabilities	6,834,181	6,834,181	-	0.00%
<b>Total Noncurrent Liabilities</b>	<b>29,774,251</b>	<b>27,868,963</b>	<b>1,905,288</b>	<b>6.84%</b>
<b>Total Liabilities</b>	<b>204,420,335</b>	<b>193,150,009</b>	<b>11,270,326</b>	<b>5.84%</b>
<b>Equity</b>				
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	377,771,506	387,891,854	(10,120,348)	-2.61%
Other comprehensive income	4,694,824	4,694,824	-	0.00%
Treasury shares	2,478,559,850	2,488,680,198	(10,120,348)	-0.41%
	(481,523,251)	(481,523,251)	-	0.00%
<b>Equity Attributable to Equity Holders of the Parent Company</b>	<b>1,997,036,599</b>	<b>2,007,156,947</b>	<b>(10,120,348)</b>	<b>-0.50%</b>
Non-controlling interests	161,308,822	155,550,555	5,758,267	3.70%
<b>Total Equity</b>	<b>2,158,345,421</b>	<b>2,162,707,502</b>	<b>(4,362,081)</b>	<b>-0.20%</b>
	<b>2,362,765,756</b>	<b>2,355,857,511</b>	<b>6,908,245</b>	<b>0.29%</b>

**Discussions on Results of Operation**

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

	As of 30Jun2020 Unaudited	As of 30Jun2019 Unaudited	Variance	% Variance
<b>REVENUE</b>				
Real estate sales	45,766,018	54,981,512	(9,215,494)	-17%
Sale of services	19,580,810	34,957,371	(15,376,561)	-44%
Interest income from installment contracts receivable	6,652,100	10,405,781	(3,753,681)	-36%
Rental income	6,442,884	7,821,036	(1,378,152)	-18%
Dividend income	4,459,464	5,938,720	(1,479,256)	-25%
Others		7,339	(7,339)	-100%
<b>DIRECT COSTS</b>	82,901,276	114,111,760	(31,210,484)	-27%
<b>GROSS INCOME</b>	32,288,916	43,004,019	(10,715,103)	-25%
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	50,612,360	71,107,741	(20,495,381)	-29%
<b>OTHER INCOME (CHARGES) – Net</b>	(33,351,157)	(47,747,949)	14,396,792	-30%
<b>INCOME BEFORE INCOME TAX</b>	(15,476,504)	27,227,304	(42,703,808)	-157%
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>	1,784,699	50,587,095	(48,802,397)	-96%
<b>INCOME TAX EXPENSE- NET</b>	6,146,779	9,415,994	(3,269,215)	-35%
<b>NET INCOME</b>	6,146,779	9,415,994	(3,269,215)	-35%
<b>OTHER COMPREHENSIVE INCOME</b>	(4,362,081)	41,171,101	(45,533,182)	-111%
<i>Item that will not be reclassified subsequently to profit or loss</i>				
<b>TOTAL COMPREHENSIVE INCOME</b>	(4,362,081)	41,171,101	(45,533,182)	-111%
<b>NET INCOME ATTRIBUTABLE TO:</b>				
Equity holders of the Parent Company	(10,120,348)	30,404,602	(40,524,950)	-133%
Non-controlling interests	5,758,267	10,766,499	(5,008,232)	-47%
	(4,362,081)	41,171,101	(45,533,182)	-111%

Total revenue for the first half ending June 30, 2020 amounted to ₱82.90 million. This is a 27% decline over the same period in 2019. Revenues from real estate sales and real estate related interest income account for 63% of the total revenues. Real estate sales recognized during the period amounted to ₱45.8 million which is 17% lower than the ₱55 million recorded in the previous year. The related interest on installment contracts receivable likewise decreased by 36% to ₱6.65 million from the previous period's ₱10.4 million as amortization payments get collected.

Meanwhile, the sale of goods and services from the healthcare business amounted to ₱19.6 million or 24% of the total revenues. Sales from the clinics were hampered by the rising concern over the spread of Covid-19 virus and the eventual lockdown imposed by the government.

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 18% compared to the same period in 2019 as some contracts expire.

While total revenues declined by 27%, total cost and expenses decreased by 25%. Cost of real estate sales amounted to ₱18.1 million which is 15% lower than the ₱21.4 million recorded in the previous year. On the other hand, costs of delivering healthcare services decreased due to the reduced patient volume during the period.

Other income for the quarter significantly declined registering a negative ₱15 million primarily resulting from unrealized decline in value of investment in quoted shares. Income tax expense amounted to ₱6 million for the period resulting to a net loss of ₱4.3 million.

**Key Performance Indicators**

Indicator	As of			Formula
	Jun 2020	Mar 2020	Dec. 2019	
Current Ratio	4.92x	4.76x	5.12x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	2.39x	2.12x	2.08x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.09x	0.10x	0.09x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.09x	0.09x	0.08x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.09x	1.10x	1.09x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.46x	0.46x	0.46x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
Net Income Margin	0.053%	0.47%	0.14%	$\frac{\text{Net Income}}{\text{Net Revenues}}$
Return on Assets	0.01%	-0.01%	1.40%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings (Loss) Per Share	-0.00068	-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 June 30, 2020, current ratio decreased to 4.92x compared to 5.12x as of December 31, 2019. Cash ratio during the period improve to 2.39x in June 2020 from 2.08x as of December 31, 2019. Liquidity position remains positive during the period.

**Solvency / Leverage**

Leverage stance remained low as of June 30, 2020 having debt-equity at 0.09x, 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 June 30, 2020 and December 31, 2019, respectively.

Profitability

Net income margin significantly decreased to -0.053% for the second quarter of 2020.

Return on Assets

The return on assets as of June 30, 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 second quarter of 2020, earnings per share is negative 0.00068 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: August 10, 2020

ANNEX A

**CROWN EQUITIES, INC. AND SUBSIDIARIES**

**UNAUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

ASSETS	June 2020 Unaudited	December 2019 Audited
<b>Current Assets</b>		
Cash and cash equivalents	417,668,408	343,966,400
Receivables	99,009,786	105,035,689
Investments in quoted shares	153,530,749	195,597,395
Inventories	138,974,492	150,147,431
Other current assets	49,820,650	51,934,528
<b>Total Current Assets</b>	<b>859,012,085</b>	<b>846,681,443</b>
<b>Noncurrent Assets</b>		
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	1,082,693,993	1,083,217,004
Property and equipment	251,553,343	255,415,444
Goodwill	21,740,604	21,740,604
Deferred tax assets	20,781,982	20,782,966
Other noncurrent assets	2,816,123	2,940,516
<b>Total Noncurrent Assets</b>	<b>1,503,753,671</b>	<b>1,509,176,068</b>
	<b>2,362,765,756</b>	<b>2,355,857,511</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts and other payables	174,287,952	162,269,220
Income tax payable	358,132	3,011,826
<b>Total Current Liabilities</b>	<b>174,646,084</b>	<b>165,281,046</b>
<b>Noncurrent Liabilities</b>		
Retirement benefits liability	19,126,559	18,142,561
Security deposits	3,813,511	2,892,221
Deferred tax liabilities	6,834,181	6,834,181
<b>Total Noncurrent Liabilities</b>	<b>29,774,251</b>	<b>27,868,963</b>
<b>Total Liabilities</b>	<b>204,420,335</b>	<b>193,150,009</b>
<b>Equity</b>		
Capital stock	1,977,523,246	1,977,523,246
Additional paid-in capital (APIC)	118,570,274	118,570,274
Retained earnings	377,771,507	387,891,854
Other comprehensive income	4,694,824	4,694,824
Treasury shares	2,478,559,851	2,488,680,198
	<b>(481,523,252)</b>	<b>(481,523,251)</b>
Equity Attributable to Equity Holders of the Parent Company	1,997,036,599	2,007,156,947
Non-controlling interests	161,308,822	155,550,555
<b>Total Equity</b>	<b>2,158,345,421</b>	<b>2,162,707,502</b>
	<b>2,362,765,756</b>	<b>2,355,857,511</b>



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

	2nd Quarter Ended June 30		Year to Date Ended June 30	
	2020 (Unaudited)	2019 (Unaudited)	2020 (Unaudited)	2019 (Unaudited)
<b>REVENUE</b>				
Real estate sales	11,809,328	23,105,767	45,766,018	54,981,512
Sale of services	4,157,153	16,693,715	19,580,810	34,957,371
Interest income from installment contracts receivable	2,176,445	4,595,842	6,652,100	10,405,781
Rental income	2,809,225	3,982,391	6,442,884	7,821,036
Dividend income	3,413,368	5,040,443	4,459,464	5,938,720
Others				7,339
	24,365,520	53,418,159	82,901,276	114,111,760
<b>DIRECT COSTS</b>	8,662,864	17,312,471	32,288,916	43,004,019
<b>GROSS INCOME</b>	15,702,655	36,105,687	50,612,360	71,107,741
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	(13,131,913)	(25,933,269)	(33,351,157)	(47,747,949)
<b>OTHER INCOME (CHARGES) – Net</b>	22,021,562	14,177,461	(15,476,504)	27,227,304
<b>INCOME BEFORE INCOME TAX</b>	24,592,304	24,349,879	1,784,699	50,587,095
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>				
<b>INCOME TAX EXPENSE- NET</b>	1,714,909	5,972,145	6,146,779	9,415,994
	1,714,909	5,972,145	6,146,779	9,415,994
<b>NET INCOME</b>	22,877,395	18,377,734	(4,362,081)	41,171,101
<b>TOTAL COMPREHENSIVE INCOME</b>	22,877,395	18,377,734	(4,362,081)	41,171,101
<b>NET INCOME ATTRIBUTABLE TO:</b>				
Equity holders of the Parent Company	21,808,698	14,860,242	(10,120,348)	30,404,602
Non-controlling interests	1,068,697	3,517,492	5,758,267	10,766,499
	22,877,395	18,377,734	(4,362,081)	41,171,101

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

	June 30, 2020 Unaudited	June 30, 2019 Unaudited
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>		
<b>Capital Stock</b>		
Balance at beginning of year	1,977,523,246	1,833,309,158
Collection of subscriptions receivable	-	8,214,090
Balance at end of year	1,977,523,246	1,841,523,248
<b>Additional Paid-in Capital</b>	<b>118,570,274</b>	<b>118,570,274</b>
<b>Retained Earnings</b>		
Balance at beginning of year	387,891,854	507,951,044
Net income	(10,120,347)	30,404,602
Balance at end of year	377,771,507	538,355,646
<b>Other Comprehensive Income</b>		
<i>Not to be reclassified to profit or loss in subsequent periods</i>		
Balance at beginning of year	4,694,824	6,057,167
Balance at end of year	4,694,824	6,057,167
<b>Treasury Shares</b>	<b>(481,523,252)</b>	<b>(481,523,252)</b>
	<b>1,997,036,599</b>	<b>2,022,983,083</b>
<b>NON-CONTROLLING INTERESTS</b>		
Balance at beginning of year	155,550,555	152,779,414
Total comprehensive income attributable to non-controlling interests	5,758,267	10,766,499
Balance at end of year	161,308,822	163,545,913
	<b>2,158,345,421</b>	<b>2,186,528,996</b>

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

	2nd Quarter Ended June 30		Year to Date Ended June 30	
	2020 (Unaudited)	2019 (Unaudited)	2020 (Unaudited)	2019 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax	24,592,303	24,349,877	1,784,698	50,587,093
Adjustments for:				
Interest income				
Cash in banks and short-term placements	(3,989,239)	(14,362,811)	(11,015,526)	(27,571,947)
Loans receivable	(847,222)	2,968,750	(2,518,196)	-
Depreciation and amortization	3,229,957	3,989,157	6,640,221	7,955,829
Unrealized loss (gain) on changes in investments in quoted shares	-	(9,424,118)	-	(9,729,967)
Dividend income	(3,413,368)	(5,040,443)	(4,459,464)	(5,938,720)
Retirement benefits	492,000	492,000	984,000	1,097,004
Unrealized foreign exchange loss (gain)	181,586	195,588	260,757	327,180
Gain (Loss) from cancelled contracts and forfeited customer's deposit	-	-	-	5,258,472
Operating income (loss) before working capital changes	20,246,017	3,168,000	(8,323,510)	21,984,944
Decrease (increase) in:				
Investments in quoted shares	521,901	6,059,319	42,036,413	(60,470,055)
Receivables	14,957,085	(14,898,288)	6,937,810	(40,673,307)
Inventories	4,330,355	(655,140)	11,172,939	5,892,586
Other assets	(5,260,755)	4,238,364	(6,561,217)	1,981,723
Increase (decrease) in:				
Accounts and other payables	4,375,026	(37,372,724)	12,018,732	(51,963,835)
Security deposits	-	-	921,290	-
Net cash generated from (used for) operations	39,169,630	(39,460,469)	58,202,458	(123,247,944)
Interest received	4,836,461	11,394,061	13,533,723	27,571,947
Income taxes paid	-	(5,016,695)	-	(6,853,688)
Change in the fair value of plan asset	(1,500,000)	-	-	-
Benefits paid	-	-	-	(113,005)
Dividends received	3,413,368	5,040,443	4,459,464	5,938,720
Net cash flows from operating activities	45,919,459	(28,042,657)	76,195,645	(96,703,970)

(forward)

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

	2nd Quarter Ended June 30		Year to Date Ended June 30	
	2020 (Unaudited)	2019 (Unaudited)	2020 (Unaudited)	2019 (Unaudited)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in:				
Loans receivables	-	150,000,000	-	100,000,000
Other noncurrent assets	-	109,213	-	(536,684)
Acquisitions of:				
Investment properties	0.00	(1,080,744)	(394,407)	(1,472,071)
Property and equipment	(14,749)	(433,539)	(1,860,702)	(803,987)
Net cash flows from investing activities	(14,749)	148,594,930	(2,255,109)	97,187,258
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
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)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	(181,586)	(195,589)	(238,524)	(327,180)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	45,723,125	120,356,684	73,702,012	(26,623,329)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	371,945,283	356,480,801	343,966,400	503,460,814
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	417,668,408	476,837,485	417,668,408	476,837,485

**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 June 30, 2020 and 2019:

Name of Subsidiary	% of Ownership	Nature of Business	Principal Place of Business
Crown Central Properties, Corp. (CCPC) <sup>(a)</sup>	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. (FMCMCI) <sup>(b)</sup>	97%	Healthcare	Makati City
Argent Capital Holdings Corporation (ACHC) <sup>(c)</sup>	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)*

*(b) Indirectly owned through HSAPI.*

*(c) Newly incorporated in 2019.*

---

## **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 June 30, 2020 and 2019.

---

## **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 six-month period ended June 30, 2020 and 2019 and certain assets and liability information regarding industry segments as at June 30, 2020 and 2019 (in thousands).

Year to Date June 30, 2020	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
<b>REVENUES</b>	67,358	19,581	334	(4,615)	82,901
<b>RESULTS</b>					
Segment results	20,862	(3,327)	(274)	-	17,261
Other income	(15,666)	94	95	-	(15,477)
Income Tax Expense	(6,126)	(19)	(2)	-	(6,147)
Minority Interest	(5,861)	98	5	-	(5,758)
Net Income(Loss)	(6,791)	(3,154)	(175)	-	(10,120)
<b>ASSETS AND LIABILITIES</b>					
Segment Assets	2,620,404	46,950	99,073	(425,640)	2,341,025
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,620,404	46,950	120,814	(425,640)	2,362,766
Segment Liabilities	206,606	22,808	77,735	(102,729)	204,420
<b>OTHER SEGMENT INFORMATION</b>					
Depreciation	5,093	890	657	-	6,640
Capital Expenditure in property and equipment	1,721	140	-	-	1,866
Capital Expenditure in Investment Property	394	-	-	-	394
Investments and advances in associates - net	328,088	-	21,329	(349,418)	-

*Amounts in Php thousands.*

Year to Date June 30, 2019	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
<b>REVENUES</b>	88,546	34,965	755	(5,821)	118,445
<b>RESULTS</b>					
Segment results	31,838	(3,404)	45	-	28,024
Other income(charges)-net	22,440	119	4	-	22,563
Income Tax Expense	(9,196)	(220)	(1)	-	(9,417)
Minority Interest	(10,870)	105	(1)	-	(10,766)
Net Income(Loss)	34,212	3,400	47	-	30,404
<b>ASSETS AND LIABILITIES</b>					
Segment Assets	2,615,097	50,592	96,126	(403,235)	2,358,581
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,615,097	50,592	117,867	(403,235)	2,380,321
Segment Liabilities	173,908	26,427	75,985	(82,528)	193,792
<b>OTHER SEGMENT INFORMATION</b>					
Depreciation	5,291	2,022	683	-	7,956
Capital Expenditure in property and equipment	670	89	-	-	759
Capital Expenditure in Investment Property	1,472	-	-	-	1,472
Investments and advances in associates - net	379,274	-	21,329	(400,603)	-

Amounts in Php thousands



### Income (Loss) Per Share

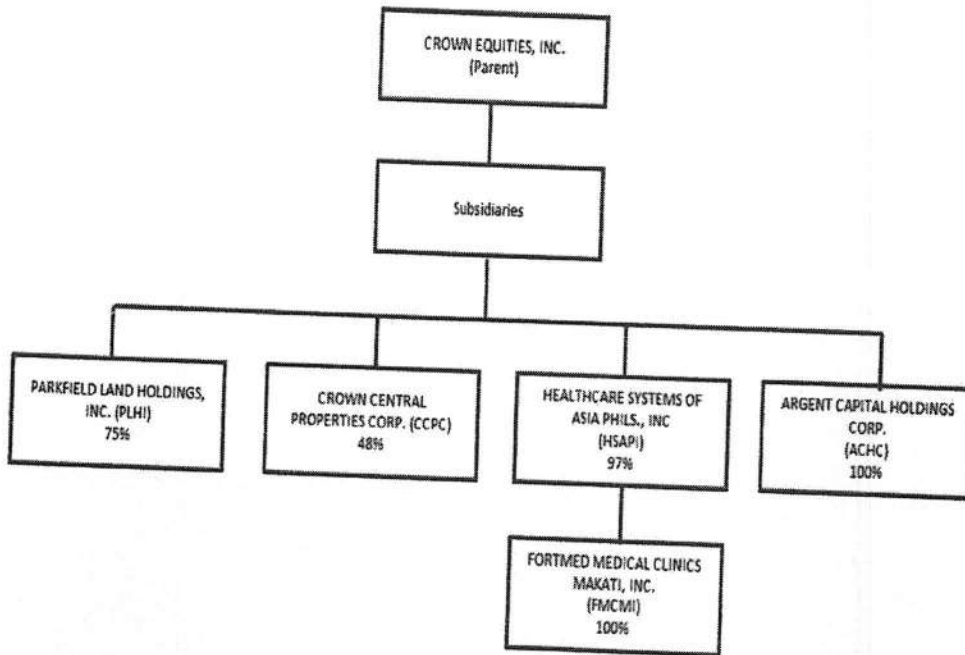
Income (loss) per share is computed by dividing net income or loss attributable to parent stockholders by the weighted average number of common shares outstanding during the year. Income (loss) per share amounts were computed as follows:

	As of June 30, 2020	As of June 30, 2019
Net income (loss) attributable to parent stockholders	<b>(P10,120,348)</b>	P30,404,602
Divided by weighted Average number of Outstanding common shares	<b>14,959,999,950</b>	13,599,999,960
Income (loss) per share	<b>(P0.000676)</b>	P0.002236

CROWN EQUITIES INC. AND SUBSIDIARIES  
Aging of Financial Assets  
As of June 30, 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
<b>Financial Assets</b>							
<b>a. Cash and Cash Equivalents</b>							
1. Cash in Bank	232,608,210.67	232,608,210.67					
2. Short Term Placement	185,060,197.03	185,060,197.03					
	417,668,407.71	417,668,407.71					
<b>b. Trade Receivable</b>							
1. Installment Contract Receivable (PALMA)	91,274,953.54	7,961,125.84	1,961,894.61	8,343,974.26	25,294,704.47	21,142,740.86	26,570,513.50
2. Installment Contract Receivable (Cypress)	7,680,882.47	741,639.82	676,089.26	708,325.28	2,410,958.41	1,907,828.27	1,236,041.43
3. Receivable from sale of medical goods and services	18,071,265.61	1,567,195.14	8,148,391.01	1,572,869.25	761,604.27	1,378,261.16	4,642,944.78
Less: Allowance for Doubtful Accounts	(7,626,928.19)			(404,224.48)	(490,912.93)	(1,866,697.14)	(4,865,093.64)
<b>Net Trade Receivable</b>	<b>109,400,173.43</b>	<b>10,269,960.80</b>	<b>10,786,374.88</b>	<b>10,220,944.31</b>	<b>27,976,354.22</b>	<b>22,562,133.15</b>	<b>27,584,406.07</b>
<b>c. Non Trade Receivable</b>							
1. Due to project developer	12,929,054.37			12,929,054.37			
2. Receivable from buyers	1,306,251.02			1,306,251.02			
3. Rent receivables	4,533,835.78			4,533,835.78			
4. Interest Receivables	311,833.52			311,833.52			
5. Others	12,875,552.90			12,875,552.90			
<b>Sub-Total</b>	<b>31,956,527.59</b>			<b>31,956,527.59</b>			
Less: Allowance for doubtful accounts	(15,523,946.78)			(15,523,946.78)			
<b>Net Non-Trade Receivable</b>	<b>16,432,580.81</b>			<b>16,432,580.81</b>			

**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**CONGLOMERATE MAP**  
**June 30, 2020**



**CROWN EQUITIES, INC. AND SUBSIDIARIES  
SCHEDULE OF ALL PHILIPPINE FINANCIAL REPORTING STANDARDS  
AND INTERPRETATIONS AS AT JUNE 30, 2020**

Title	Adopted	Not Adopted	Not Applicable
<b>Framework for the Preparation and Presentation of Financial Statements</b>			
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**

<b>Unappropriated Retained Earnings, January 1, 2020</b>	<b>₱364,350,240</b>
<b>Net income (loss) for the period</b>	<b>(12,119,062)</b>
<b>Less: Non-actual/unrealized income, net of tax:</b>	
Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents)	27,771,201
<b>Subtotal</b>	<b>27,771,201</b>
<b>Add: Net income (loss) actually earned during the period</b>	<b>15,652,139</b>
<b>TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION, JUNE 30, 2020</b>	<b>₱380,002,379</b>

**Crown Equities, Inc.**  
**Schedule M – Key Performance Indicator**  
**June 30, 2020**

Indicator	As of			Formula
	Jun 2020	Mar 2020	Dec. 2019	
Current Ratio	4.92x	4.76x	5.12x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	2.39x	2.12x	2.08x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.09x	0.10x	0.09x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.09x	0.09x	0.08x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.09x	1.10x	1.09x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.46x	0.46x	0.46x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
Net Income Margin	0.053%	0.47%	0.14%	$\frac{\text{Net Income}}{\text{Net Revenues}}$
Return on Assets	0.01%	-0.01%	1.40%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings (Loss) Per Share	-0.00068	-0.00213	0.00114	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$