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S.E.C. Registration Number

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(Group's Full Name)

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

Atty. Elmer B. Serrano
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Contact Person

899-0081
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Group Telephone Number

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*Month      Day*

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FORM TYPE

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Annual Meeting

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended: **March 31, 2021**
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:                      Postal Code: **1209**  
**Crown Center, 158 Jupiter Corner N. Garcia Street, Bel-Air, Makati City**
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>
<b>Common</b>	<b>14,959,999,950 shares</b>

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 2021 Unaudited	December 2020 Audited	Increase (Decrease)	% Change
<b>Current Assets</b>				
Cash and cash equivalents	476,733,306	441,804,614	34,928,692	7.91%
Receivables	66,017,740	68,118,372	(2,100,632)	-3.08%
Investments in quoted shares	174,122,224	183,126,975	(9,004,751)	-4.92%
Inventories	125,752,370	132,235,440	(6,483,070)	-4.90%
Other current assets	49,916,547	53,822,812	(3,906,265)	-7.26%
<b>Total Current Assets</b>	<b>892,542,186</b>	<b>879,108,213</b>	<b>13,433,973</b>	<b>1.53%</b>
<b>Noncurrent Assets</b>				
Installment contracts receivable - net of current portion	76,873,769	77,140,160	(266,391)	-0.35%
Investment in unquoted shares	47,344,659	47,344,659	-	0.00%
Investment properties	1,081,316,338	1,081,775,556	(459,218)	-0.04%
Property and equipment	253,147,532	249,772,778	3,374,754	1.35%
Goodwill	21,740,604	21,740,604	-	0.00%
Deferred tax assets	25,222,126	25,222,126	-	0.00%
Other noncurrent assets	2,640,267	2,705,552	(65,285)	-2.41%
<b>Total Noncurrent Assets</b>	<b>1,508,285,295</b>	<b>1,505,701,435</b>	<b>2,583,860</b>	<b>0.17%</b>
	<b>2,400,827,481</b>	<b>2,384,809,648</b>	<b>16,017,833</b>	<b>0.67%</b>

#### Total Assets

Total assets posted an increase of ₱16.02 million or 0.67% from the ₱2.38 billion at year-end 2020 to ₱2.40 billion as of March 31, 2021 primarily attributable to increases in cash from continuing collection from sales.

#### Current Assets

As of March 31, 2021, total current assets stood at ₱892.54 million, 1.43% higher than the year end 2020 level of ₱879.11 million. Cash recorded a net increase resulting from sale and 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 ₱6.48 million or by 4.90%. Meanwhile, investments in quoted shares decreased by 4.92% due to unrealized decline in market value.

### Noncurrent Assets

Total noncurrent assets increased by ₱2.58 million during the quarter ending March 31, 2021. Installment contract receivable recorded a net decrease to ₱76.8 million from ₱77.1 million as of December 31, 2020 due to recognition of sales and collection for the period. The property and equipment increased by ₱3.4 million due to construction of additional floor of Crown Center.

### Liabilities and Stockholders' Equity

Total liabilities for the period increased by ₱17.59 million or 9.42% from ₱186.8 million level as of year-end 2020 to ₱204.4 million as of March 31, 2021. This was mainly attributable to the collection of customers' deposit coming from unrealized sales and provisions for retirement benefits.

Meanwhile, Total Equity recorded a decrease of ₱ 1.57 million after recognition of income and a subsidiary's declaration of dividends during the first quarter of the period.

	March 2021 Unaudited	December 2020 Audited	Increase (Decrease)	% Change
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Accounts and other payables	165,792,594	149,702,254	16,090,340.34	10.75%
<b>Total Current Liabilities</b>	<b>165,792,594</b>	<b>149,702,254</b>	<b>16,090,340.33</b>	<b>10.75%</b>
<b>Noncurrent Liabilities</b>				
Retirement benefits liability	25,302,826	24,023,096	1,279,730	5.33%
Security deposits	3,406,410	3,189,580	216,830	6.80%
Deferred tax liabilities	9,867,981	9,867,981	-	0.00%
<b>Total Noncurrent Liabilities</b>	<b>38,577,218</b>	<b>37,080,657</b>	<b>1,496,561</b>	<b>4.04%</b>
<b>Total Liabilities</b>	<b>204,369,812</b>	<b>186,782,911</b>	<b>17,586,901</b>	<b>9.42%</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	427,238,644	415,763,521	11,475,123	2.76%
Other comprehensive income	4,670,353	4,214,544	455,809	10.82%
	2,528,002,517	2,516,071,585	11,930,932	0.47%
Treasury shares	(481,523,251)	(481,523,251)	-	0.00%
Equity Attributable to Equity Holders of the Parent Company	2,046,479,266	2,034,548,334	11,930,932	0.59%
Non-controlling interests	149,978,403	163,478,403	(13,500,000)	-8.26%
<b>Total Equity</b>	<b>2,196,457,669</b>	<b>2,198,026,737</b>	<b>(1,569,068)</b>	<b>-0.07%</b>
	<b>2,400,827,481</b>	<b>2,384,809,648</b>	<b>16,017,832</b>	<b>0.67%</b>

## Discussions on Results of Operation

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

	31March2021 Unaudited	31March2020 Unaudited	Variance	% Variance
<b>REVENUE</b>				
Real estate sales	33,895,149	33,956,690	(61,541)	0%
Sale of services	13,465,396	15,423,657	(1,958,260)	-13%
Interest income from installment contracts receivable	5,203,999	4,475,655	728,344	16%
Rental income	2,673,243	3,633,659	(960,416)	-26%
Dividend income	576,596	1,046,096	(469,500)	-45%
Others			-	0%
	55,814,383	58,535,756	(2,721,374)	-5%
<b>DIRECT COSTS</b>	17,216,310	23,626,052	(6,409,742)	-27%
<b>GROSS INCOME</b>	38,598,072	34,909,705	3,688,368	11%
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	21,768,909	20,219,244	1,549,665	8%
<b>OTHER INCOME (CHARGES) – Net</b>	(1,424,403)	(37,498,065)	36,073,662	-96%
<b>INCOME BEFORE INCOME TAX</b>	15,404,760	(22,807,605)	38,212,365	-168%
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>			-	
<b>INCOME TAX EXPENSE- NET</b>	3,533,356	4,431,871	(898,514)	-20%
	3,533,356	4,431,871	(898,514)	-20%
<b>NET INCOME</b>	11,871,404	(27,239,476)	39,110,879	-144%
<b>TOTAL COMPREHENSIVE INCOME</b>	11,871,404	(27,239,476)	39,110,879	-144%
<b>NET INCOME ATTRIBUTABLE TO:</b>				
Equity holders of the Parent Company	6,179,186	(31,929,045)	38,108,231	-119%
Non-controlling interests	5,692,218	4,689,570	1,002,648	21%
	11,871,404	(27,239,475)	39,110,879	-144%

Total revenue for the first quarter ending March 31, 2021 amounted to ₱55.8 million. This is a 5% decline over the same period in 2020. Revenues from real estate sales and real estate related interest income accounted for 70% of the total revenues. Recognized real estate sales amounted to ₱33.9 million which is almost same amount recorded in the previous year. The related interest on installment contracts receivable increased by 16% to ₱5.20 million from the previous period's ₱4.48 million as amortization payments get collected.

Meanwhile, the sale of services from the healthcare business amounting to ₱13.5 million accounted for 24% of the total revenues. There was an observed recovery in volume of patients during the period compared to the previous quarter. However, this was not better compared to the ₱15.4 million revenue volume recorded during the first quarter of 2020.

On the other hand, rent income from the lease of office space in Crown Center and the Fortmed Center in Sta. Rosa, continued albeit at a slower pace. It decreased by 26% compared to the same period in 2020 as some contracts were not renewed.

While total revenues declined by 5%, total cost and expenses decreased by 11%. Cost of real estate sales decreased by 25% as fewer sales of house units were realized during the period. On the other hand, costs of delivering healthcare services decreased 30% as the volume of patient visits were fewer during the period.

Net other cost and expenses for the quarter registered a lower ₱1.4 million compared to the ₱37.5 million in the first quarter of 2020. The improvement was primarily the result of recovery in value of investment in quoted shares.

Net income for the first quarter period amounted to P11.87 million compared to a net loss of P27.2 million during the same period in 2020.

### ***Key Performance Indicators***

<b>Indicator</b>	<b>As of</b>		<b>Formula</b>
	<b>Mar. 2021</b>	<b>Dec. 2020</b>	
Current Ratio	5.38x	5.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	2.88x	2.95x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.09x	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	1.09x	1.09x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.45x	0.45x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
Net Income Margin	11%	16%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	0.3%	1.2%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings (Loss) Per Share	0.00041	0.00186	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$

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

#### Liquidity

As of March 31, 2021, current ratio decreased to 5.38x compared to 5.87x as of December 31, 2020. Cash ratio likewise decreased to 2.88x in March 31, 2021 from 2.95x as of December 31, 2020. Liquidity position remains positive during the period.

#### Solvency / Leverage

Leverage stance remained low as of March 31, 2021 having debt-equity at 0.09x, debt-asset ratio at 0.09x and asset-equity ratio at 1.09x 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 0.45x and 0.45x as of March 31, 2021 and December 31, 2020, respectively.

### Profitability

Net income margin decreased to 11% for the first quarter of 2021.

### Return on Assets

The return on assets as of March 31, 2021 decreased to 0.3% 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 2021, earnings per share is 0.00041 compared to 0.00186 earnings per share as of December 31, 2020. The Company's number of outstanding shares remained the same as the previous year 2020.

## **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 "Investment in Quoted Shares" in its Statement of Financial Position. But this exposure is not significant 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 regular basis.

Except for the impact of the pandemic, 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.



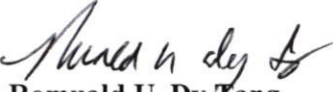
**SIGNATURES**

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: April 28, 2021

**CROWN EQUITIES, INC. AND SUBSIDIARIES**

**UNAUDITED FINANCIAL STATEMENTS  
MARCH 31, 2021**

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

ASSETS	March 2021 Unaudited	December 2020 Audited
<b>Current Assets</b>		
Cash and cash equivalents	476,733,306	441,804,614
Receivables	66,017,740	68,118,372
Investments in quoted shares	174,122,224	183,126,975
Inventories	125,752,370	132,235,440
Other current assets	49,916,547	53,822,812
<b>Total Current Assets</b>	<b>892,542,186</b>	<b>879,108,213</b>
<b>Noncurrent Assets</b>		
Installment contracts receivable - net of current portion	76,873,769	77,140,160
Investment in unquoted shares	47,344,659	47,344,659
Investment properties	1,081,316,338	1,081,775,556
Property and equipment	253,147,532	249,772,778
Goodwill	21,740,604	21,740,604
Deferred tax assets	25,222,126	25,222,126
Other noncurrent assets	2,640,267	2,705,552
<b>Total Noncurrent Assets</b>	<b>1,508,285,295</b>	<b>1,505,701,435</b>
	<b>2,400,827,481</b>	<b>2,384,809,648</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts and other payables	165,792,594	149,702,254
<b>Total Current Liabilities</b>	<b>165,792,594</b>	<b>149,702,254</b>
<b>Noncurrent Liabilities</b>		
Retirement benefits liability	25,302,826	24,023,096
Security deposits	3,406,410	3,189,580
Deferred tax liabilities	9,867,981	9,867,981
<b>Total Noncurrent Liabilities</b>	<b>38,577,218</b>	<b>37,080,657</b>
<b>Total Liabilities</b>	<b>204,369,812</b>	<b>186,782,911</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	427,238,644	415,763,521
Other comprehensive income	4,670,353	4,214,544
	2,528,002,517	2,516,071,585
Treasury shares	(481,523,251)	(481,523,251)
Equity Attributable to Equity Holders of the Parent Company	2,046,479,266	2,034,548,334
Non-controlling interests	149,978,403	163,478,403
<b>Total Equity</b>	<b>2,196,457,669</b>	<b>2,198,026,737</b>
	<b>2,400,827,481</b>	<b>2,384,809,648</b>

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

	31March2021	31March2020
	Unaudited	Unaudited
<b>REVENUE</b>		
Real estate sales	33,895,149	33,956,690
Sale of services	13,465,396	15,423,657
Interest income from installment contracts receivable	5,203,999	4,475,655
Rental income	2,673,243	3,633,659
Dividend income	576,596	1,046,096
Others		
	55,814,383	58,535,756
<b>DIRECT COSTS</b>	17,216,310	23,626,052
<b>GROSS INCOME</b>	38,598,072	34,909,705
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	21,768,909	20,219,244
<b>OTHER INCOME (CHARGES) – Net</b>	(1,424,403)	(37,498,065)
<b>INCOME BEFORE INCOME TAX</b>	15,404,760	(22,807,605)
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
<b>INCOME TAX EXPENSE- NET</b>	3,533,356	4,431,871
	3,533,356	4,431,871
<b>NET INCOME</b>	11,871,404	(27,239,476)
<b>TOTAL COMPREHENSIVE INCOME</b>	11,871,404	(27,239,476)
<b>NET INCOME ATTRIBUTABLE TO:</b>		
Equity holders of the Parent Company	6,179,186	(31,929,045)
Non-controlling interests	5,692,218	4,689,570
	11,871,404	(27,239,475)

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

	March 2021 Unaudited	March 2020 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	1,977,523,246
Balance at end of year	<b>1,977,523,246</b>	<b>1,977,523,246</b>
<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	415,763,521	387,891,854
Net income	<b>18,738,714</b>	(31,929,044)
Balance at end of year	<b>434,502,235</b>	<b>355,962,810</b>
<b>Other Comprehensive Income</b>		
<i>Not to be reclassified to profit or loss in subsequent periods</i>		
Balance at beginning of year	4,214,544	4,694,824
Balance at end of year	<b>4,214,544</b>	<b>4,694,824</b>
<b>Treasury Shares</b>	<b>(481,523,251)</b>	<b>(481,523,251)</b>
	<b>2,053,287,048</b>	<b>1,975,227,903</b>
<b>NON-CONTROLLING INTERESTS</b>		
Balance at beginning of year	163,478,403	155,550,555
Total comprehensive income attributable to non-controlling interests	5,692,218	4,689,571
Dividends declared by a subsidiary	<b>(26,000,000)</b>	-
Balance at end of year	<b>143,170,621</b>	<b>160,240,126</b>
	<b>2,196,457,669</b>	<b>2,135,468,029</b>

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

	March 31, 2021	March 31, 2020
	Unaudited	Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	15,404,760	(22,807,605)
Adjustments for:		
Interest income		
Cash in banks and short-term placements	(6,260,815)	(7,026,288)
Loans receivable	(118,056)	(1,670,974)
Depreciation and amortization	3,143,983	3,410,264
Dividend income	(576,596)	(1,046,096)
Retirement benefits	1,279,730	492,000
Unrealized foreign exchange loss (gain)	(24,838)	79,171
Operating income (loss) before working capital changes	12,848,169	(28,569,527)
Decrease (increase) in:		
Investments in quoted shares	9,004,751	41,514,512
Receivables	(22,632,977)	(8,019,275)
Inventories	6,483,070	6,842,584
Other assets	497,724	(1,300,462)
Increase (decrease) in:		
Accounts and other payables	16,090,340	7,643,706
Security deposits	216,830	921,290
Net cash generated from (used for) operations	22,507,908	19,032,828
Interest received	6,378,871	8,697,262
Change in the fair value of plan asset	-	1,500,000
Dividends received	576,596	1,046,096
Net cash flows from operating activities	29,463,375	30,276,186

*(forward)*

	March 31, 2021 Unaudited	March 31, 2020 Unaudited
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in:		
Loans receivables	25,000,000	-
Acquisitions of:		
Investment properties	-	(394,407)
Property and equipment	(6,059,519)	(1,845,953)
Net cash flows from investing activities	18,940,481	(50,761,775)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments of:		
Dividends to non-controlling interests	(13,500,000)	-
Net cash flows from financing activities	(13,500,000)	-
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>24,838</b>	<b>(56,939)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>34,928,694</b>	<b>34,928,694</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>441,804,614</b>	<b>343,966,400</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>476,733,306</b>	<b>378,895,092</b>

**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, 2021 and 2020:

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. (FMCMI) <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) (see Note 3).*

*(b) Indirectly owned through HSAPI.*

*(c) Newly incorporated in 2019.*



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## **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, 2021 and 2020.

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## **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.

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### 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, 2021 and 2020 and certain assets and liability information regarding industry segments as at March 31, 2021 and 2020 (in thousands).

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date March 31, 2021					
REVENUES	56,940	13,465	334	(14,924)	55,814
RESULTS					
Segment results	28,187	1,351	(149)	(12,500)	16,889
Other income	(1,723)	-	299	-	(37,498)
Income Tax Expense	(3,533)	-	-	-	(4,432)
Minority Interest	(5,653)	(41)	1	-	4,690
Net Income(Loss)	17,278	1,311	150	(12,500)	6,239
ASSETS AND LIABILITIES					
Segment Assets	2,644,252	44,760	98,802	(408,727)	2,379,087
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,644,252	44,760	120,542	(408,727)	2,400,827
Segment Liabilities	192,258	21,023	77,143	(86,054)	204,370
OTHER SEGMENT INFORMATION					
Depreciation	2,399	416	329	-	3,144
Capital Expenditure in property and equipment	6,043	16	-	-	6,060
Capital Expenditure in Investment Property	-	-	-	-	-
Investments and advances in associates – net	328,088	-	21,329	(349,418)	-

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*Amounts in Php 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(charges)-net	(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*

## 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, 2021	As of Mar. 31, 2020
Net income (loss) attributable to parent stockholders	<b>₱6,179,186</b>	(₱31,929,045)
Divided by weighted Average number of Outstanding common shares	<b>14,959,999,950</b>	14,959,999,950
Income (loss) per share	<b>₱0.000413</b>	(₱0.002134)

CROWN EQUITIES INC. AND SUBSIDIARIES

Aging of Financial Assets

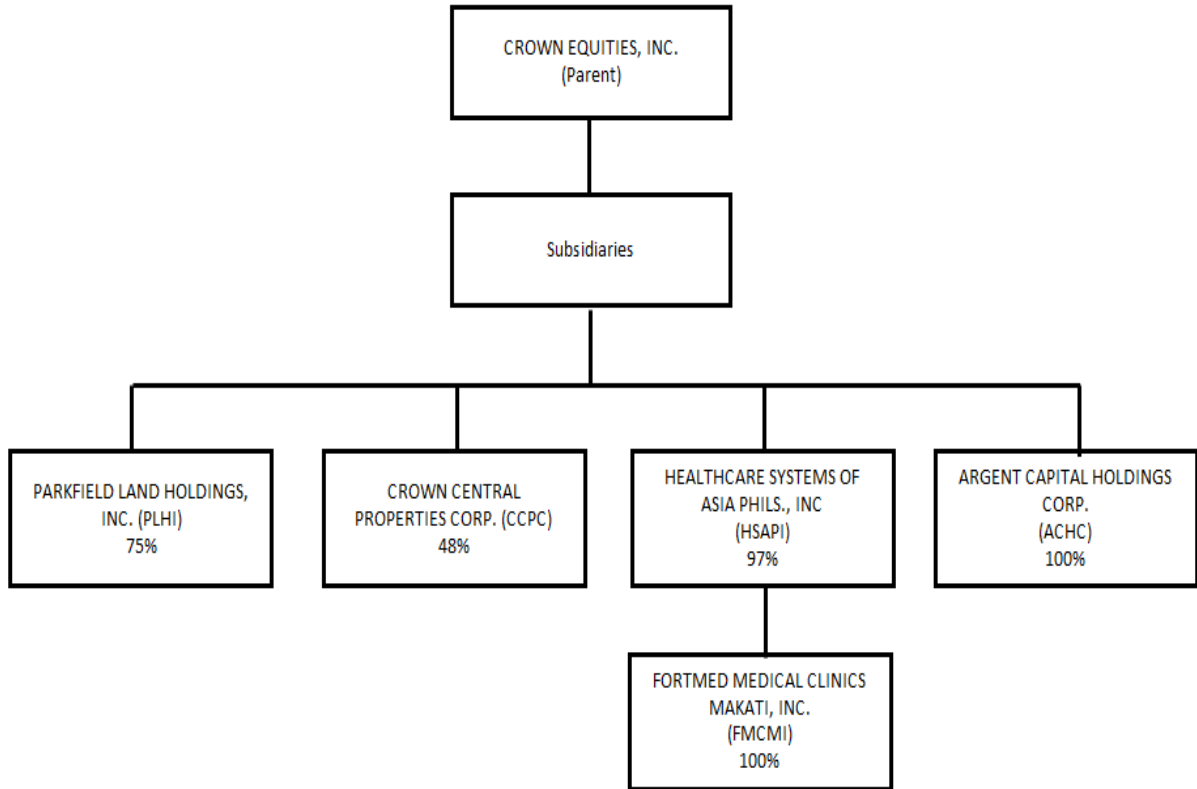
As of March 31, 2021

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	36,064,984.59	36,064,984.59					
2. Short Term Placement	440,668,321.23	440,668,321.23					
	<b>476,733,305.82</b>	<b>476,733,305.82</b>	-	-	-	-	-
<b>b. Trade Receivable</b>							
1. Installment Contract Receivable (PALMA)	93,457,006.47	4,965,107.49	9,238,588.75	9,257,970.75	28,281,855.27	21,432,974.25	20,280,510.30
2. Installment Contract Receivable (Cypress)	9,171,915.58	224,431.72	935,806.85	1,133,247.96	2,589,597.07	1,427,256.33	2,861,575.68
3. Receivable from sale of medical goods and serv	15,577,445.82	4,020,081.76	5,006,603.30	377,092.07	1,710,330.52	764,837.72	3,698,500.42
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>110,579,439.68</b>	<b>9,209,620.97</b>	<b>15,180,998.90</b>	<b>10,364,086.30</b>	<b>32,090,869.93</b>	<b>21,758,371.16</b>	<b>21,975,492.75</b>
<b>c. Non Trade Receivable</b>							
1. Due to project developer	12,938,554.37			12,938,554.37			
2. Receivable from buyers	1,494,406.54			1,494,406.54			
3. Rent receivables	2,532,393.98			2,532,393.98			
4. Interest Receivables	311,833.52			311,833.52			
5. Others	30,873,614.32			30,873,614.32			
<b>Sub-Total</b>	<b>48,150,802.73</b>			<b>48,150,802.73</b>			
Less: Allowance for doubtful accounts	(15,895,830.78)			(15,895,830.78)			
<b>Net Non-Trade Receivable</b>	<b>32,254,971.95</b>			<b>32,254,971.95</b>			

# CROWN EQUITIES, INC. AND SUBSIDIARIES

## CONGLOMERATE MAP

March 31, 2021



**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**SCHEDULE OF ALL PHILIPPINE FINANCIAL REPORTING STANDARDS**  
**AND INTERPRETATIONS AS AT MARCH 31, 2021**

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	✓		

<b>PFRS</b>	<b>Title</b>	<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
	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			✓



<b>PFRS</b>	<b>Title</b>	<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
	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)**

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

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

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

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

### Philippine Interpretations

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

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

**PHILIPPINE INTERPRETATIONS - SIC**

<b>Interpretations</b>	<b>Title</b>	<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
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**

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<b>Unappropriated Retained Earnings, January 1, 2021</b>	<b>₱377,067,998</b>
<b>Net income (loss) for the period</b>	12,108,687
<b>Less: Non-actual/unrealized income, net of tax:</b>	
Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents)	3,145,466
Subtotal	3,145,466
<b>Add: Net income (loss) actually earned during the period</b>	<b>15,254,152</b>
<b>TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION, MARCH 31, 2021</b>	<b>₱392,322,150</b>

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**Crown Equities, Inc.**  
**Schedule M – Key Performance Indicator**  
**March 31, 2021**

Indicator	As of		Formula
	Mar. 2021	Dec. 2020	
Current Ratio	5.38x	5.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	2.88x	2.95x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.09x	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	1.09x	1.09x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.45x	0.45x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
Net Income Margin	11%	16%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	0.3%	1.2%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings (Loss) Per Share	0.00041	0.00186	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$