

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: September 30, 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: 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

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	14,959,999,950 shares

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

Yes No

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

Philippine Stock Exchange / Common Shares

12. Indicate by check mark whether the registrant:

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

Yes No

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

Yes No

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Please see Annex A

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

Discussions of Financial Condition and Changes in Financial Condition

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

ASSETS	September 2021 Unaudited	December 2020 Unaudited	Increase (Decrease)	% Change
Current Assets				
Cash and cash equivalents	499,163,196	441,804,614	57,358,582	12.98%
Receivables	78,729,607	68,118,372	10,611,235	15.58%
Investments in quoted shares	228,056,393	183,126,975	44,929,418	24.53%
Inventories	108,652,959	132,235,440	(23,582,481)	-17.83%
Other current assets	48,788,150	53,822,812	(5,034,662)	-9.35%
Total Current Assets	963,390,305	879,108,213	84,282,092	9.59%
Noncurrent Assets				
Installment contracts receivable - net of current portion	81,102,508	77,140,160	3,962,348	5.14%
Investment in unquoted shares	47,344,659	47,344,659	-	0.00%
Investment properties	1,080,397,902	1,081,775,556	(1,377,654)	-0.13%
Property and equipment	258,359,942	249,772,778	8,587,164	3.44%
Goodwill	21,740,604	21,740,604	-	0.00%
Deferred tax assets	25,222,126	25,222,126	-	0.00%
Other noncurrent assets	2,548,737	2,705,552	(156,815)	-5.80%
Total Noncurrent Assets	1,516,716,477	1,505,701,435	11,015,042	0.73%
	2,480,106,782	2,384,809,648	95,297,134	4.00%

Total Assets

Total assets posted an increase of ₱95 million or 4.00% from the ₱2.38 billion at year-end 2020 to ₱2.48 billion as of September 30, 2021 primarily attributable to increases in cash from continuing collection from sales and receivables as well as from appreciation in value of investments.

Current Assets

As of September 30, 2021, total current assets stood at ₱963.39 million, 9.59% 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 ₱23.58 million or by 17.83%. Meanwhile, investments in quoted shares increased by 24.53% due to unrealized increase in market value of investments.

Noncurrent Assets

Total noncurrent assets increased by ₱11.01 million during the period ending September 30, 2021. Installment contract receivable recorded a net increase to ₱81.10 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 ₱8.59 million due to construction of additional floor of Crown Center.

Liabilities and Stockholders' Equity

Total liabilities for the period increased by ₱34.49 million or 18.47% from ₱186.8 million level as of year-end 2020 to ₱221.3 million as of September 30, 2021. This was mainly attributable to the collection of customers' deposits coming from unrealized sales and provisions for retirement benefits

Meanwhile, stockholders' equity increased by ₱ 60.81 million as the corporation records the results of its operations for the period.

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

	September 2021 Unaudited	December 2020 Unaudited	Increase (Decrease)	% Change
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	178,342,238	149,702,254	28,639,984.04	19.13%
Income tax payable	1,952,587	-	1,952,586.56	0.00%
Loans payable	-	-	-	0.00%
Total Current Liabilities	180,294,825	149,702,254	30,592,570.60	20.44%
Noncurrent Liabilities				
Retirement benefits liability	27,779,717	24,023,096	3,756,621	15.64%
Security deposits	3,331,310	3,189,580	141,730	4.44%
Deferred tax liabilities	9,867,981	9,867,981	-	0.00%
Total Noncurrent Liabilities	40,979,008	37,080,657	3,898,351	10.51%
Total Liabilities	221,273,832	186,782,911	34,490,921	18.47%
Equity				
Capital stock	1,977,523,246	1,977,523,246	-	0.00%
Additional paid-in capital (APIC)	118,570,274	118,570,274	-	0.00%
Retained earnings	489,613,925	415,763,521	73,850,404	17.76%
Other comprehensive income	4,670,353	4,214,544	455,809	10.82%
	2,590,377,798	2,516,071,585	74,306,213	2.95%
Treasury shares	(481,523,251)	(481,523,251)	-	0.00%
Equity Attributable to Equity Holders of the Parent Company	2,108,854,547	2,034,548,334	74,306,213	3.65%
Non-controlling interests	149,978,403	163,478,403	(13,500,000)	-8.26%
Total Equity	2,258,832,950	2,198,026,737	60,806,213	2.77%
	2,480,106,782	2,384,809,648	95,297,134	4.00%

Discussions on Results of Operation

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

	As of 30 Sep 2021 Unaudited	As of 30 Sep 2020 Unaudited	Variance	% Variance
REVENUE				
Real estate sales	88,906,330	67,678,906	21,227,424	31%
Sale of services	33,129,070	27,725,233	5,403,837	19%
Interest income from installment contracts receivable	15,619,187	11,047,284	4,571,903	41%
Rental income	10,223,851	10,090,414	133,437	1%
Dividend income	10,604,226	13,932,980	(3,328,755)	-24%
Others			-	0%
	158,482,665	130,474,817	28,007,848	21%
DIRECT COSTS	48,606,493	47,229,388	1,377,104	3%
GROSS INCOME	109,876,172	83,245,429	26,630,743	32%
SELLING AND ADMINISTRATIVE EXPENSES	73,069,352	52,185,343	20,884,009	40%
OTHER INCOME (CHARGES) – Net	45,767,831	(6,726,559)	52,494,390	-780%
INCOME BEFORE INCOME TAX	82,574,651	24,333,527	58,241,124	239%
PROVISION FOR (BENEFIT FROM) INCOME TAX			-	
INCOME TAX EXPENSE- NET	8,268,439	11,123,009	(2,854,569)	-26%
	8,268,439	11,123,009	(2,854,569)	-26%
NET INCOME	74,306,212	13,210,518	61,095,694	462%
TOTAL COMPREHENSIVE INCOME	74,306,212	13,210,518	61,095,694	462%
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the Parent Company	58,785,274	6,764,377	52,020,897	769%
Non-controlling interests	15,520,938	6,446,142	9,074,796	141%
	74,306,212	13,210,519	61,095,693	462%

Total revenue for nine months ending September 30, 2021 amounted to ₱158.48 million. This is a 21% increase over the same period in 2020. Revenues from real estate sales and real estate related interest income account for 66% of the total revenues. Real estate sales amounted to ₱88.9 million which is 31% higher than the ₱67.7 million recorded in the previous year. The related interest on installment contracts receivable likewise increased by 41% to ₱15.62 million from the previous period's ₱11.05 million as amortization payments get collected.

Meanwhile, the sale of services from the healthcare business amounted to ₱33.1 million or 21% of the total revenues. Sales from the clinics increased by 19% from ₱27.7 million to ₱33.1 million for the same period.

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 increased by 1% compared to the same period in 2020.

While total revenues increased by 21%, direct cost and selling and administrative expenses increased by 3% and 40% respectively. Cost of real estate sales increased by 4% from the ₱ 27.39 million recorded in the previous year. On the other hand, costs of delivering healthcare services increased by 2% from the ₱19.84 million recorded in the previous year

Other income for the quarter significantly increased registering a positive ₱45.77 million primarily resulting from unrealized increase in value of investment in quoted shares. Income tax expense amounted to ₱8 million for the period resulting to a net income of ₱74.31 million

Key Performance Indicators

Indicator	As of				Formula
	Sep 2021	Jun 2021	Mar 2021	Dec. 2020	
Current Ratio	5.34x	5.45x	5.38x	5.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	2.77x	2.94x	2.88x	2.95x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.10x	0.09x	0.09x	0.09x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.09x	0.09x	0.09x	0.08x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.10x	1.09x	1.09x	1.09x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.44x	0.44x	0.45x	0.45x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
Net Income Margin	47%	34%	11%	16%	$\frac{\text{Net Income}}{\text{Net Revenues}}$
Return on Assets	5%	2%	0.3%	1.2%	$\frac{\text{Net Income after Minority Interes}}{\text{Average Total Assets}}$
Earnings (Loss) Per Share	0.00392	0.00178	0.00041	0.00186	$\frac{\text{Net Income after Minority Interes}}{\text{Total Shares Subscribed}}$

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

Liquidity

As of September 30, 2021, current ratio decreased to 5.34x compared to 5.87x as of December 31, 2020. Cash ratio likewise decreased to 2.77x in September 30, 2021 from 2.95x as of December 31, 2020. Liquidity position remains positive during the period.

Solvency / Leverage

Leverage stance remained low as of September 30, 2021 having debt-equity at 0.10x, debt-asset ratio at 0.09x and asset-equity ratio at 1.10x 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 0.44x and 0.45x as of September 30, 2021 and December 31, 2020, respectively.

Profitability

Net income margin increased to 47% for the third quarter of 2021.

Return on Assets

The return on assets as of September 30, 2021 increased to 5% due to a higher realized income for the quarter.

Earnings per Share

As a result of the increase in the Company's profitability for the third quarter of 2021, earnings per share is 0.00392 compared to 0.00186 earnings per share as of December 31, 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 "Investments in Quoted Shares" 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 regular 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.

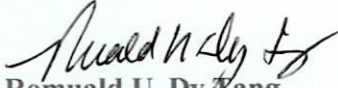
SIGNATURES

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: November 02, 2021

CROWN EQUITIES, INC. AND SUBSIDIARIES

**UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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

	September 2021 Unaudited	December 2020 Unaudited
Current Assets		
Cash and cash equivalents	499,163,196	441,804,614
Receivables	78,729,607	68,118,372
Investments in quoted shares	228,056,393	183,126,975
Inventories	108,652,959	132,235,440
Other current assets	48,788,150	53,822,812
Total Current Assets	963,390,305	879,108,213
Noncurrent Assets		
Installment contracts receivable - net of current portion	81,102,508	77,140,160
Investment in unquoted shares	47,344,659	47,344,659
Investment properties	1,080,397,902	1,081,775,556
Property and equipment	258,359,942	249,772,778
Goodwill	21,740,604	21,740,604
Deferred tax assets	25,222,126	25,222,126
Other noncurrent assets	2,548,737	2,705,552
Total Noncurrent Assets	1,516,716,477	1,505,701,435
	2,480,106,782	2,384,809,648
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	178,342,238	149,702,254
Income tax payable	1,952,587	-
Total Current Liabilities	180,294,825	149,702,254
Noncurrent Liabilities		
Retirement benefits liability	27,779,717	24,023,096
Security deposits	3,331,310	3,189,580
Deferred tax liabilities	9,867,981	9,867,981
Total Noncurrent Liabilities	40,979,008	37,080,657
Total Liabilities	221,273,832	186,782,911
Equity		
Capital stock	1,977,523,246	1,977,523,246
Additional paid-in capital (APIC)	118,570,274	118,570,274
Retained earnings	489,613,925	415,763,521
Other comprehensive income	4,670,353	4,214,544
	2,590,377,798	2,516,071,585
Treasury shares	(481,523,251)	(481,523,251)
Equity Attributable to Equity Holders of the Parent Company	2,108,854,547	2,034,548,334
Non-controlling interests	149,978,403	163,478,403
Total Equity	2,258,832,950	2,198,026,737
	2,480,106,782	2,384,809,648

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

	3rd Quarter Ended Sep 30		Year to Date Ended Sep 30	
	2021 (Unaudited)	2020 (Unaudited)	2021 (Unaudited)	2020 (Unaudited)
REVENUE				
Real estate sales	29,158,583	21,912,888	88,906,330	67,678,906
Sale of services	10,880,912	8,144,423	33,129,070	27,725,233
Interest income from installment contracts receivable	6,222,917	4,395,185	15,619,187	11,047,284
Rental income	3,503,444	3,647,530	10,223,851	10,090,414
Dividend income	2,003,094	9,473,517	10,604,226	13,932,980
	51,768,951	47,573,541	158,482,665	130,474,817
DIRECT COSTS	16,927,042	14,940,472	48,606,493	47,229,388
GROSS INCOME	34,841,909	32,633,069	109,876,172	83,245,429
SELLING AND ADMINISTRATIVE EXPENSES	27,163,340	18,834,185	73,069,352	52,185,343
OTHER INCOME (CHARGES) – Net	32,428,202	8,749,945	45,767,831	(6,726,559)
INCOME BEFORE INCOME TAX	40,106,772	22,548,828	82,574,651	24,333,527
PROVISION FOR (BENEFIT FROM) INCOME TAX				
INCOME TAX EXPENSE- NET	2,245,171	4,976,229	8,268,439	11,123,009
	2,245,171	4,976,229	8,268,439	11,123,009
NET INCOME	37,861,600	17,572,599	74,306,212	13,210,518
TOTAL COMPREHENSIVE INCOME	37,861,600	17,572,599	74,306,212	13,210,518
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the Parent Company	32,126,832	16,884,724	58,785,274	6,764,377
Non-controlling interests	5,734,769	687,875	15,520,938	6,446,142
	37,861,601	17,572,599	74,306,212	13,210,519

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

	Sep 30, 2021 Unaudited	Sep 30, 2020 Unaudited
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		
Capital Stock		
Balance at beginning of year	1,977,523,246	1,977,523,246
Balance at end of year	1,977,523,246	1,977,523,246
Additional Paid-in Capital	118,570,274	118,570,274
Retained Earnings		
Balance at beginning of year	415,763,521	387,891,854
Net income	71,285,275	6,764,379
Balance at end of year	487,048,796	394,656,233
Other Comprehensive Income		
<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	4,214,544.00	4,694,824
Treasury Shares	(481,523,251)	(481,523,251)
	2,105,833,609	2,013,921,326
NON-CONTROLLING INTERESTS		
Balance at beginning of year	163,478,403	155,550,555
Total comprehensive income attributable to non-controlling interests	15,520,938	6,446,142
Dividends declared by a subsidiary	(26,000,000)	
Balance at end of year	152,999,341	161,996,697
	2,258,832,950	2,175,918,023

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

	3rd Quarter Ended Sep 30		Year to Date Ended Sep 30	
	2021	2020	2021	2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	40,106,772	22,548,831	82,574,652	24,333,529
Adjustments for:				
Interest income				
Cash in banks and short-term placements	(7,366,497)	(6,730,913)	(18,714,458)	(17,746,439)
Loans receivable	-	(833,335)	(118,056)	(3,351,531)
Depreciation and amortization	2,925,478	3,222,355	8,998,907	9,862,576
Dividend income	(2,003,094)	(9,473,516)	(10,604,226)	(13,932,980)
Retirement benefits	1,197,158	492,000	3,756,623	1,476,000
Unrealized foreign exchange loss (gain)	(281,607)	361,155	(329,366)	621,912
Operating income (loss) before working capital changes	34,578,210	9,586,577	65,564,077	1,263,067
Decrease (increase) in:				
Investments in quoted shares	(36,620,676)	(3,596,105)	(44,599,026)	38,440,308
Receivables	(17,605,597)	5,493,178	(39,573,583)	12,430,988
Inventories	10,018,029	4,009,759	23,582,481	15,182,698
Other assets	(1,431,116)	2,507,357	(1,124,373)	2,872,408
Increase (decrease) in:				
Accounts and other payables	10,570,529	(28,201,136)	28,639,984	(16,182,404)
Security deposits	(50,700)	52,219	141,730	973,509
Net cash generated from (used for) operations	(541,321)	(10,148,152)	32,631,291	54,980,574
Interest received	7,366,497	7,564,247	18,832,513	21,097,970
Income taxes paid	-	(1,280,752)	-	(8,207,020)
Dividends received	2,003,095	9,473,517	10,604,226	13,932,980
Net cash flows from operating activities	8,828,270	5,608,860	62,068,029	81,804,504

(forward)

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

	3rd Quarter Ended Sep 30		Year to Date Ended Sep 30	
	2021 (Unaudited)	2020 (Unaudited)	2021 (Unaudited)	2020 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in:				
Loans receivables	-	-	25,000,000	-
Investment properties	-	-	-	(394,407)
Property and equipment	(6,569,047)	(3,653,702)	(16,208,416)	(5,514,404)
Net cash flows from investing activities	(6,569,047)	(3,653,702)	8,791,584	(5,908,811)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of:				
Dividends to non-controlling interests	-	-	(13,500,000)	-
Decrease in due to related parties	-	(14,538,462)	-	(14,538,462)
Net cash flows from financing activities	-	(14,538,462)	(13,500,000)	(14,538,462)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON	(48,786)	(383,388)	(1,027)	(621,912)
NET INCREASE (DECREASE) IN CASH AND CASH	2,210,438	(12,966,691)	57,358,586	60,735,319
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	496,952,760	417,668,408	441,804,614	343,966,400
CASH AND CASH EQUIVALENTS AT END OF YEAR	499,163,196	404,701,717	499,163,196	404,701,717

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 September 30, 2021 and 2020:

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

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 September 30, 2021 and 2020.

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 nine-month period ended September 30, 2021 and 2020 and certain assets and liability information regarding industry segments as at September 30, 2021 and 2020 (in thousands).

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date September 30, 2021					
REVENUES	143,456	33,129	1,670	(19,773)	158,483
RESULTS					
Segment results	50,087	(972)	191	(12,500)	36,807
Other income	39,671	16	6,081	-	45,768
Income Tax Expense	(8,225)	(43)	-	-	(8,268)
Minority Interest	(15,553)	30	2	-	(15,521)
Net Income(Loss)	65,979	(969)	6,275	(12,500)	58,785
ASSETS AND LIABILITIES					
Segment Assets	2,716,930	43,638	129,633	(431,845)	2,458,355
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,716,930	43,638	151,373	(431,845)	2,480,096
Segment Liabilities	206,334	22,250	76,851	(84,172)	221,263
OTHER SEGMENT INFORMATION					
Depreciation	6,814	1,119	986	-	8,999
Capital Expenditure in property and equipment	16,068	140	-	-	16,208
Investments and advances in associates – net	351,206	-	21,329	(372,536)	-

Amounts in Php thousands.

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date September 30, 2020					
REVENUES	108,791	27,725	898	(6,940)	130,475
RESULTS					
Segment results	36,949	(5,541)	(349)	-	31,060
Other income	(7,213)	119	368	-	(6,727)
Income Tax Expense	(11,095)	(24)	(4)	-	(11,123)
Minority Interest	(6,615)	163	6	-	(6,446)
Net Income (Loss)	12,025	(5,282)	21	-	6,764
ASSETS AND LIABILITIES					
Segment Assets	2,590,137	39,194	98,613	(408,784)	2,319,160
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,590,137	39,194	120,354	(408,784)	2,340,900
Segment Liabilities	156,769	17,246	77,079	(86,111)	164,982
OTHER SEGMENT INFORMATION					
Depreciation	7,556	1,320	986	-	9,863
Capital Expenditure in property and equipment	5,368	146	-	-	5,514
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 September 30, 2021	As of September 30, 2020
Net income (loss) attributable to parent stockholders	₱58,785,274	₱6,764,376
Divided by weighted Average number of Outstanding common shares	14,959,999,950	14,959,999,950
Income (loss) per share	₱0.003929	₱0.000452

CROWN EQUITIES INC. AND SUBSIDIARIES

Aging of Financial Assets

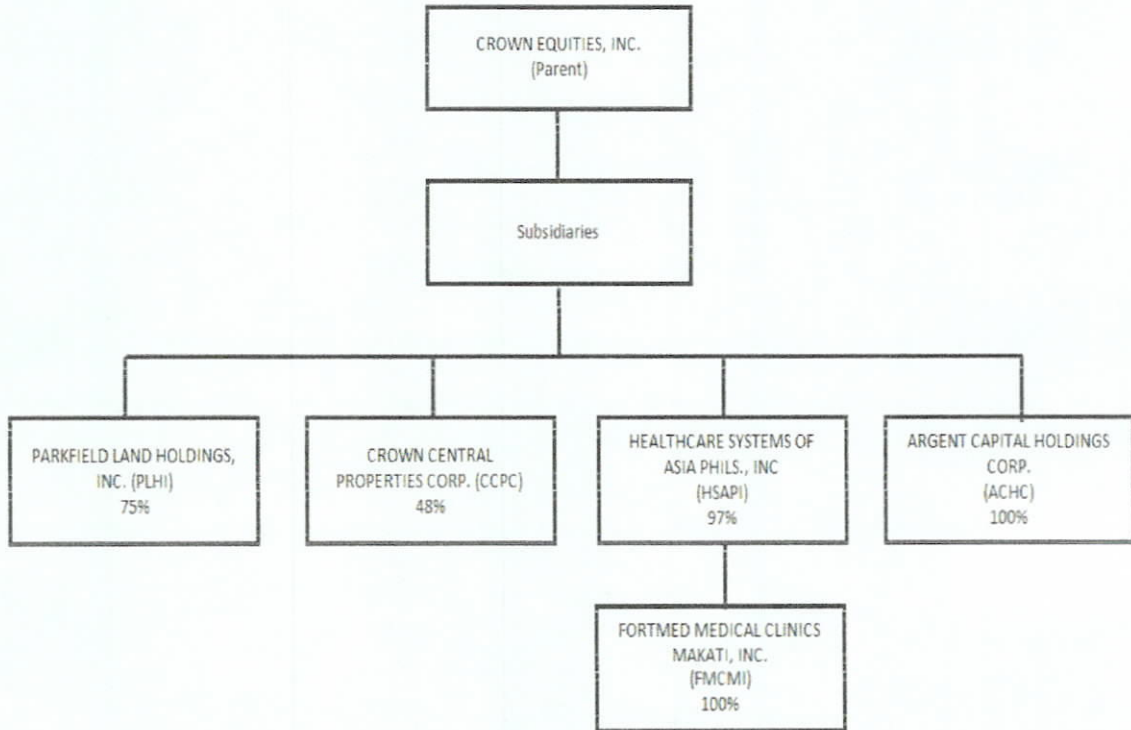
As of September 30, 2021

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
Financial Assets							
a. Cash and Cash Equivalents							
1. Cash In Bank	25,783,084.83	25,783,084.83					
2. Short Term Placement	473,380,111.12	473,380,111.12					
	499,163,195.96	499,163,195.96					
b. Trade Receivable							
1. Installment Contract Receivable (PALMA)	97,640,778.24	5,181,873.14	7,711,913.09	9,746,883.33	26,422,756.78	24,110,407.69	24,466,944.21
2. Installment Contract Receivable (Cypress)	8,128,442.91	278,868.91	916,649.16	830,527.53	2,241,807.72	1,372,908.46	2,487,681.13
3. Receivable from sale of medical goods and services	11,392,834.09	3,564,074.94	1,916,230.22	249,481.95	1,165,494.86	244,983.60	4,252,568.52
Less: Allowance for Doubtful Accounts	(7,626,928.67)	-	-	(404,224.48)	(490,912.93)	(1,866,697.14)	(4,865,094.12)
Net Trade Receivable	109,535,126.57	9,024,816.99	10,544,792.47	10,422,668.33	29,339,146.43	23,861,602.61	26,342,099.73
c. Non Trade Receivable							
1. Due to project developer	12,938,554.37			12,938,554.37			
2. Receivable from buyers	1,581,826.50			1,581,826.50			
3. Rent receivables	1,835,228.25			1,835,228.25			
4. Interest Receivables	311,833.52			311,833.52			
5. Others	49,525,376.51			49,525,376.51			
Sub-Total	66,192,819.15			66,192,819.15			
Less: Allowance for doubtful accounts	(15,895,830.78)			(15,895,830.78)			
Net Non-Trade Receivable	50,296,988.37			50,296,988.37			

CROWN EQUITIES, INC. AND SUBSIDIARIES

CONGLOMERATE MAP

September 30, 2021



CROWN EQUITIES, INC. AND SUBSIDIARIES
SCHEDULE OF ALL PHILIPPINE FINANCIAL REPORTING STANDARDS
AND INTERPRETATIONS AS AT SEPTEMBER 30, 2021

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

Philippine Financial Reporting Standards (PFRS)

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

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

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

Philippine Accounting Standards (PASs)

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

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

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

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

Philippine Interpretations

Interpretations	Title	Adopted	Not Adopted	Not Applicable
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			✓
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	Determining Whether an Arrangement Contains a Lease			✓
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			✓
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment			✓
IFRIC 7	Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies			✓
IFRIC 9	Reassessment of Embedded Derivatives			✓
	Amendments to Philippine Interpretation IFRIC-9: Embedded Derivatives			✓
IFRIC 10	Interim Financial Reporting and Impairment			✓
IFRIC 12	Service Concession Arrangements			✓
IFRIC 14	PAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction			✓
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			✓
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners			✓
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			✓
IFRIC 20	Stripping Costs in the Production Phase of a Surface			✓

Interpretations	Title	Adopted	Not Adopted	Not Applicable
	Mine			
IFRIC 21	Levies			✓
IFRIC 22	Foreign Currency Transactions and Advance Consideration			✓

PHILIPPINE INTERPRETATIONS - SIC

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

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

Unappropriated Retained Earnings, January 1, 2021	₱389,319,848
Net income (loss) for the period	51,759,839
Less: Non-actual/unrealized income, net of tax:	
Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents)	(30,211,675)
Subtotal	(30,211,675)
Add: Net income (loss) actually earned during the period	21,548,164
TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION, SEPTEMBER 30, 2021	₱410,868,012

Crown Equities, Inc.
Schedule M – Key Performance Indicator
September 30, 2021

Indicator	As of				Formula
	Sep 2021	Jun 2021	Mar 2021	Dec. 2020	
Current Ratio	5.34x	5.45x	5.38x	5.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	2.77x	2.94x	2.88x	2.95x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.10x	0.09x	0.09x	0.09x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.09x	0.09x	0.09x	0.08x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.10x	1.09x	1.09x	1.09x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.44x	0.44x	0.45x	0.45x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
Net Income Margin	47%	34%	11%	16%	$\frac{\text{Net Income}}{\text{Net Revenues}}$
Return on Assets	5%	2%	0.3%	1.2%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings (Loss) Per Share	0.00392	0.00178	0.00041	0.00186	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$