



109232016001804



SECURITIES AND EXCHANGE COMMISSION

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Company Information

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Company Name CROWN EQUITIES INC.
Industry Classification
Company Type Stock Corporation

Document Information

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COVER SHEET

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S.E.C. Registration Number

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

(Company's Full Name)

1 5 8 J U P I T E R C O R . N . G A R C I A

S T R E E T S , B E L - A I R ,

M A K A T I C I T Y

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

ELMER B. SERRANO

Contact Person

687 1195

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

Amended SEC Form 17-Q

FORM TYPE

May 24
Month Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles
Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

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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: June 30, 2016
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) 899-0455
9. Former name, former address and former fiscal year, if changed since last report: N/A
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of each Class</u>	<u>Number of shares of common stock outstanding and amount of debt outstanding</u>
Common	13,599,999,960 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

	Jun 30, 2016 (Unaudited)	Mar 31, 2016 (Unaudited)	Dec 31, 2015 (Audited)	Increase (Decrease)	% Change
ASSETS					
Current Assets					
Cash and cash equivalents	188.37	199.54	204.01	(15.64)	-7.67%
Financial assets at fair value through profit or loss	46.73	37.47	31.95	14.78	46.27%
Installment contract receivables - net	13.74	16.07	17.83	(4.09)	-22.94%
Receivables - net	58.28	50.13	45.68	12.60	27.59%
Loan receivable	12.50	12.50	12.50	-	0.00%
Inventories	182.32	186.26	186.49	(4.16)	-2.23%
Other current assets	56.61	59.38	56.86	(0.25)	-0.45%
Total Current Assets	558.55	561.35	555.32	3.24	0.58%
Noncurrent Assets					
Installment contracts receivable - net of current portion	52.91	52.87	52.21	0.70	1.34%
Loan receivable	45.83	45.83	45.83	-	0.00%
Available-for-sale financial asset	47.34	47.34	47.34	-	0.00%
Investment in and advances to a joint venture - net	234.35	234.44	234.44	(0.08)	-0.04%
Goodwill	21.74	21.74	21.74	-	0.00%
Property and equipment - net	275.35	275.84	277.87	(2.53)	-0.91%
Investment properties - net	694.88	695.16	695.41	(0.54)	-0.08%
Deferred tax assets - net	1.63	1.63	1.63	-	0.00%
Other noncurrent assets	7.70	7.35	7.03	0.67	9.49%
Total Noncurrent Assets	1,381.74	1,382.22	1,383.52	(1.78)	-0.13%
	1,940.29	1,943.58	1,938.84	1.45	0.07%
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts payable and accrued expenses	142.88	143.49	135.42	7.47	5.51%
Due to related parties	15.21	15.21	15.21	-	0.00%
Income tax payable	0.15	1.49	0.79	(0.64)	-80.65%
Subscriptions payable	42.16	42.16	42.16	-	0.00%
Total Current Liabilities	200.41	202.35	193.58	6.83	3.53%
Noncurrent Liability					
Retirement liability	12.12	12.12	12.12	-	0.00%
Total Liabilities	212.53	214.47	205.70	6.83	3.32%
Equity					
Attributable to equity holders of the parent company	1,568.36	1,570.18	1,575.18	(6.81)	-0.43%
Non-controlling interests	159.40	158.92	157.96	1.44	0.91%
Total Equity	1,727.76	1,729.11	1,733.14	(5.37)	-0.31%
	1,940.29	1,943.58	1,938.84	1.45	0.07%

Amounts in million pesos, except percentages.

Total Assets

Total assets posted an increase of ₱1.45 million or 0.07% as of June 30, 2016 primarily attributable to the growth in current assets by ₱3.24 million or 0.58%. The increase in current assets was mainly driven by investments in the local equities market and receivables. In contrast, noncurrent assets dropped by ₱1.78 million or 0.13% due to depreciation expense recognized during the period.

Current Assets

Total current assets increased to ₱558.55 million as of June 30, 2016, ₱3.24 million or 0.58% higher than the ₱555.32 million as of December 31, 2015. Cash declined by ₱15.64 million or 7.67% primarily due to purchase of marketable securities and transportation equipment. In connection with the decline in cash, the financial assets through profit or loss increased by ₱14.78 million or 46.27% resulting from the additional investment in the foreign stock exchange and local equities market. Current portion of the installment contract receivable decreased by ₱4.09 million or 22.94% due to the collection of recognized sales from Palma units. The increase in recognized sales resulted in a decrease in inventories by ₱4.16 million or 2.23%. Receivables increased by ₱12.60 million or 27.59% primarily from the increase in the receivables from venture partners. Other current assets, on the other hand, declined by ₱0.25 million or 0.45% due to the creditable withholding and input taxes utilized during the period.

Noncurrent Assets

The noncurrent assets have dropped by ₱1.78 million or 0.13% mainly driven by the depreciation expense for the period.

Liabilities and Stockholders' Equity

From ₱205.70 million as of December 31, 2015, total liabilities recorded an increase of ₱6.83 million or 3.32% to ₱212.52 million as of June 30, 2016. This was attributable to the increase in accounts payable and other liabilities by ₱7.47 million or 5.51%.

Total equity recorded a decline of ₱5.37 million or 0.31% reflecting the net loss during the six-month period.

Discussions on Results of Operation

Account	June 30 YTD 2016 (Unaudited)	June 30 YTD 2015 (Unaudited)
Real estate sales	32.22	85.44
Sales of medical goods & services	26.02	24.41
Rent Income	5.14	3.02
Interest on Loans	3.05	2.88
Investment income	-	0.17
Interest income on installment contracts	4.58	9.12
Total Revenue	71.00	125.04
Cost of sales & services	19.76	47.77
Gross Profit	51.24	77.27
Employee compensation and benefits	24.61	22.86
Professional fees	1.56	1.44
Commission	2.41	3.17
Depreciation and amortization	7.26	7.81
Taxes and licenses	4.35	2.73
Other operating expenses	12.16	14.73
Total Operating Expenses	52.34	52.74
Operating Income (Loss)	(1.10)	24.53
Other income (loss)	(2.00)	1.85
Income Before Income Tax	(3.10)	26.38
Income tax	2.27	6.57
Net Income (Loss)	(5.37)	19.81
Net Income (Loss) Attributable To:		
Parent Company shareholders	(6.81)	14.84
Minority interest	1.44	4.97

Amounts in million pesos.

A net loss of P5.37 million was recognized in the first half of 2016 compared to net income of P19.81 million in the same period of 2015.

Real estate sales are recognized when the collection from the sold unit reaches 25%. Total revenues for the first half of 2016 declined to P71.00 million or a decrease of 43% from P125.04 million for the first half of 2015. Most of the real estate sales made in 2015 are expected to be recognized in 2017 based on the terms of payment. Despite the decrease in recognized real estate sales, the sale of medical goods and services has increased by P1.61 million or 7% and rental income by P2.12 million or 70%. The decline in revenue resulted to a decrease also in cost of sales and services to P19.76 million from P47.77 million of 2015. Meanwhile, the total operating expenses has no significant change from P52.74 million of 2015 to P52.34 million this 2016.

Lastly, other income declined by P3.88 million or 207.0% resulting mainly from changes in the fair value of marketable securities while income tax expense also decreased by P4.30 million or 65.44%.

Key Performance Indicators

Indicator	As of			Formula
	June 2016	Mar 2016	Dec 2015	
Current Ratio	2.79x	2.77x	2.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	.94x	.99x	1.05x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.12x	0.12x	0.12x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.11x	0.10x	0.11x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.12x	1.12x	1.12x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.48x	0.48x	0.48x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
	YTD			
	June 2016	Mar 2016	Dec 2015	
Interest Coverage Ratio	Nil	nil	nil	$\frac{\text{Earnings before interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	(13%)	(15%)	6.42%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	(0.35%)	(0.26%)	0.63%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings Per Share	(0.00050)	(0.00037)	0.00047	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$

The Company measures its performance based on the utilization of assets and the return on its investments. However, as of June 30, 2016, most of its investments are in ventures that are still at pre-operating stages.

Liquidity

As of June 30, 2016, current ratio decreased to 2.79x compared to 2.87x as of December 31, 2015 due to the decrease in cash and cash equivalents, installment contract receivables and inventories. The decrease in cash level also contributed to the decline of cash ratio to 0.94x as of June 30, 2016 from 1.05x as of December 31, 2015. The decrease in cash levels was mainly attributable to the purchase of marketable securities and transportation equipment. Consequently, liquidity position remains positive.

Solvency / Leverage

The Company remains to have a low leverage stance considering its debt-equity ratio of 0.11x as of June 30, 2016 and December 31, 2015. Asset – equity ratio remains the same of 1.12x as of June 30, 2016 and December 31, 2016. The company has a nil interest coverage ratio as it has not incurred any interest expense for the period.

Investment Ratio

Investment ratio remains 0.48x as of June 30, 2016 and December 31, 2015. The Company made no significant investments and the total assets have not significantly increased for the first half of 2016.

Profitability

Net margin decreased to a negative 13% for the first half of 2016 from a positive 0.63% as of December 31, 2015 due to a net loss after minority interest posted for the period.

Return on Assets

Return on assets declined also at negative 0.35% for the first half of 2016 as a result of the net loss after minority interest incurred during period.

Income/Loss per Share

As a result of the first half of 2016 operation, the Company's profitability ratio has a loss per share of 0.00050x as of June 30, 2016 from an income per share of 0.00047x as of December 31, 2015. The Corporation's number of outstanding shares has been fixed for the past five years.

PART II - OTHER INFORMATION

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

The Company and its subsidiaries have no significant investment in any complex financial instruments. They have neither foreign currency denominated nor local peso-denominated loans. The Company's financial risk exposure is limited to its investments reported as "Financial Assets at Fair Value through Profit and Loss" in its Statement of Financial Position. But this exposure is insignificant being less than five percent (5%) of the Company's total asset base. Moreover, these investments in the local and foreign stock market are always marked to market thus reflecting the most verifiable values available.

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


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

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

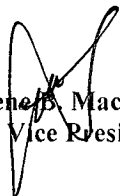
SIGNATURES

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

Issuer **CROWN EQUITIES, INC.**

Name 
Signature and Title **Romuald U. Dy Tang**
President

Date **September 8, 2016**

Principal Financial Officer 
Signature and Title **Eugene B. Macalalag**
First Vice President

Date **September 8, 2016**

ANNEX "A"

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

	June 30, 2016 (Unaudited)	December 31, 2015 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	₱188,367,943	₱204,010,289
Financial assets at fair value through profit or loss	46,734,482	31,951,632
Installment contracts receivable – net	13,740,020	17,829,446
Receivables – net	58,281,341	45,676,878
Inventories	182,324,924	186,489,381
Loan receivable - current	12,500,000	12,500,000
Other current assets	56,605,849	56,860,240
Total Current Assets	558,554,560	555,317,866
Noncurrent Assets		
Installment contracts receivable - net of current portion	52,910,252	52,213,086
Loans receivable	45,833,333	45,833,333
Investment properties	694,878,281	695,413,822
Available-for-sale financial asset	47,344,659	47,344,659
Investments in and advances to associates	234,353,848	234,438,556
Property and equipment – net	275,345,996	277,872,717
Goodwill	21,740,604	21,740,604
Deferred tax assets	1,630,836	1,630,836
Other noncurrent assets	7,697,271	7,030,045
Total Noncurrent Assets	1,381,735,082	1,383,517,659
	₱1,940,289,642	₱1,938,835,525
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	₱143,034,016	₱136,206,791
Due to related parties	15,212,887	15,212,887
Subscriptions payable	42,158,700	42,158,700
Total Current Liabilities	200,405,603	193,578,378
Noncurrent Liability		
Retirement liability	12,119,432	12,119,432
Total Liabilities	212,525,035	205,697,810
Equity		
Attributable to equity holders of the parent company	1,568,364,750	1,575,176,393
Non-controlling interests	159,399,858	157,961,322
Total Equity	1,727,764,608	1,733,137,715
	₱1,940,289,642	₱1,938,835,524

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

	2 nd Quarter Ended June 30		Year to Date Ended June 30	
	2016 (Unaudited)	2015 (Unaudited)	2016 (Unaudited)	2015 (Unaudited)
REVENUES				
Real estate sales	₱17,878,962	₱27,811,389	₱32,217,048	₱85,436,541
Sale of goods and services	13,811,346	12,941,491	26,021,961	24,408,717
Interest on installment contract receivable	2,166,416	1,697,196	4,577,710	9,124,048
Interest on loans	1,467,590	1,490,778	3,047,956	2,881,056
Investment income	-	85,000	-	170,000
Rent income	2,611,177	4,433,074	5,139,065	3,017,521
	37,935,492	48,458,928	71,003,741	125,037,883
COST AND EXPENSES				
Cost of real estate sales	8,745,970	13,607,401	15,708,356	44,059,892
Cost of medical goods and services	1,966,294	1,914,654	4,054,278	3,713,197
Salaries and employee benefits	12,491,178	11,323,595	24,607,551	22,860,223
Commission	1,359,597	1,803,445	2,409,461	3,167,390
Depreciation	3,678,237	4,056,239	7,262,816	7,813,347
Others	9,704,500	11,782,334	18,066,065	18,896,166
	37,945,776	44,487,668	72,108,527	100,510,215
OTHER INCOME - Net	(276,200)	1,283,342	(2,000,829)	1,851,973
INCOME BEFORE INCOME TAX	(286,484)	5,254,602	(3,105,615)	26,379,641
INCOME TAX EXPENSE	1,055,294	772,067	2,267,492	6,571,852
NET INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)	(₱1,341,778)	₱4,482,535	(₱5,373,107)	₱19,807,789
Attributable to:				
Equity holders of the parent company	(₱1,817,531)	₱2,260,110	(₱6,811,643)	₱14,840,104
Non-controlling interests	475,754	2,222,425	1,438,536	4,967,685
	(₱1,341,777)	₱4,482,535	(₱5,373,107)	₱19,807,789
BASIC/DILUTED INCOME (LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY				
	(₱0.00013)	₱0.00017	(₱0.00050)	₱0.00116

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

	2 nd Quarter Ended June 30		Year to Date Ended June 30	
	2016 (Unaudited)	2015 (Unaudited)	2016 (Unaudited)	2015 (Unaudited)
CAPITAL STOCK				
Balance –beginning and ending	₱1,348,035,906	₱1,345,110,906	₱1,348,035,906	₱1,345,110,906
ADDITIONAL PAID-IN CAPITAL				
Balance –beginning and ending	₱118,570,274	₱118,570,274	₱118,570,274	₱118,570,274
RETAINED EARNINGS				
Balance – beginning	₱101,939,237	₱113,168,819	₱106,933,349	₱100,588,825
Net income (loss) for the period	(1,817,531)	2,260,110	(6,811,643)	14,840,104
Balance – ending	₱100,121,706	₱115,428,929	₱100,121,706	₱115,428,929
ACTUARIAL GAINS				
Balance – beginning	₱1,636,864	₱1,194,146	₱1,636,864	₱1,194,146
Actuarial gains during the period	-	-	-	-
Balance – ending	₱1,636,864	₱1,194,146	₱1,636,864	₱1,194,146
MINORITY INTEREST				
Balance – beginning	₱158,924,104	₱154,749,542	₱157,961,322	₱152,004,282
Net income for the period	475,754	2,222,425	1,438,536	4,967,685
Balance – ending	₱159,399,858	₱156,971,967	₱159,399,858	₱156,971,967
TOTAL EQUITY	₱1,727,764,608	₱1,737,276,222	₱1,727,764,608	₱1,737,276,222

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

	2 nd Quarter Ended June 30		Year to Date Ended June 30	
	2016 (Unaudited)	2015 (Unaudited)	2016 (Unaudited)	2015 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	(P286,484)	P5,254,602	(P3,105,615)	P26,379,641
Adjustments for:				
Depreciation and amortization	3,678,237	4,056,239	7,262,816	7,813,347
Retirement expense	492,000	322,671	984,000	393,790
Unrealized foreign exchange loss (gain)	935,265	655,130	2,679,887	272,283
Dividend income	(180,418)	(156,050)	(244,581)	(204,684)
Interest income	(887,547)	(6,606,975)	(1,682,775)	(13,413,433)
Unrealized loss (gain) in the change in value of financial assets at FVPL	(1,116,756)	397,463	(2,088,926)	1,274,668
Loss (gain) on cancelled contracts	823,984	(81,707)	1,450,327	3,051
Operating income (loss) before changes in working capital	3,458,281	3,841,373	5,255,132	22,518,663
Decrease (increase) in:				
Installment contracts receivable	2,298,223	(5,071,059)	3,392,260	(9,100,326)
Receivables	(8,151,303)	(3,410,778)	(12,604,464)	(15,465,762)
Inventories	3,939,641	2,670,634	4,164,457	11,879,076
Other current assets	2,772,072	(477,924)	254,391	5,085,922
Increase (decrease) in accounts payable and accrued expenses	(613,145)	15,096,777	7,465,554	(4,898,074)
Cash generated from operations	3,703,769	12,649,023	7,927,331	10,019,499
Interest received – net of final taxes	710,038	6,472,052	1,346,220	13,134,387
Benefits paid				
Income taxes paid	(1,547,764)	(2,951,006)	(2,759,962)	(4,859,396)
Net cash provided by operating activities	P2,866,042	P16,170,069	P6,513,589	P18,294,490
<i>Forward</i>				

	2 nd Quarter Ended June 30		Year to Date Ended June 30	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net additions (deductions) to:				
Property and equipment	(P497,942)	(P1,864,703)	(P2,526,721)	(P6,219,759)
Investment properties	-	-	-	11,688,895
Decrease (increase) in:				
Financial assets at fair value through profit or loss	(9,265,743)	(10,608)	(14,782,850)	(6,961,608)
Available-for-sale financial assets		-		-
Other noncurrent assets	(343,429)	(2,379,141)	(667,228)	(2,451,819)
Dividends received	180,418	156,050	244,581	204,684
Net cash provided (used) in investing activities	(9,926,696)	(4,098,402)	(17,732,217)	(3,739,607)
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in due to related parties	-	(3,600,000)	-	(3,600,000)
EFFECT OF FOREIGN CURRENCY RATE CHANGES ON CASH AND CASH EQUIVALENTS				
	(4,109,881)	(655,130)	(4,423,717)	(272,283)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(11,170,535)	7,816,537	(15,642,346)	10,682,600
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	199,538,478	205,477,107	204,010,289	202,611,044
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P188,367,943	P213,293,644	P188,367,943	P213,293,644

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

1. Reporting Entity

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

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

The Group operates within the Philippines and is mainly involved in real estate business, healthcare services and investment holding. As of June 30, 2016 and 2015, the Parent Company has ownership interests in the following subsidiaries and associates, all incorporated in the Philippines:

	Effective Percentage of Ownership	
	2016	2015
Subsidiaries		
<i>Real Estate</i>		
Crown Central Properties, Corp. (CCPC) ^(a)	48%	48%
Parkfield Land Holdings, Inc. (PLHI) ^(b)	75%	75%
<i>Healthcare</i>		
Healthcare Systems of Asia Phils., Inc. (HSAPI)	97%	97%
Fortmed Medical Clinics Makati, Inc. (FMCMI) ^(c)	97%	97%
Joint Venture		
Sky Leisure Properties, Inc. (SLPI)	50%	50%

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

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

(c) This represents direct and indirect ownership in 2016 and 2015, respectively.

2. Basis of Preparation

Statement of Compliance

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

Basis of Measurement

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

Functional and Presentation Currency

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

Basis of Consolidation

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

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

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

Non-controlling interests consist of the interests not held by the Group in PLHI, HSAPI and CCPC as of June 30, 2016 and 2015.

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, 2016 and 2015 and certain assets and liability information regarding industry segments as at June 30, 2016 and 2015 (in thousands).

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date June 30, 2016					
REVENUES	44,847	26,022	301	(166)	71,004
RESULTS					
Segment results	1,820	(2,925)	-	-	(1,105)
Interest Income					1,683
Change in fair value of financial assets at FVPL					2,089
Income Tax Expense					(2,463)
Net Income	(2,532)	(2,842)	-	-	(5,373)
ASSETS AND LIABILITIES					
Segment Assets	2,183,125	34,993	77,243	(377,312)	1,918,549
Intangible Assets	-	-	21,740	-	21,740
Total Assets	2,183,125	34,993	99,483	(377,312)	1,940,290
Segment Liabilities	221,976	17,631	78,962	(106,044)	212,525
OTHER SEGMENT INFORMATION					
Depreciation	4,443	2,820	-	-	7,263
Capital Expenditure in property and equipment	-	-	-	-	-
Capital Expenditure in Investment Property	-	-	-	-	-
Investments and advances in associates – net	603,503	-	22,292	(391,442)	234,353
Year to Date June 30, 2015					
REVENUES	103,667	24,825	-	(3,454)	125,038
RESULTS					
Segment results	30,554	(4,308)	(4,297)	4,297	26,246
Interest Income					1,408
Change in fair value of financial assets at FVPL					(1,275)
Income Tax Expense					(6,572)
Net Income					19,808
ASSETS AND LIABILITIES					
Segment Assets	2,214,315	37,471	91,557	(413,452)	1,929,891
Intangible Assets	-	-	21,740	-	21,740
Total Assets	2,214,315	37,471	113,297	(413,452)	1,951,631
Segment Liabilities	204,931	153,360	312	(185,584)	173,019
OTHER SEGMENT INFORMATION					
Depreciation	4,675	3,139	-	-	7,813
Capital Expenditure in property and equipment	5,788	432	-	-	6,220
Capital Expenditure in Investment Property	8,560	-	-	-	8,560

Amounts in Php thousands.

5. 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, 2016	As of June 30, 2015
Net income (loss) attributable to parent stockholders	(P6,811,643)	P14,840,104
Divided by weighted Average number of Outstanding common shares	<u>13,599,999,960</u>	<u>13,599,999,960</u>
Income (loss) per share	<u>(P0.00050)</u>	<u>P0.00116</u>

CROWN EQUITIES, INC. AND SUBSIDIARIES

Aging of Financial Assets

As of June 30, 2016

Types of Accounts	Total	1 month	2 to 6 months	7 mos. To 1 year	1 to 3 years	3 to 5 years	5 years & above
Financial Assets							
a. Cash and cash equivalents							
1. Cash in bank	33,859,443.36	33,859,443.36	-	-	-	-	-
2. Short-term placements	154,450,000.00	154,450,000.00	-	-	-	-	-
	188,309,443.36	188,309,443.36	-	-	-	-	-
b. Trade receivable							
1. Installment contract receivable	66,650,271.96	9,618,013.95	2,748,003.99	1,374,001.99	21,164,100.81	18,518,588.21	13,227,563.01
2. Receivable from sale of medical goods and services	19,411,931.73	3,381,219.77	2,113,262.36	1,267,957.41	1,014,365.93	676,243.95	10,958,882.30
Less: Allowance for doubtful account	(10,183,116.49)	-	-	-	-	-	(10,183,116.49)
Net trade receivable	75,879,087.20	12,999,233.72	4,861,266.34	2,641,959.41	22,178,466.74	19,194,832.17	14,003,328.82
c. Non-trade receivable							
1. Due from project developers	28,649,479.23	-	-	28,649,479.23	-	-	-
2. Receivable from buyers	3,350,893.21	-	-	3,350,893.21	-	-	-
3. Rent receivables	2,461,416.21	-	-	2,461,416.21	-	-	-
4. Interest receivables	1,653,553.58	-	-	1,653,553.58	-	-	-
6. Others	2,937,750.44	-	-	2,937,750.44	-	-	-
Sub-total	39,053,092.67	-	-	39,053,092.67	-	-	-
Less: Allowance for doubtful account	(530,020.30)	-	-	-	-	-	(530,020.30)
Net Non-trade receivable	38,523,072.37	-	-	39,053,092.67	-	-	(530,020.30)

CROWN EQUITIES, INC. AND SUBSIDIARIES
Crown Center, 158 Jupiter corner N. Garcia Streets, Makati City
SCHEDULE OF PHILIPPINE FINANCIAL REPORTING STANDARDS AND
INTERPRETATIONS

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements Conceptual Framework Phase A: Objectives and qualitative characteristics		✓		
PFRSs Practice Statement Management Commentary			✓	
Philippine Financial Reporting Standards				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards	✓		
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	✓		
	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			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: First-time Adoption of Philippine Financial Reporting Standards – Repeated Application of PFRS 1			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Borrowing Cost Exemption			✓
	Annual Improvements to PFRSs 2011 – 2013 Cycle: PFRS version that a first-time adopter can apply	✓		
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations			✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Meaning of 'vesting condition'			✓
PFRS 3 (Revised)	Business Combinations	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Classification and measurement of contingent consideration			✓
	Annual Improvements to PFRSs 2011 – 2013 Cycle: Scope exclusion for the formation of joint arrangements			✓
PFRS 4	Insurance Contracts			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			✓
	Annual Improvements to PFRSs 2012 – 2014 Cycle: Changes in method for disposal			✓
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
	Amendments to PFRS 7: Transition			✓
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and 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	✓		
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures	✓		
	Annual Improvements to PFRSs 2012 – 2014 Cycle: 'Continuing involvement' for servicing contracts			✓
	Annual Improvements to PFRSs 2012 – 2014 Cycle: Offsetting disclosures in condensed interim financial statements			✓
PFRS 8	Operating Segments	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Disclosures on the aggregation of operating segments	✓		
PFRS 9	Financial Instruments	✓		
	<i>Hedge Accounting and amendments to PFRS 9, PFRS 7 and PAS 39</i>			✓
PFRS 9 (2014)	Financial Instruments		✓	
PFRS 10	Consolidated Financial Statements	✓		
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities	✓		
	Amendments to PFRS 10 and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture			✓
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception		✓	
PFRS 11	Joint Arrangements	✓		
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: 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 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities	✓		
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment		✓	

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
	Entities: Applying the Consolidation Exception			
PFRS 13	Fair Value Measurement	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Measurement of short-term receivables and payables	✓		
	Annual Improvements to PFRSs 2011 – 2013 Cycle: Scope of portfolio exception	✓		
PFRS 14	Regulatory Deferral Accounts	✓		
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendment to PAS 1: Capital Disclosures	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Presentation of Financial Statements – Comparative Information beyond Minimum Requirements			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Presentation of the Opening Statement of Financial Position and Related Notes			✓
	Amendments to PAS 1: Disclosure Initiative		✓	
PAS 2	Inventories			✓
PAS 7	Statement of Cash Flows	✓		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
PAS 10	Events after the Reporting Period	✓		
PAS 11	Construction Contracts	✓		
PAS 12	Income Taxes	✓		
	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets	✓		
PAS 16	Property, Plant and Equipment	✓		
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Property, Plant and Equipment – Classification of Servicing Equipment	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Restatement of accumulated depreciation (amortization) on revaluation (Amendments to PAS 16 and PAS 38)	✓		
	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization		✓	
	Amendments to PAS 16 and PAS 41: Agriculture: Bearer Plants			✓
PAS 17	Leases	✓		
PAS 18	Revenue	✓		
PAS 19 (Amended)	Employee Benefits	✓		
	Amendments to PAS 19: Defined Benefit Plans:			✓

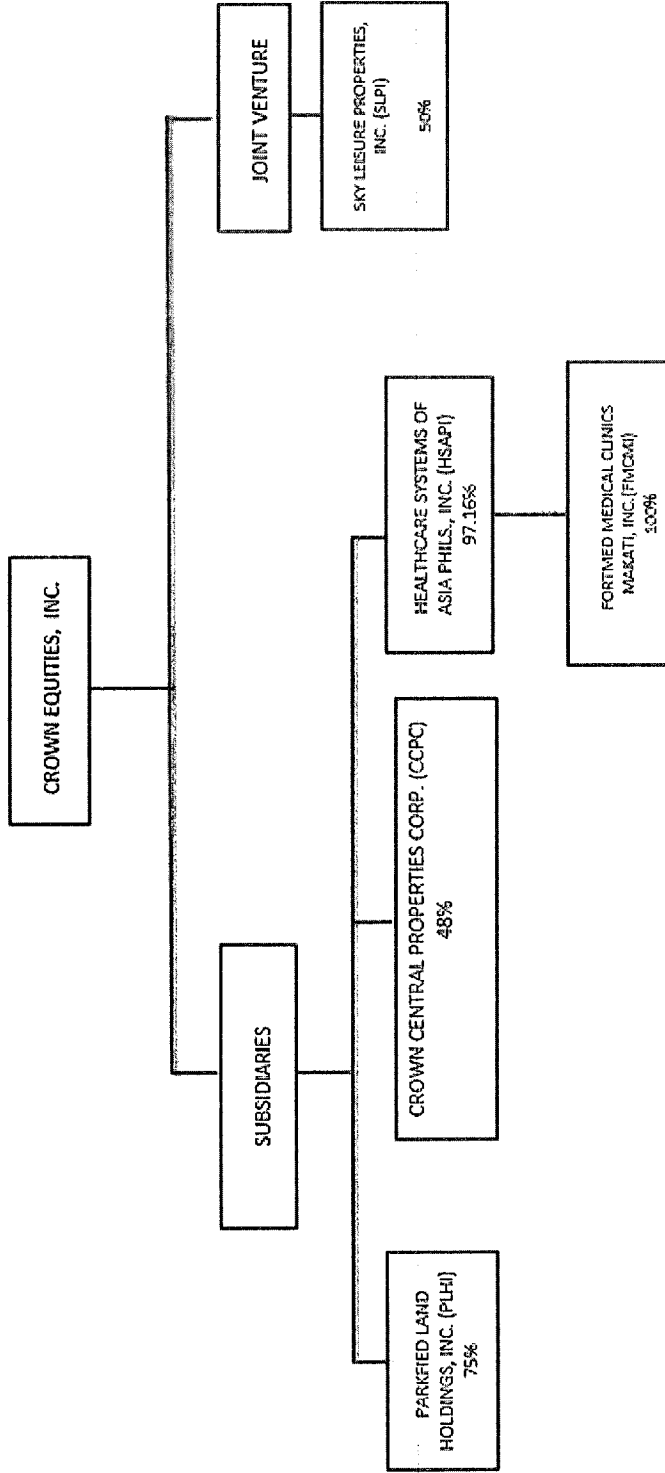
PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
	Employee Contributions			
	Annual Improvements to PFRSs 2012 – 2014 Cycle: Discount rate in a regional market sharing the same currency – e.g. the Eurozone			✓
PAS 20	Accounting 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	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Definition of 'related party'	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans	✓		
PAS 27 (Amended)	Separate Financial Statements	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities			
	Amendments to PAS 27: Equity Method in Separate Financial Statements		✓	
PAS 28 (Amended)	Investments in Associates and Joint Ventures	✓		
	Amendments to PFRS 10 and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture			✓
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception		✓	
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to PAS 32 and PAS 1: 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	✓		
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Financial Instruments Presentation – Income Tax Consequences of Distributions			✓
PAS 33	Earnings per Share	✓		
PAS 34	Interim Financial Reporting			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Interim Financial Reporting – Segment Assets and Liabilities			✓
	Annual Improvements to PFRSs 2012 – 2014 Cycle: 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	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Restatement of accumulated depreciation	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
	(amortization) on revaluation (Amendments to PAS 16 and PAS 38)			
	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization		✓	
PAS 39	Financial Instruments: Recognition and Measurement	✓		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	✓		
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions			✓
	Amendments to PAS 39: The Fair Value Option			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		
	Amendment to PAS 39: Eligible Hedged Items			✓
	Amendment to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting			✓
PAS 40	Investment Property	✓		
	Annual Improvements to PFRSs 2011 – 2013 Cycle: Inter-relationship of PFRS 3 and PAS 40 (Amendment to PAS 40)	✓		
PAS 41	Agriculture			✓
	Amendments to PAS 16 and PAS 41: Agriculture: Bearer Plants			
Philippine Interpretations				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			✓
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	<i>Determining Whether an Arrangement Contains a Lease</i>	✓		
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			✓
IFRIC 6	<i>Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment</i>			✓
IFRIC 7	<i>Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies</i>			✓
IFRIC 9	Reassessment of Embedded Derivatives	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		
IFRIC 10	<i>Interim Financial Reporting and Impairment</i>			✓
IFRIC 12	Service Concession Arrangements			✓
IFRIC 13	Customer Loyalty Programmes			✓
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			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners			✓
IFRIC 18	Transfers of Assets from Customers			✓
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			✓
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			✓
IFRIC 21	Levies			✓
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-31	Revenue - Barter Transactions Involving Advertising Services			✓
SIC-32	Intangible Assets - Web Site Costs			✓
Philippine Interpretations Committee Questions and Answers				
PIC Q&A 2006-01	PAS 18, Appendix, paragraph 9 – Revenue recognition for sales of property units under pre-completion contracts			✓
PIC Q&A 2006-02	PAS 27.10(d) – Clarification of criteria for exemption from presenting consolidated financial statements			✓
PIC Q&A 2007-01- Revised	PAS 1.103(a) – Basis of preparation of financial statements if an entity has not applied PFRSs in full			✓
PIC Q&A 2007-02	PAS 20.24.37 and PAS 39.43 - Accounting for government loans with low interest rates [see PIC Q&A No. 2008-02]			✓
PIC Q&A 2007-03	PAS 40.27 – Valuation of bank real and other properties acquired (ROPA)			✓
PIC Q&A 2007-04	PAS 101.7 – Application of criteria for a qualifying NPAE			✓
PIC Q&A 2008-01- Revised	PAS 19.78 – Rate used in discounting post-employment benefit obligations			✓
PIC Q&A 2008-02	PAS 20.43 – Accounting for government loans with low interest rates under the amendments to PAS 20			✓
PIC Q&A 2009-01	Framework.23 and PAS 1.23 – Financial statements prepared on a basis other than going concern			✓
PIC Q&A 2009-02	PAS 39.AG71-72 – Rate used in determining the fair value of government securities in the Philippines			✓
PIC Q&A 2010-01	PAS 39.AG71-72 – Rate used in determining the fair value of government securities in the Philippines			✓
PIC Q&A 2010-02	PAS 1R.16 – Basis of preparation of financial statements	✓		
PIC Q&A 2010-03	PAS 1 Presentation of Financial Statements – Current/non-current classification of a callable term loan	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
PIC Q&A 2011-01	PAS 1.10(f) – Requirements for a Third Statement of Financial Position			✓
PIC Q&A 2011-02	PFRS 3.2 – Common Control Business Combinations			✓
PIC Q&A 2011-03	Accounting for Inter-company Loans			✓
PIC Q&A 2011-04	PAS 32.37-38 – Costs of Public Offering of Shares			✓
PIC Q&A 2011-05	PFRS 1.D1-D8 – Fair Value or Revaluation as Deemed Cost			✓
PIC Q&A 2011-06	PFRS 3, Business Combinations (2008), and PAS 40, Investment Property – Acquisition of Investment properties – asset acquisition or business combination?			✓
PIC Q&A 2012-01	PFRS 3.2 – Application of the Pooling of Interests Method for Business Combinations of Entities Under Common Control in Consolidated Financial Statements			✓
PIC Q&A 2012-02	Cost of a New Building Constructed on the Site of a Previous Building			✓
PIC Q&A 2013-01	Applicability of SMEIG Final Q&As on the Application of IFRS for SMEs to Philippine SMEs			✓
PIC Q&A 2013-02	Conforming Changes to PIC Q&As - Cycle 2013			✓
PIC Q&A 2013-03 (Revised)	PAS 19 – Accounting for Employee Benefits under a Defined Contribution Plan subject to Requirements of Republic Act (RA) 7641, The Philippine Retirement Law			✓

Crown Equities, Inc. and Subsidiaries
Map of Conglomerate
June 30, 2016



Crown Equities, Inc.
Crown Center, 158 Jupiter corner N. Garcia Streets, Makati City
SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION

*((Figures based on functional
currency of unaudited financial
statements as of and for the period
ended June 30, 2016))*

Unappropriated Retained Earnings, beginning	₱55,113,061
Net loss	(3,068,547)
Non-actual/unrealized loss (gain) net of tax	
Fair value adjustments (M2M gains)	-
TOTAL RETAINED EARNINGS AVAILABLE FOR	
DIVIDEND, ENDING	₱52,044,514

Crown Equities, Inc.
Financial Soundness Indicator
June 30, 2016

Indicator	As of			Formula
	June 2016	Mar 2016	Dec 2015	
Current Ratio	2.79x	2.77x	2.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	.94x	.99x	1.05x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.12x	0.12x	0.12x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.11x	0.11x	0.11x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.12x	1.12x	1.12x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.48x	0.48x	0.48x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
	YTD			
	June 2016	Mar 2016	Dec 2015	
Interest Coverage Ratio	Nil	nil	nil	$\frac{\text{Earnings before Interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	(13%)	(15%)	6.42%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	(0.35%)	(0.26%)	0.63%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings Per Share	(0.00050)	(0.00037)	0.00047	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$