COVER SHEET

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S.E.C. Registration Numbe

C R O W N   A S I A   C H E M I C A L S

C O R P O R A T I O N .

(Company's Full Name)

K M   3 3   M C   A R T H U R   H I G H W A Y

B O   T U K T U K A N   G U I G U I N T O   B U L A C A N

TITA P. VILLANUEVA

Contact Person

4 1 3   8 0 3 2

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

SEC FORM 17-Q MARCH 31, 2017

FORM TYPE

0 5 1 8

Month Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

2 5

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended . **March 31, 2017**

2. SEC Identification number **159950**

3. BIR Tax Identification No **000-240-902-000**

4. Exact name of issuer as specified in its charter **CROWN ASIA CHEMICALS CORPORATION**

5. Province, country or other jurisdiction of incorporation or organization **Metro Manila**

6. Industry Classification Code: ________ (SEC Use Only)

7. Address of issuer's principal office **Km 33 Mc Arthur Highway Tuktukan Guiguinto, Bulacan**

   Postal Code **3015**

8. Issuer's telephone number, including area code **(2) 412-06-39 to 41**
   (44) 794-02-68 to 70

9. Former name, former address and former fiscal year, if changed since last report **Not Applicable**

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 stock	**630,800,000**

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:

   The Philippine Stock Exchange Inc.

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 there under, and Sections 26 and 141 of the Corporation 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.

The Interim Financial Statements are attached as Exhibits 1 to 5 hereof and incorporated herein by reference.

Exhibit 1 – Statements of Financial Position as of December 31, 2016 and March 31, 2017

Exhibit 2 - Statements of Comprehensive Income for the periods ended March 31, 2017 and March 31, 2016

Exhibit 3 – Statements of Changes in Equity as of March 31, 2017 and March 31, 2016

Exhibit 4 – Statements of Cash Flow as of March 31, 2017 and March 31, 2016

Exhibit 5 - Notes to Interim Financial Information

Item 2 – Management's Discussion and Analysis of Results of Operations and Financial Position

Please refer to Exhibit 6 hereof.

Item 3 – Aging of Accounts Receivable

Please refer to Exhibit 7 hereof.

Item 4 - Key Performance Indicators

Please refer to Exhibit 8 hereof.

EXHIBIT 1

CROWN ASIA CHEMICALS CORPORATION
(Formerly Crown Asia Compounders Corporation)
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2017 AND DECEMBER 31, 2016
(Amounts in Philippine Pesos)

	UNAUDITED MARCH 31, 2017	AUDITED DECEMBER 31, 2016
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	80,895,101	105,402,426
Trade and other receivables - net	292,239,189	253,205,818
Inventories	380,165,404	369,451,121
Prepayments and other current assets - net	74,946,915	74,407,851
Total Current Assets	828,246,610	802,467,216
NON-CURRENT ASSETS		
Property, plant and equipment - net	334,142,303	329,529,323
Other non-current assets - net	13,832,975	13,110,015
Total Non-Current Assets	347,975,277	342,639,338
TOTAL ASSETS	1,176,221,887	1,145,106,554
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade and other payables	170,545,105	186,995,986
Income tax payable	15,140,085	6,334,663
Total Current Liabilities	185,685,190	193,330,649
NON-CURRENT LIABILITIES		
Mortgage Payable	4,258,544	4,270,713
Deferred tax liabilities - net	9,572,692	9,572,692
Post-employment defined benefit obligation	6,182,486	5,440,669
Advances from stockholders	46,057	46,057
Total Non-current Liabilities	20,059,778	19,330,131
Total Liabilities	205,744,968	212,660,780
EQUITY		
Capital stock	630,800,000	630,800,000
Additional Paid In capital	52,309,224	52,309,224
Revaluation reserves	33,158,047	33,158,047
Retained earnings	254,209,649	216,178,504
Total Equity	970,476,919	932,445,774
TOTAL LIABILITIES AND EQUITY	1,176,221,887	1,145,106,554

See Notes to Financial Stateme

EXHIBIT 2

CROWN ASIA CHEMICALS CORPORATION
(Formerly Crown Asia Compounders Corporation)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE (3) MONTHS ENDED MARCH 31, 2017 AND MARCH 31, 2016
(Amounts in Philippine Pesos)
(UNAUDITED)

	2017	*2016*
REVENUES	321,279,962	277,256,917
COST OF GOODS SOLD	230,302,327	198,790,237
GROSS PROFIT	90,977,635	78,466,681
OTHER OPERATING EXPENSES	37,641,338	30,523,014
OTHER INCOME (CHARGES)		
Finance costs	(150,463)	(57,750)
Finance income	218,104	847,443
Foreign currency gains (losses) - net	939,399	(2,524,139)
Other income	10,325	68,613
	1,017,365	(1,665,834)
PROFIT BEFORE TAX	54,353,662	46,277,833
TAX EXPENSE	16,322,517	14,041,846
NET PROFIT	38,031,145	32,235,987
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that will not be reclassified subsequently to profit or loss		
Revaluation of land		
Remeasurements of post-employment defined benefit plan		
Tax income (expense)		
TOTAL COMPREHENSIVE INCOME	38,031,145	32,235,987
BASIC AND DILUTED EARNINGS PER SHARE	0.06	0.05

See Notes to Financial Statements.

EXHIBIT 3

CROWN ASIA CHEMICALS CORPORATION
(Formerly Crown Asia Compounders Corporation)
STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE (3) MONTHS ENDED MARCH 31, 2017 AND MARCH 31, 2016
(Amounts in Philippine Pesos)
(UNAUDITED)

	2017	2016
CAPITAL STOCK		
Balance at beginning of year	630,800,000	630,800,000
Issuance of shares during the year	-	-
Balance at end of year	630,800,000	630,800,000
ADDITIONAL PAID IN CAPITAL		
Balance at beginning of year	52,309,224	52,309,224
Balance at end of year	52,309,224	52,309,224
REVALUATION RESERVES		
Balance at beginning of year		
As previously reported	33,158,046	33,651,957
Effect of revaluation of land - net of tax	-	-
As restated	33,158,046	33,651,957
Revaluation of land during the year - net of tax		
Remeasurement of post-employment defined benefit - net of tax	-	-
Balance at end of year	33,158,046	33,651,957
RETAINED EARNINGS		
Appropriated		
Balance at beginning of year		
Reversal of appropriation		
Appropriation during the year	-	-
Balance at end of year	-	-
Unappropriated		
Balance at beginning of year	216,178,504	133,150,396
Net profit for the year	38,031,145	32,235,987
Reversal of appropriation made		
Appropriation during the year		
Stock dividend		
Cash dividend	-	-
Balance at end of year	254,209,649	165,386,383
Total Retained Earnings	254,209,649	165,386,383
TOTAL EQUITY	P 970,476,919	P 882,147,563

See Notes to Financial Statements.

EXHIBIT 4

CROWN ASIA CHEMICALS CORPORATION
(Formerly Crown Asia Compounders Corporation)
STATEMENTS OF CASH FLOWS
FOR THE THREE (3) MONTHS ENDED MARCH 31, 2017 AND MARCH 31, 2016
(Amounts in Philippine Pesos)
UNAUDITED

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	54,353,662	46,277,833
Adjustments for:		
Depreciation and amortization	7,633,490	6,978,487
Unrealized foreign currency (gains) loss	(939,399)	2,542,449
Interest expense	150,463	57,750
Tax expense	-	(14,041,846)
Finance income	(218,104)	(847,443)
Gain on sale of property and equipment	-	-
Operating profit before working capital changes	60,980,112	40,967,231
Increase (decrease) in trade and other receivables	(45,109,471)	(19,321,598)
Increase (decrease) in inventories	(10,714,283)	(24,866,811)
Increase (decrease) in prepayments and other current assets	6,476,432	(3,812,099)
Decrease (increase) in other non-current assets	(722,960)	(1,703,789)
Increase in trade and other payables	(16,450,880)	41,180,112
Decrease in post-employment defined benefit obligation	741,817	712,108
Cash generated from (used in) operations	(4,799,233)	33,155,153
Cash paid for income taxes	(7,517,095)	389,159
Net Cash From (Used In) Operating Activities	(12,316,328)	33,544,312
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(12,246,469)	(24,409,189)
Proceeds from disposal of property, plant and equipment	-	
Interest received	218,104	847,443
Net Cash Used in Investing Activities	(12,028,365)	(23,561,746)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from interest-bearing loans and borrowings	-	-
Dividends paid	-	-
Interest paid	(150,463)	(1,033,325)
Payments to interest-bearing loans and borrowings	(12,169)	3,433,637
Repayments of advances from stockholders	-	-
Net Cash From (Used in) Financing Activities	(162,632)	2,400,312
Effect of Exchange Rate Changes on Cash	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(24,507,325)	12,382,878
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	105,402,426	118,822,778
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P 80,895,101	P 131,205,655

See Notes to Financial Statements.

EXHIBIT 5

CROWN ASIA CHEMICALS CORPORATION
(Formerly Crown Asia Compounders Corporation)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2017 AND 2016 (UNAUDITED)
(With Comparative Figures for December 31, 2016)
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Crown Asia Chemicals Corporation (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 10, 1989 primarily to engage in, operate, conduct and maintain the business of manufacturing, importing, exporting, buying, selling or otherwise dealing in, at wholesale and retail such goods as plastic and/or synthetic resins and compounds and other allied or related products of similar nature.

The Company's Board of Directors (BOD) approved the change in name of the Company from Crown Asia Compounders Corporation to Crown Asia Chemicals Corporation on March 4, 2014. The SEC approved the change in name of the Company and the corresponding amendment in the Company's Articles of Incorporation on September 29, 2014. The change in name of the Company was registered with the Bureau of Internal Revenue (BIR) on October 24, 2014.

On September 5, 2014, the BOD and the stockholders approved the Company's application for the registration of 630.8 million of its common shares with the SEC and apply for the listing thereof in the Philippine Stock Exchange (PSE). The BOD's approval covered the planned initial public offering of 158.0 million unissued common shares of the Company. The Company's shares were listed in the PSE on April 27, 2015.

The Company's registered office, which is also its principal place of business, is located at Km. 33, McArthur Highway, Bo. Tuktukan, Guiguinto, Bulacan. The Company's administrative office is located at Units 506 and 508 President's Tower, No. 81 Timog Ave, South Triangle, Quezon City.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board, and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents the statement of comprehensive income separate from the statement of profit or loss.

The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(c) Functional and Presentation Currency

These financial statements are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

Adoption of New and Amendments to PFRS

(a) Effective in 2016 that are Relevant to the Company

The Company adopted for the first time the following amendment and annual improvements to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2016; and, unless otherwise stated, none of these have significant impact on the Company's financial statements:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Disclosure Initiative
PAS 16 and 38 (Amendments)	:	Property, Plant and Equipment, and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortization
Annual Improvements	:	Annual Improvements to PFRS (2012-2014 Cycle)

Discussed below are the relevant information about these amendments and improvements.

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Disclosure Initiative*. The amendments encourage entities to apply professional judgment in presenting and disclosing information in the financial statements. Accordingly, they clarify that materiality applies to the whole financial statements and an entity shall not reduce the understandability of the financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions. They further clarify that in determining the order of presenting the notes and disclosures, an entity shall consider the understandability and comparability of the financial statements.

(ii) PAS 16 (Amendments), *Property, Plant and Equipment*, and PAS 38 (Amendments), *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortization*. The amendments in PAS 16 clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment. In addition, amendments to PAS 38 introduce a rebuttable presumption that an amortization method that is based on the revenue generated by an activity that includes the use of an intangible asset is not appropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of an intangible asset are highly correlated. The amendments also provide guidance that the expected future reductions in the selling price of an item that was produced using the asset could indicate an expectation of technological or commercial obsolescence of an asset, which may reflect a reduction of the future economic benefits embodied in the asset.

Annual Improvements to PFRS (2012-2014 Cycle). Among the improvements, the following amendments are relevant to the Company but had no material impact on the Company's financial statements as these amendments merely clarify the existing requirements:

- PAS 19 (Amendments), *Employee Benefits – Discount Rate: Regional Market Issue*. The amendments clarify that the currency and term of the high quality corporate bonds which were used to determine the discount rate for post-employment benefit obligations shall be made consistent with the currency and estimated term of the post-employment benefit obligations.

- PAS 34 (Amendments), *Interim Financial Reporting – Disclosure of Information "Elsewhere in the Interim Financial Report"*. The amendments clarify the meaning of disclosure of information "elsewhere in the interim financial report" and require the inclusion of a cross-reference from the interim financial statements to the location of this referenced information. The amendments also specify that this information must be available to users of the interim financial statements on the same terms as the interim financial statements and at the same time, otherwise the interim financial statements will be incomplete.

- PFRS 7 (Amendments), *Financial Instruments: Disclosures – Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements*. These amendments clarify that the additional disclosure required by the recent amendments to PFRS 7 related to offsetting financial assets and financial liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with PAS 34 when its inclusion would be necessary in order to meet the general principles of PAS 34.

- PFRS 7 (Amendments), *Financial Instruments: Disclosures – Servicing Contracts*. The amendments provide additional guidance to help entities identify the circumstances under which a contract to "service" financial assets is considered to be a continuing involvement in those assets for the purposes of applying the disclosure requirements of PFRS 7. Such circumstances commonly arise when, for example, the servicing is dependent on the amount or timing of cash flows collected from the transferred asset or when a fixed fee is not paid in full due to non-performance of that asset.

(b) Effective in 2016 that are not Relevant to the Company

The following new PFRS, amendments and annual improvements to existing standards are mandatorily effective for annual periods beginning on or after January 1, 2016 but are not relevant to the Company's financial statements:

PAS 16 and 41 (Amendments)	:	Property, Plant and Equipment, and Agriculture – Bearer Plants
PAS 27 (Amendments)	:	Separate Financial Statements – Equity Method in Separate Financial Statements
PFRS 10, PFRS 12 and PAS 28 (Amendments)	:	Consolidated Financial Statements, Disclosure of Interests in Other Entities, and Investments in Associates and Joint Ventures – Investment Entities – Applying the Consolidation Exception
PFRS 11 (Amendments)	:	Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
PFRS 14	:	Regulatory Deferral Accounts
Annual Improvements to PFRS (2012-2014 Cycle)		
PFRS 5 (Amendments)	:	Non-current Assets Held for Sale and Discontinued Operations – Changes in Methods of Disposal

(c) Effective Subsequent to 2016 but not Adopted Early

There are new PFRS and amendments to existing standards effective for annual periods subsequent to 2016, which are adopted by the FRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements:

(i) PAS 7 (Amendments), *Statement of Cash Flows – Disclosure Initiative* (effective from January 1, 2017). The amendments are designed to improve the quality of information provided to users of financial statements about changes in an entity's debt and related cash flows (and non-cash changes). They require an entity to provide disclosures that enable users to evaluate changes in liabilities arising from financing activities. An entity applies its judgment when determining the exact form and content of the disclosures needed to satisfy this requirement. Moreover, they suggest a number of specific disclosures that may be necessary in order to satisfy the above requirement, including: (a) changes in liabilities arising from financing activities caused by changes in financing cash flows, foreign exchange rates or fair values, or obtaining or losing control of subsidiaries or other businesses; and, (b) a reconciliation of the opening and closing balances of liabilities arising from financing activities in the statement of financial position including those changes identified immediately above.

(ii) PAS 12 (Amendments), *Income Taxes – Recognition of Deferred Tax Assets for Unrealized Losses* (effective from January 1, 2017). The focus of the amendments is to clarify how to account for deferred tax assets related to debt instruments measured at fair value, particularly where changes in the market interest rate decrease the fair value of a debt instrument below cost. The amendments provide guidance in the following areas where diversity in practice previously existed: (a) existence of a deductible temporary difference; (b) recovering an asset for more than its carrying amount; (c) probable future taxable profit against which deductible temporary differences are assessed for utilization; and, (d) combined versus separate assessment of deferred tax asset recognition for each deductible temporary difference.

(iv) PFRS 9 (2014), *Financial Instruments* (effective from January 1, 2018). This new standard on financial instruments will replace PAS 39 and PFRS 9 (2009, 2010 and 2013 versions). This standard contains, among others, the following:

- three principal classification categories for financial assets based on the business model on how an entity is managing its financial instruments;

- an expected loss model in determining impairment of all financial assets that are not measured at fair value through profit or loss (FVTPL), which generally depends on whether there has been a significant increase in credit risk since initial recognition of a financial asset; and,

- a new model on hedge accounting that provides significant improvements principally by aligning hedge accounting more closely with the risk management activities undertaken by entities when hedging their financial and non-financial risk exposures.

In accordance with the financial asset classification principle of PFRS 9 (2014), a financial asset is classified and measured at amortized cost if the asset is held within a business model whose objective is to hold financial assets in order to collect the contractual cash flows that represent solely payments of principal and interest (SPPI) on the principal outstanding. Moreover, a financial asset is classified and subsequently measured at fair value through other comprehensive income if it meets the SPPI criterion and is held in a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets. All other financial assets are measured at FVTPL.

In addition, PFRS 9 (2014) allows entities to make an irrevocable election to present subsequent changes in the fair value of an equity instrument that is not held for trading in other comprehensive income.

The accounting for embedded derivatives in host contracts that are financial assets is simplified by removing the requirement to consider whether or not they are closely related, and, in most arrangements, does not require separation from the host contract.

For liabilities, the standard retains most of the PAS 39 requirements which include amortized cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The amendment also requires changes in the fair value of an entity's own debt instruments caused by changes in its own credit quality to be recognized in other comprehensive income rather than in profit or loss.

Management is currently assessing the impact of PFRS 9 (2014) on the financial statements of the Company and it will conduct a comprehensive study of the potential impact of this standard prior to its mandatory adoption date to assess the impact of all changes.

PFRS 15, *Revenues from Contract with Customers*. This standard will replace PAS 18, *Revenue*, and PAS 11, *Construction Contracts*, the related Interpretations on revenue recognition: IFRIC 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreement for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers* and Standing Interpretations Committee 31, *Revenue – Barter Transactions Involving Advertising Services*, effective January 1, 2018. This new standard establishes a comprehensive framework for determining when to recognize revenue and how much revenue to recognize. The core principle in the said framework is for an entity to recognize revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Management is currently assessing the impact of this standard on the Company's financial statements.

(vi) PFRS 16, *Leases* (effective from January 1, 2019). The new standard will eventually replace PAS 17, *Leases*.

For lessees, it requires to account for leases "on-balance sheet" by recognizing a "right of use" asset and a lease liability. The lease liability is initially measured as the present value of future lease payments. For this purpose, lease payments include fixed, non-cancellable payments for lease elements, amounts due under residual value guarantees, certain types of contingent payments and amounts due during optional periods to the extent that extension is reasonably certain. In subsequent periods, the "right-of-use" asset is accounted for similarly to a purchased asset and depreciated or amortized. The lease liability is accounted for similarly to as financial liability using the effective interest method. However, the new standard provides important reliefs or exemptions for short-term leases and leases of low value assets. If these exemptions are used, the accounting is similar to operating lease accounting under PAS 17 where lease payments are recognized as expenses on a straight-line basis over the lease term or another systematic basis (if more representative of the pattern of the lessee's benefit).

For lessors, lease accounting is similar to PAS 17's. In particular, the distinction between finance and operating leases is retained. The definitions of each type of lease, and the supporting indicators of a finance lease, are substantially the same as PAS 17's. The basic accounting mechanics are also similar, but with some different or more explicit guidance in few areas. These include variable payments, sub-leases, lease modifications, the treatment of initial direct costs and lessor disclosures.

Management is currently assessing the impact of this new standard in its financial statements.

2.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Company's strategic steering committee, its chief operating decision-maker. The strategic steering committee is responsible for allocating resources and assessing performance of the operating segments.

In identifying its operating segments, management generally follows the Company's products and service lines as disclosed in Note 4, which represent the main products and services provided by the Company.

Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

The measurement policies the Company uses for segment reporting under PFRS 8, *Operating Segments*, are the same as those used in its financial statements. However, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to any segment.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgment in Applying Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements:

(a) *Determination of Cost of Inventories*

In inventory costing, management uses estimates and judgment in properly allocating the labor and overhead between the cost of inventories on hand and cost of goods sold. Currently, the Company allocates manufacturing overhead on the basis of actual units produced. However, the amount of costs charged to finished goods inventories would differ if the Company utilized a different allocation base. Changes in allocated cost would affect the carrying cost of inventories and could potentially affect the valuation based on lower of cost and net realizable value.

(b) *Distinction between Operating and Finance Leases*

The Company has entered into various lease agreements as a lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or a finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Management has assessed that the Company's lease arrangements are operating leases.

(c) *Recognition of Provisions and Contingencies*

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition of provisions and contingencies are discussed in Note 2.11 and disclosures on relevant provisions and contingencies are presented in Note 20.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) *Impairment of Trade and Other Receivables*

Adequate amount of allowance for impairment is provided for specific and groups of accounts, where objective evidence of impairment exists. The Company evaluates the amount of allowance for impairment based on available facts and circumstances affecting the collectability of the accounts, including, but not limited to, the length of the Company's relationship with the customers, the customers' current credit status, average age of accounts, collection experience and historical loss experience. The methodology and assumptions used in estimating future cash flows are reviewed regularly by the Company to reduce any differences between loss estimates and actual loss experience.

The carrying value of trade and other receivables and the analysis of allowance for impairment on such financial assets are shown in Note 6.

(b) *Determination of Net Realizable Value of Inventories*

In determining the net realizable value of inventories, management takes into account the most reliable evidence available at the dates the estimates are made. Even though the Company's core business is not continuously subject to rapid technology changes which may cause inventory obsolescence, future realization of the carrying amounts of inventories is still affected by price changes. Such aspect is considered a key source of estimation uncertainty and may cause significant adjustments to the Company's inventories within the next financial reporting period.

(c) Estimation of Useful Lives of Property, Plant and Equipment and Intangible Assets

The Company estimates the useful lives of property, plant and equipment and intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment and intangible assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Based on management's assessment as at March 31, 2017 and December 31, 2016, there is no change in estimated useful lives of property, plant and equipment and intangible assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(d) Measurement of Fair Value of Land

The Company's land is carried at revalued amount at the end of the reporting period. In determining its fair value, the Company engages the services of professional and independent appraisers applying the relevant valuation methodology.

When the appraisal is conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

A significant change in these elements may affect prices and the value of the assets.

(e) Determination of Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at March 31, 2017 and December 31, 2016 will be fully utilized in the coming years.

(f) Impairment of Non-financial Assets

The Company's policy on estimating the impairment of property, plant and equipment, intangible assets and other non-financial assets is discussed in Note 3.1. Though management believes that the assumptions used in the estimation of fair values are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

There was no impairment loss recognized on non-financial assets in March 31, 2017 and December 31, 2016.

(g) Valuation of Post-employment Defined Benefit Obligation

The determination of the Company's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary rate increase. A significant change in any of these actuarial assumptions may generally affect the recognized expense and the carrying amount of the post-employment defined benefit obligation in the next reporting period.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 5.

4. SEGMENT REPORTING

4.1 Business Segments

The Company is organized into business units based on its products for purposes of management assessment of each unit. For management purposes, the Company is organized into two major business segments, namely: compounds and pipe group. These are also the basis of the Company in reporting to its chief operating decision-maker for its strategic decision-making activities.

The products under the compounds segment are the following:
- Polyvinyl Chloride (PVC) compounds for wires and cable; and,
- PVC for bottles, integrated circuit tubes packaging and films.

The products under the pipes segment are the following:
- PVC pipes and fittings;
- Polypropylene Random Copolymer Type 3 (PP-R) pipes and fittings; and,
- High-density Polyethylene (HDPE) pipes and fittings.

The Company's products are located in Guiguinto, Bulacan and in its Davao branch.

4.2 Segment Assets and Liabilities

Segment assets are allocated based on their use or direct association with a specific segment and they include all operating assets used by a segment and consist principally of trade and other receivables and inventories, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of trade and other payables and interest-bearing loans. Segment assets and liabilities do not include deferred taxes and tax liabilities.

4.3 Intersegment Transactions

Segment revenues, expenses and performance do not include sales and purchases between business segments.

5. EMPLOYEE BENEFITS

5.1 Post-employment Defined Benefit Plan

(a) Characteristics of Post-employment Defined Benefit Plan

The Company maintains a tax-qualified, partially funded and non-contributory post-employment defined benefit plan covering all regular full-time employees. The Company conforms with the minimum regulatory benefit of Republic Act 7641, *Retirement Pay Law,* which is of a defined benefit type and provides for a lump sum retirement benefit equal to 22.5-day pay for every year of credited service. The normal retirement age is 60 with a minimum of five years of credited service.

(b) Explanation of Amounts Presented in the Financial Statements

Actuarial valuations are made annually to update the retirement benefit costs and the amount of contributions.

(c) Risks Associated with the Retirement Plan

The plan exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment and Interest Risks

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bond will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan.

(ii) Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the Company's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the post-employment defined benefit plan are described below.

(i) Sensitivity Analysis

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) Asset-liability Matching Strategies

The retirement plan trustee has no specific matching strategy between the plan assets and the plan liabilities.

A large portion of the plan assets as of March 31, 2017 and December 31, 2016 consists of debt securities and readily available cash and cash equivalents, pending placement in investments with balanced risks and rewards optimization.

There has been no change in the Company's strategies to manage its risks from previous periods.

(iii) Funding Arrangements and Expected Contributions

The Company has yet to decide the amount of contribution to the retirement plan for this year.

The Company is not required to pre-fund the future defined benefits payable under the plan assets before they become due. For this reason, the amount and timing of contributions to the plan assets are at the Company's discretion. However, in the event a benefit claim arises and the plan assets are insufficient to pay the claim, the shortfall will be due, demandable and payable from the Company to the plan assets.

6. EARNINGS PER SHARE

Basic EPS is computed as follows:

	2017	2016
Net profit	**P 38,031,145**	P 32,235,987
Divided by weighted average number of outstanding common shares*	**630,800,000**	630,800,000
Basic and diluted earnings per share	**P 0.06**	P 0.05

The Company does not have dilutive potential common shares outstanding as of March 31, 2017 and December 31, 2016; hence, diluted EPS is equal to the basic EPS.

7. COMMITMENTS AND CONTINGENCIES

The following are the significant commitments and contingencies involving the Company:

7.1 Operating Lease Commitments – Company as Lessee

The Company is a lessee under non-cancellable operating leases covering its warehouse and office spaces. The lease for warehouse has a term of three years and includes annual escalation rate of 10.00%, while the leases for office space have terms of three to five years with escalation rates ranging from 5.00% to 10.00%. All leases have renewal options.

7.2 Unused Credit Lines

The Company had unused credit lines of the approved Omnibus Line of Credit from a local banks.

7.3 Others

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations which are not reflected in the financial statements. As of March 31, 2017 and December 31, 2016, management and its legal counsel are of the opinion that losses, if any, from these items will not have a material effect on the Company's financial statements.

8. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks in relation to financial instruments. The Company's financial assets and financial liabilities by category are summarized in Note 9. The main types of risks are market risk, credit risk and liquidity risk.

The Company's risk management is coordinated by its BOD, and focuses on actively securing the Company's closely short-to-medium term cash flows by minimizing the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described below.

8.1 Market Risk

The Company is exposed to market risk through its use of financial instruments and specifically to foreign currency risk and interest rate risk which result from both its operating, investing and financing activities.

(a) Foreign Currency Risk

Most of the Company's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise from the Company's overseas sales and purchases, which are primarily denominated in US dollars. The Company also holds US dollar-denominated cash and cash equivalents.

To mitigate the Company's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

(b) Interest Rate Risk

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. Long-term borrowings are therefore usually made at fixed rates. At March 31, 2017 and December 31, 2016, the Company is exposed to changes in market interest rates through its cash and cash equivalents, which are subject to variable interest rates. All other financial assets and liabilities have fixed rates.

8.2 Credit Risk

Credit risk is the risk that counterparty may fail to discharge an obligation to the Company. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

Bank deposits are only maintained with reputable financial institutions, as a matter of Company policy. Cash in banks are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P0.5 million per depositor per banking institution.

The credit risk with respect to trade and other receivable is not concentrated to any single counterparty as these are due from various customers located in a widely dispersed geographical area but generally within the Philippines.

Management assessed that the past due trade and other receivables over 120 days but less than one year are not impaired as of March 31, 2017 and December 31, 2016.

8.3 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments, if any, for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash is invested in short-term placements. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

9. CATEGORIES AND OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

9.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the statements of financial position at amortized cost are shown below

	March 31, 2017	December 31, 2016

	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial Assets				
Loans and receivables:				
Cash and cash equivalents	**P 80,895,101**	**P 80,895,101**	P 105,402,426	P 105,402,426
Trade receivables – net except advances to suppliers	**275,466,931**	**275,466,931**	241,728,199	241,728,199
Security deposits	**3,088,316**	**3,088,316**	2,630,402	2,630,402
	P 359,450,348	**P 359,450,348**	P 349,761,027	P 349,761,027

	March 31, 2017		December 31, 2016	
	Carrying Values	**Fair Values**	Carrying Values	Fair Values
Financial Liabilities				
Financial liabilities at amortized cost:				
Trade and other payables except Advances from customers and tax-related payables)	**P 158,266,855**	**P 158,266,855**	P 176,760,184	P 176,760,184
Advances from stockholders	**46,057**	**46,057**	46,057	46,057
	P 158,312,912	**P 158,312,912**	P 176,806,241	P 176,806,241

9.2 Offsetting Financial Assets and Financial Liabilities

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the Company and counterparties (i.e., related parties including subsidiaries and associates) allows for net settlement of the relevant financial assets and financial liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis; however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

By default, the Company does not elect to settle financial assets and financial liabilities with counterparties through offsetting. Gross settlement is generally practiced.

10. FAIR VALUE MEASUREMENTS AND DISCLOSURES

10.1 Fair Value Hierarchy

In accordance with PFRS 13, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Company uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

The Company has no financial assets or financial liabilities measured at fair values.

10.2 Fair Value Measurement for Non-financial Assets

The fair value of the Company's land as of March 31, 2017 and December 31, 2017 is classified under Level 3 in the fair value hierarchy. The Level 3 fair value of land was derived using market comparable approach that reflects recent transaction prices for similar properties in nearby locations, adjusted for key attributes such as property size, age, condition and accessibility of the land. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

There has been no change to the valuation techniques used by the Company during the year for its non-financial assets. Also, there were no transfers into or out of Level 3 fair value hierarchy as of March 31, 2017 and December 31, 2016.

11. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to stockholders by pricing products and services commensurate with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity as presented in the statements of financial position.

There were no internally and externally imposed capital requirements to be complied with as of March 31, 2017 and December 31, 2016.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to stockholders, issue new shares or sell assets to reduce debt.

12. EVENTS AFTER THE END OF THE REPORTING PERIOD

Any post-year event that provides additional information about the Company's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting entries, if any, are disclosed when material to the financial statements.

EXHIBIT 6

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

Results of Operation

(Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of March 31, 2017 versus March 31, 2016

Sales Revenues increased to P 321.28M from P 277.26M or by P 44.02M or 15.88%. This was due to the increase in sales of Compounds Division and Pipe Group.

Cost of Sales rose by 15.85% from P198.79M in first quarter 2016 to P230.30M in first quarter of 2017 due to increase in production.

Gross Profit Margin increased to P 90.98M from P78.47M or an increase by P12.51M or 15.94% driven by higher sales revenues.

Other Operating expenses increased by P7.12M or 23.32% from P 30.52M in first quarter of 2016 to P37.64M in first quarter 2017 due to increase in selling and marketing expenses to generate higher revenues.

Other Income (net) which included net foreign exchange gain loss, interest income and other miscellaneous income, increased by P2.68M from other charges (net) of P 1.67M in first quarter 2016 to other income (net) of P 1.02M for first quarter 2017 or 161.07%. Foreign exchange gains during the period mostly accounted for the increase.

Tax expense increased by P2.28M from P14.04M in first quarter 2016 to P16.32M for the same period in 2017 or 16.24% due to higher taxable income.

Financial Condition

Review of financial condition as of March 31, 2017 compared with financial condition as of December 31, 2016

Cash and cash equivalents decreased by P24.51M or 23.25% from P105.40M to P80.89M due to settlement of payables and purchases.

Trade and Other Receivables increased by P39.03M or 15.42% from P253.20M to P292.24M due mostly to the increase in sales revenues.

Other Non-current Assets increased by P 0.72M or 5.51% from P13.11M to P13.83M due to increase in deferred input taxes from purchase of capital goods.

Trade and Other Payables decreased by P 16.45M or 8.80% from P187M to P170.55M due to settlement of payables.

Income tax payable increased by P8.80M or 139% from P6.33M at the end of December 2016 to P15.14M due to higher taxable income.

Total Equity increased by P38.03M or 4.08% from P932.45M to P970.48M due to increase in Retained Earnings from Net Profit after Tax during the period.

<u>Material Changes as of March 31, 2017 Financial Statements</u>

Statement of Financial Position

(Increase/decrease of 5% or more versus December 31, 2015)

23.25% decrease in cash and cash equivalents
Due to settlement of payables and payment of purchases

15.42% increase in trade and other receivables
Primarily due to increase in sales revenue

5.51% increase in other non-current assets
Due to deferred taxes on purchases of capital goods

8.80% decrease in trade and other payables
Due to settlement of payables

13.63% increase in post employment defined benefit obligation
Due to accrual of retirement liability

17.59% increase in retained earnings
Due to taxable income for the quarter

Statement of Income

(Increase/decrease of 5% or more versus March 31, 2016)

15.88% increase in revenues
Due to higher sales for the period

15.94% increase in gross profit
Due to higher sales for the period

23.32% increase in other operating expenses
Due to increase in salaries, selling and marketing expenses to boost sales revenues

161.07% increase in other income (net)

Due to foreign exchange gains incurred, and increase in interest income and other miscellaneous income

16.24% increase in income tax expense
Due to higher taxable income

There are no other significant changes in the Company's financial position (5% or more) and condition that will warrant a more detailed discussion. Further, there are no material events and uncertainties known to management that would have impact or change the reported financial information and condition of the Company.

There are no known trends or demands, commitments, events or uncertainties that would result in or that are reasonably likely to result in increasing or decreasing the Company's liquidity in any material way. The Company does not anticipate having any cash flow or liquidity problems. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

The Company has no unusual nature of transactions or events that affects assets, liabilities, equity, net income or cash flows.

The unaudited interim financial statements do not include all the information or disclosure required in the financial statements and should be read in conjunction with the Company's audited annual financial statements as of and for the year ended December 31, 2016.

The accounting policies and methods of computation adopted in preparation of the Company's unaudited interim financial statements are the same with the most recent audited annual financial statements for the year ended December 31, 2016.

There were no known material events subsequent to the end of the interim period that have not been reflected in the Company's Financial Statements for the first quarter of 2017.

There were no changes in estimates of amount reported in the current financial year or changes in estimates of amounts reported in prior financial years.

There was no contingent liability reflected in the most recent annual financial statements, the same in the current year financial statements for the first quarter of 2017. There are commitments, guarantees, and contingent liabilities that arise in the normal course of operations of the Company which are not reflected in the accompanying interim financial statements. The management of the Company is of the opinion that losses, if any, from these items will not have any material effect on its interim financial statements.

There are no material commitments for capital expenditures, events or uncertainties that have had or that are reasonable expected to have material impact on the continuing operations of the Company.

Item 3 - Aging of Accounts Receivable

EXHIBIT 7

CROWN ASIA CHEMICALS CORPORATION
(Formerly Crown Asia Compounders Corporation)
Aging of Accounts Receivable
As of March 31, 2017
(Amounts in Philippine Pesos)
(UNAUDITED)

Type of Receivable	Balance	Current/ Not yet due	Over 30 Days	Over 60 days	Over 90 days	Over 120 days
a. Trade and Other Receivables-net (except Advances to Suppliers)	275,466,931	217,464,788	27,568,162	9,972,453	6,950,360	13,511,167

Item 4 – Key Performance Indicators

Key Performance Indicators

LIQUIDITY RATIOS		
Key Indicators	**March 31, 2017**	**December 31, 2016**
Current ratio	4.46 : 1.00	4.15 : 1.00
Acid test ratio	2.01 : 1.00	1.85 : 1.00
Book value per share	1.54	1.48
	SOLVENCY RATIOS	
Key Indicators	**March 31, 2017**	**December 31, 2016**
Debt to equity ratio	0.21 : 1.00	0.23 : 1.00
Asset to equity ratio	1.21 : 1.00	1.23 : 1.00
	PROFITABILITY RATIOS	
Key Indicators	**March 31, 2017**	**March 31, 2016**
Earnings per share	0.06	0.05
Return on assets	3.28%	3.10%
Return on equity	4.00%	3.72%
Gross profit ratio	28.32%	28.30%
Net profit ratio	11.84%	11.63%

Notes:

1. Current Ratio (Current Assets/Current Liabilities)
   To test the Company's ability to pay its short-term debts
2. Acid Test Ratio (Quick Assets/Current Liabilities)
   Measures the Company's ability to pay its short-term debts from its most liquid assets without relying on inventory.
3. Book Value per Share (Equity/Shares Outstanding)
   Measures the amount of net assets available to stockholders of a given type of stock.
4. Debt to Equity Ratio (Total Liabilities/Total Equity
   Measures the amount of total assets provided by stockholders
5. Asset to Equity Ratio (Total Assets/Total Equity)
   Shows the relationship of the total assets to the portion owned by the stockholders. Indicates the Company's leverage, the amount of debt used to finance the firm.
6. Earnings per Share (Net Profit/Shares Outstanding)
   Reflects the Company's earning capability.
7. Return on Assets (Net Profit/Average Total Assets)
   Indicates whether assets are being used efficiently and effectively
8. Return on Equity (Net Profit/Total Equity)
9. Gross Profit Ratio (Gross Profit/Revenues)
   Measures the percentage of gross income to sales
10. Net Profit Ratio (Net Profit/Revenues)
    Measures the percentage of net income to sales

PART II--OTHER INFORMATION

There is no information not previously reported in a report on SEC Form 17-C.

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 ASIA CHEMICALS CORPORATION
Issuer

By:

TITA P. VILLANUEVA
VP-Comptroller