$p\cdot q \mod (X^n+1) = p\cdot q + w\cdot (X^n+1)$ for some w. We question whether $p(r)\cdot q(r) = ?(p\cdot q)(r)$

But we actually have:

$$(p \cdot q)(r) \mod (X^n + 1) = (p \cdot q + w \cdot (X^n + 1))(r) =$$

= $p(r) \cdot q(r) + w(r) \cdot (r^n + 1)$

So if we apply modulus on both sides of the equation ($\mod r^n + 1$) we should be able to eliminate the difference: