

CEU swings to profitability with P71-million income

CENTRO Escolar University (CEU) registered a P71.46-million attributable net income in the first quarter as it recorded higher revenues early in its fiscal year, turning around from a net loss of P80.89 million last year.

The company's financial year starts in June and ends in May of the following year.

For the three months that ended in August, the company's topline reached P412.45 million, 73.8% higher than the previous year's P237.27 million.

Tuition and other school fees contributed to the highest revenue with P360.27 million, a 65.35% jump from P217.88 last year, after the university booked P110.42 million income from other school services.

According to its quarterly report, income from other school services include fees for diploma and certifi-

cates, transcript of records, student handbooks, identification cards, entrance and qualifying examination, and various collections for specific items or activities.

Revenues from its auxiliary services climbed to P43.35 million in the quarter, more than four times the P9.07 million a year ago.

The company's interest income was also higher at P603,646, climbing by 62.2% from P372,283 last year.

Meanwhile, CEU's expenses were higher by 7.2% to P340.99 million in the quarter from P318.16 million in the same period last year.

CEU's subsidiaries include Centro Escolar University Hospital, Inc., Centro Escolar Integrated School, and Centro Escolar Las Piñas.

On the stock market on Monday, shares in CEU lost 1 centavo or 0.13% to P7.69 apiece. — **Justine Irish D. Tabile**

Force majeure granted to PXP exploration contracts

PXP Energy Corp. said on Monday that the Department of Energy (DoE) granted the declaration of force majeure for two service contracts separately operated by the company and its subsidiary in northwest Palawan.

Pangilinan-led PXP Energy told the stock exchange that it received the DoE's response dated Oct. 11, 2022 to the company's request dated April 11, 2022 regarding the suspension of exploration activities under Service Contract (SC) 75.

It also said that Forum (GSEC 101) Ltd., as operator of SC 72, also received a similar response from the department.

SC 72 covering Recto Bank has a total area of 8,800 square kilometers. Within this block is the Sampaguita gas discovery, which is estimated to contain about 2.6

trillion cubic feet of contingent gas resources. It is operated by PXP Energy's subsidiary Forum (GSEC 101) with a 70% participating interest.

Exploration activities in the areas covered by the two service contracts had been suspended after the DoE's directive to put on hold "all exploration activities for SC 75 and SC 72 until such time that the [Security, Justice and Peace Coordinating Cluster or SJPCC] has issued the necessary clearance to proceed."

SJPCC is composed of the Department of the Interior and Local Government, Department of Foreign Affairs, Department of National Defense, Department of Justice, and the Office of the Presidential Adviser on the Peace Process with the National Security Council as secretariat.

For SC 75, the DoE said that total expenses amounting to about \$5.18 million that were incurred as a result of the DoE directive will be part of the recoverable costs, subject to the department's audit.

The department also said that the suspension nullified all the work done since the previous lifting of force majeure on Oct. 14, 2020.

"Hence, SC 75 shall, in addition to the period [from April 6, 2022 until the force majeure's lifting], be entitled to an extension of the exploration period corresponding to the number of days that the contractors actually spent in preparation for the activities that were suspended by the [DoE's] suspension order," it said.

For SC 72, the corresponding expenses incurred as a result of the DoE directive were placed at around \$8.603 million.

PXP Energy holds a 50% interest in SC 75 located in northwest Palawan. Forum Energy Ltd., in which PXP Energy holds a direct and indirect interest of 79.13%, has a 70% participating interest in SC 72, also in northwest Palawan, through its wholly-owned subsidiary Forum (GSEC 101).

PXP Energy has a total economic interest of 54.36% in SC 72.

On Friday, Energy Undersecretary Giovanni Carlo J. Bacordo, said during the Norway-Philippines Maritime and Energy Conference that companies must submit a work program to regulators before any exploration activities can resume in the West Philippine Sea.

On Monday, shares in the company closed 14.71% higher or P0.75 to finish at P5.85 apiece. — **A.E.O. Jose**

FEU net loss widens to P93.99M

FAR EASTERN UNIVERSITY, Inc. (FEU) incurred a net loss of P93.99 million in the first quarter of its financial year, more than twice the previous year's P40.35-million loss, despite booking higher revenues.

FEU, whose fiscal year starts in June and ends in May of the following year, booked P421.95 million in revenues during the quarter, 3.5% higher than the P407.64 million in the same period last year.

The bulk of its revenue came from the educational segment, with net tuition fees amounting to P377.74 million, a 0.1% climb from P377.36 million in 2021. Rental revenue declined to P5.47 million, 50.5% lower than P11.06 million last year.

During the period, FEU registered higher operating costs. Its operating expenses climbed to P564.05 million, a 12.3% jump from P502.09 million

last year. Its operating loss climbed by 50.5% to P142.06 million from P94.4 million a year ago.

Operating income was lower by 23.4% at P34,179 in the first quarter, from P44,609 in 2021. Its finance income fell by 38.3% to P36.61 million in the three months ended August, from P59.3 million in the previous year.

FEU is a 94-year-old Philippine-based proprietary educational institution that has seven institutes. It is the parent company to East Asia Computer Center, Inc., Far Eastern College-Silang, Inc., FEU Alabang, Inc., and FEU High School, Inc.

It holds interest in Roosevelt College, Inc., Roosevelt College Educational Enterprises, Edustris, Inc., and Fern Realty Corp.

On the stock market on Monday, shares in FEU closed unchanged at P530.50 apiece. — **Justine Irish D. Tabile**

Upson to use eco-friendly packaging in its stores

TECH retailer Upson International Corp. will eliminate single-use plastic and paper bag packaging across its stores as it fully transitions to reusable bags.

"We recognize the need for businesses to help address the challenges facing our world today including global issues such as single-use packaging," Upson President and Chief Executive Officer Arlene Louisa T. Sy said in a press release.

"We're taking action, as appropriate, to reduce environmental damage and find new ways to continually make a positive impact for people and the planet," Ms. Sy added.

The reusable bags are made from non-woven polypropylene which Upson said is more durable than single-use plastics and

paper bags and can withstand handling and transport after being used multiple times.

As the production of cotton bags takes less energy, this results in lesser carbon emissions.

"There is also no clear answer on which bag is the best and most sustainable. But we keep working with customers to help reduce packaging waste. To this end, we provide an eco-friendly packaging that is suitable for our products," Ms. Sy said.

Upson said that according to the Sustainability Accounting Standards Board standards, one of the material sustainability issues for retailers and distributors is the packaging.

This is why companies in the multiline and specialty retail industry are recommended to engage with suppliers in coming up with a

strategy that will reduce the environmental impact of the products' packaging.

According to Upson, among the strategies the retailers and suppliers can employ are optimizing packaging weight and volume and using environment-friendly materials for packaging.

Although the company recognizes the idea that environmental, social, and governance considerations will only become important in the long term, it said that it will continue evaluating the standards as a guide in its governance and reporting.

Upson offers its retail products through its stores: Octagon Computer Superstore, Micro Valley, and Gadget King. — **Justine Irish D. Tabile**



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