

**WILCON**

**DEPOT**

# 2022 AGCo EMERGING & FRONTIER MARKETS CONFERENCE

OCTOBER 28, 2022 | 8:00 AM

45  
YEARS  
WILCON







# THIRD QUARTER 2022 RESULTS

**KOHLER**  
kumin  
Faucet Collection



Pure Freude  
an Wasser

MASTERS OF TECHNOLOGY



SWITCH TO AUTOMATIC  
And Say Goodbye to Manual Temperature Mixing

**PLUMBING**

← 17A      17B →

**PLUMBING**

← 18A      18B

Shower Mixer  
Kitchen Faucet  
Lavatory Faucet

Water Pressure

**PLUMBING**

← 16A      16B →

← 17A      17B →

Shower Mixer  
Kitchen Faucet  
Lavatory Faucet


**ARISTON**

INSTANT HEATING,  
CONSTANT TEMPERATURE

**KOHLER**

ARISTON

INSTANT HEATING,  
CONSTANT TEMPERATURE





# 3Q 2022 RESULTS HIGHLIGHTS

## Financial Highlights

- ✓ Php 8.780B Net Sales
- ✓ 32.6% y-o-y Net Sales growth
- ✓ Php 1.104B NIAT
- ✓ 77.5% y-o-y NIAT growth
- ✓ 39.4% GPM
- ✓ 20.0% EBITDAM
- ✓ 16.7% EBITM

## Comparable Sales Summary

- 23.5% SSSG
- 10.8% Transaction Count
- 11.4% Ticket Size

## Total Sales Mix

51.1%  
In-house & exclusive  
contribution

Product categories performing  
better than average growth



Plumbing & Sanitary Wares   Furniture, Furnishing & Houseware   Paints & Sundries   Building Materials   Appliances

## 3<sup>rd</sup> QUARTER 2022

### BANTAY, ILOCOS SUR



### HE, TAGAYTAY CITY



### ABUCAY, BATAAN

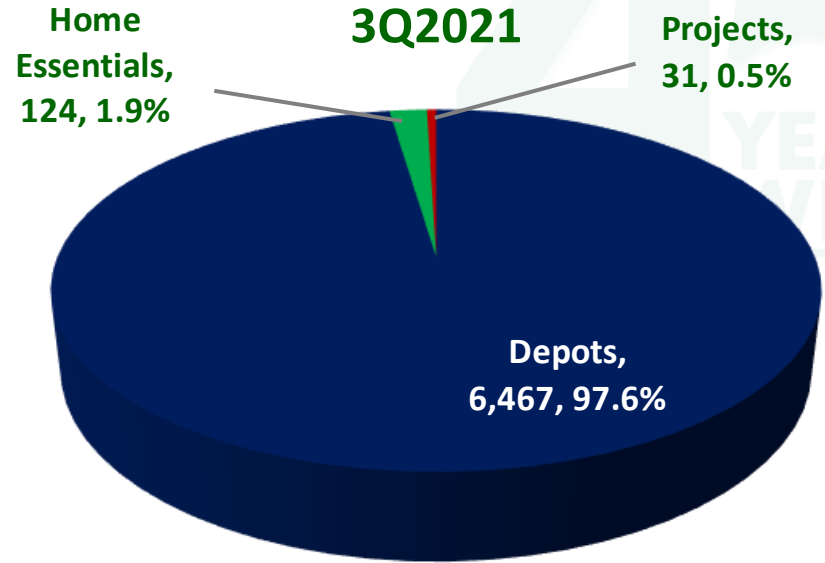
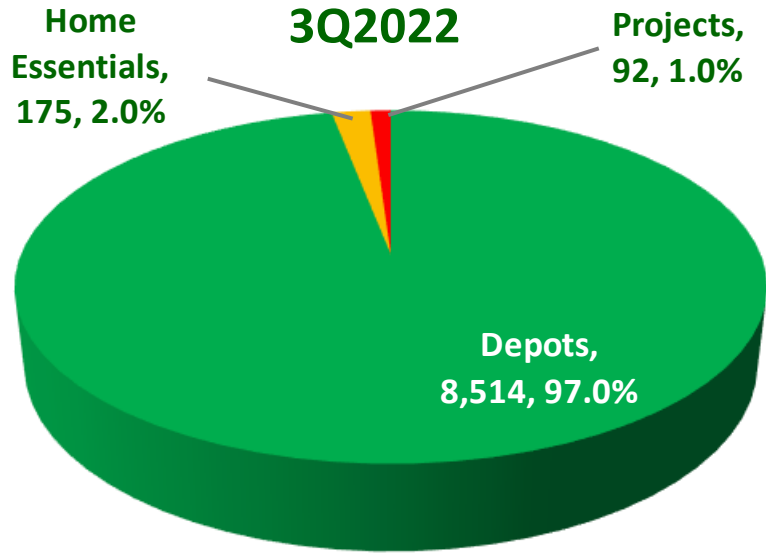


### CALAPAN, ORIENTAL MINDORO

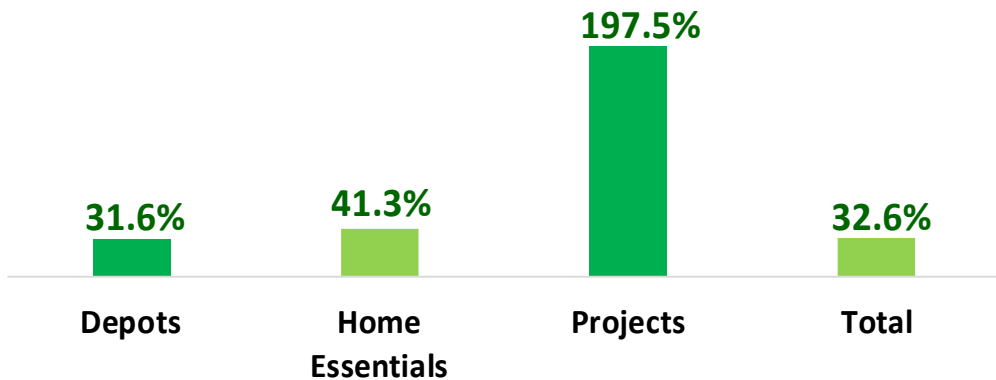


# Total Net Sales Breakdown – 3Q 2022

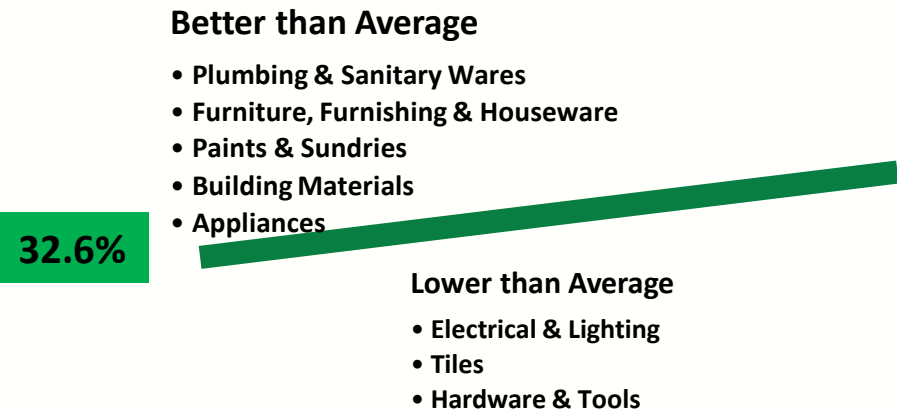
Php Millions



## Sales Growth per Store Format 3Q2022 VS 3Q2021



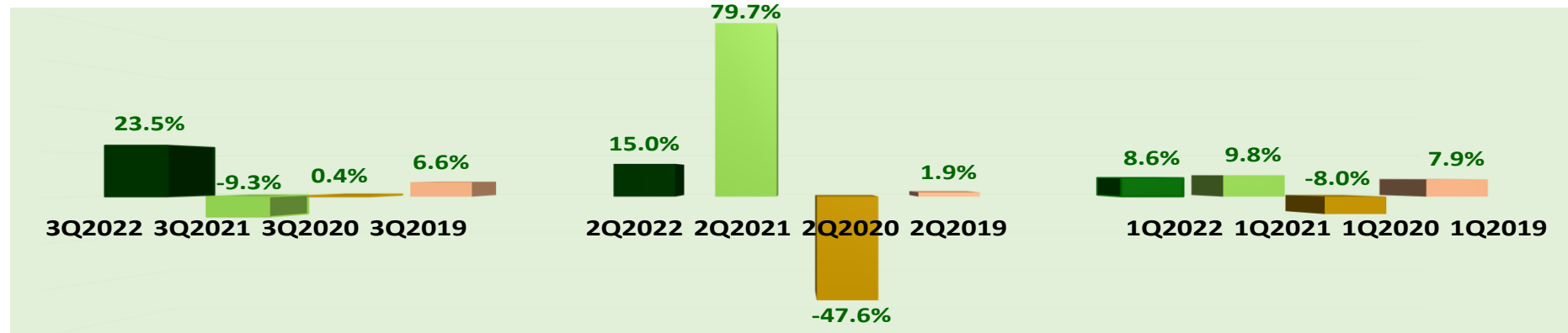
## Product Category Performance 3Q2022 VS 3Q2021



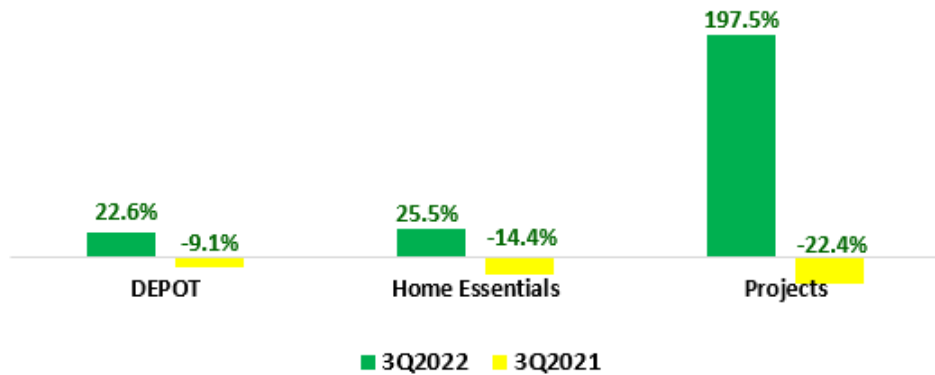
# Comparable Sales Summary



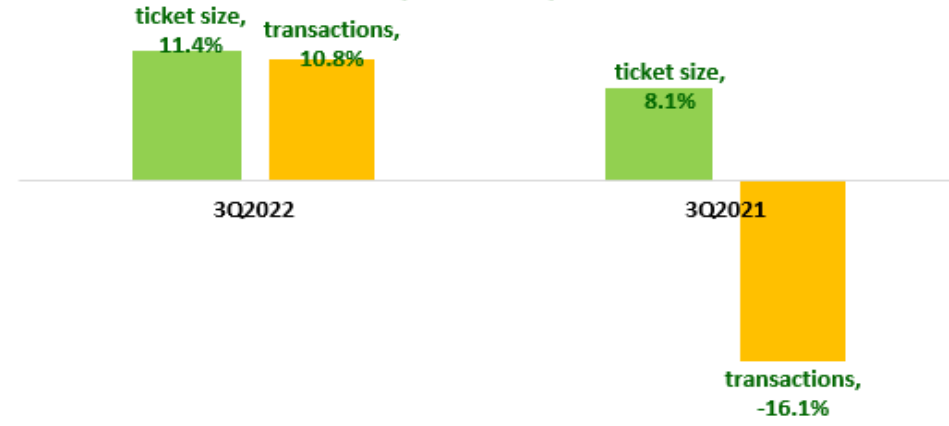
## Quarterly Trend



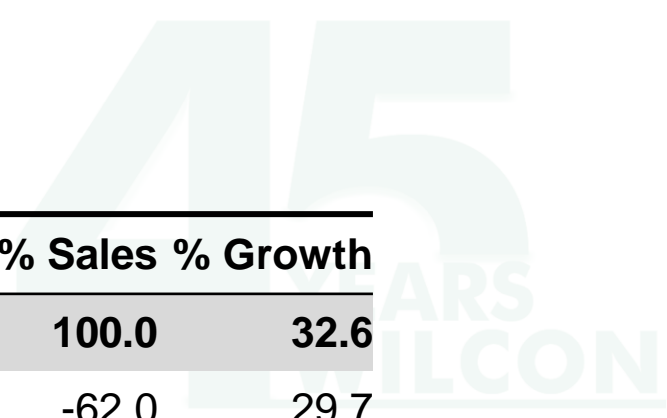
## Comparable Sales per Format 3Q2022 vs 3Q2021



## Comparable Ticket Size and Number of Transactions 3Q2022 vs 3Q2021



# THIRD QUARTER 2022



(In Php MM)	3Q2022	% Sales	3Q2021	% Sales	% Growth
<b>Net Sales</b>	<b>8,780</b>	<b>100.0</b>	<b>6,622</b>	<b>100.0</b>	<b>32.6</b>
Cost of Sales	-5,322	-60.6	-4,104	-62.0	29.7
<b>Gross Income</b>	<b>3,459</b>	<b>39.4</b>	<b>2,517</b>	<b>38.0</b>	<b>37.4</b>
Operating Expenses	-1,985	-22.6	-1,663	-25.1	19.3
Interest Exp (Lease Liab)	-149	-1.7	-120	-1.8	24.5
Other Income - Net	139	1.6	85	1.3	63.8
<b>Income from Operations</b>	<b>1,464</b>	<b>16.7</b>	<b>819</b>	<b>12.4</b>	<b>78.7</b>
Non PFRS16 Depreciation & Amortization	351	4.0	306	4.6	14.4
<b>EBITDA - Adjusted</b>	<b>1,814</b>	<b>20.7</b>	<b>1,126</b>	<b>17.0</b>	<b>61.2</b>
Non-operating income	6	0.1	8	0.1	-17.6
<b>Income Before Tax</b>	<b>1,470</b>	<b>16.7</b>	<b>827</b>	<b>12.5</b>	<b>77.8</b>
Income tax	-366	-4.2	-205	-3.1	78.7
<b>Net Income</b>	<b>1,104</b>	<b>12.6</b>	<b>622</b>	<b>9.4</b>	<b>77.5</b>

GPM rate increased to 39.4%

Lease-related expense







# NINE MONTHS 2022 RESULTS





# 9M 2022 Results Highlights

## Financial Highlights

- ✓ Php 24.723B Net Sales
- ✓ 23.3% y-o-y Net Sales growth
- ✓ Php 2.960B NIAT
- ✓ 58.3% y-o-y NIAT growth
- ✓ 38.9% GPM
- ✓ 19.3% EBITDAM
- ✓ 15.9% EBITM

## Comparable Sales Summary

- 15.7% SSSG
- 3.2% Transaction Count
- 12.0% Ticket Size

## Total Sales Mix

51.1%  
In-house & exclusive  
contribution

Product categories performing  
better than average growth



Php 1.962B CAPEX

Opened 7  
new stores

1<sup>ST</sup> HALF 2022

- Mayamot, Antipolo
- Gapan, Nueva Ecija
- Lemery, Batangas

3<sup>rd</sup> QUARTER 2022

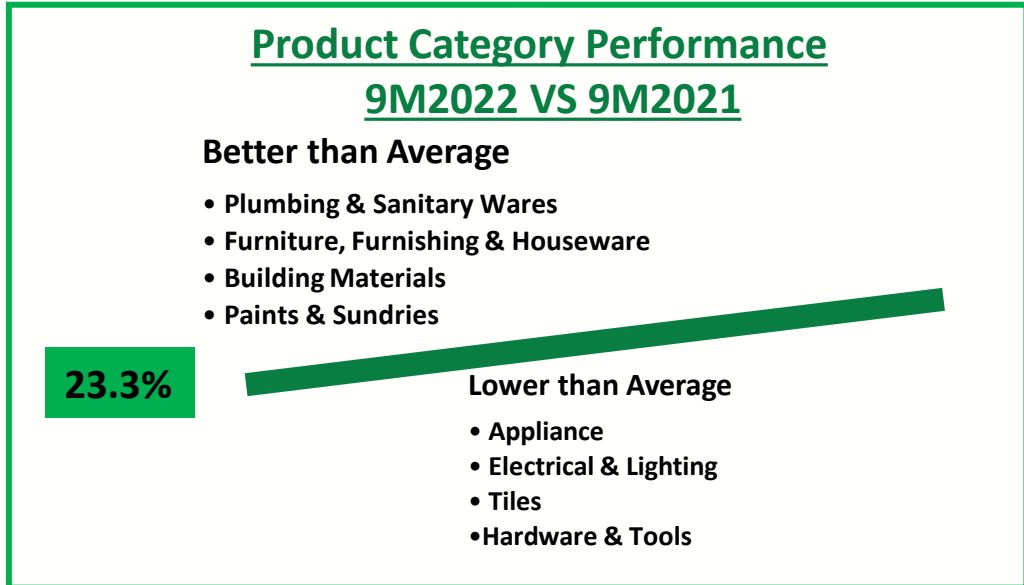
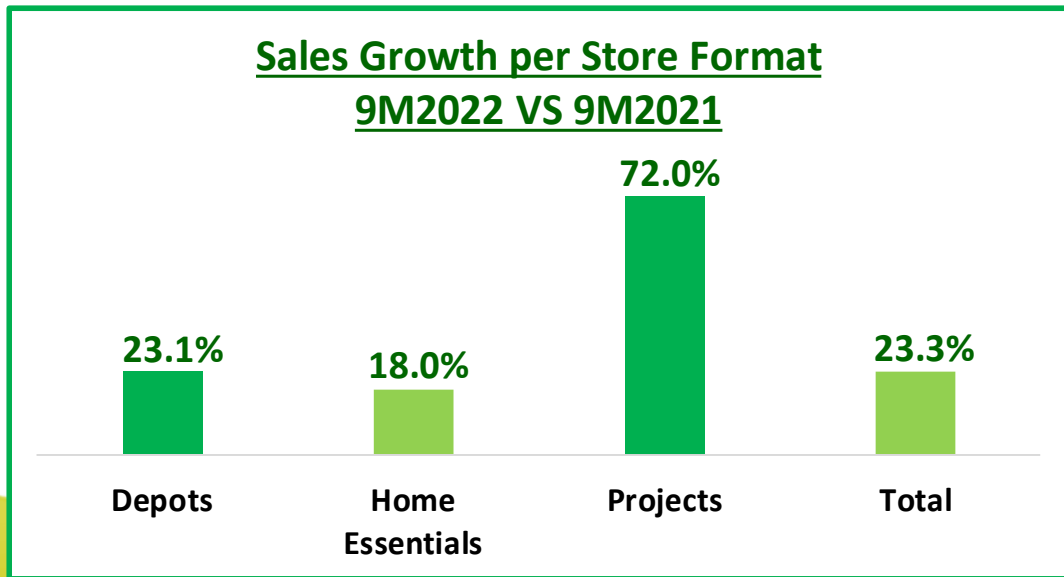
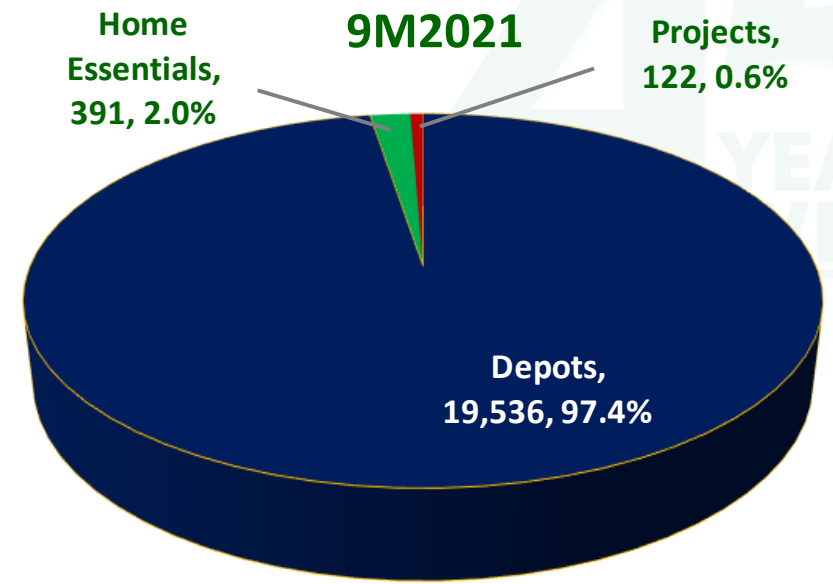
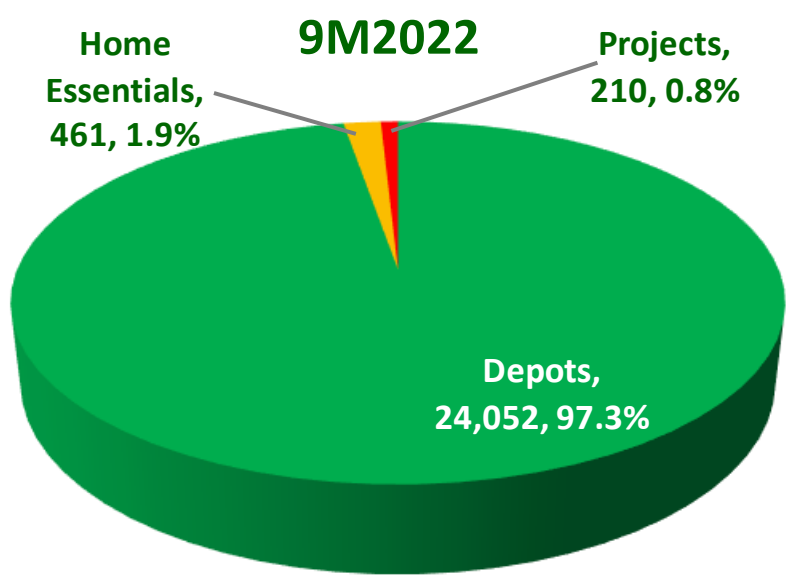
- HE, Tagaytay City
- Bantay, Ilocos Sur
- Abucay, Bataan
- Calapan, Oriental Mindoro





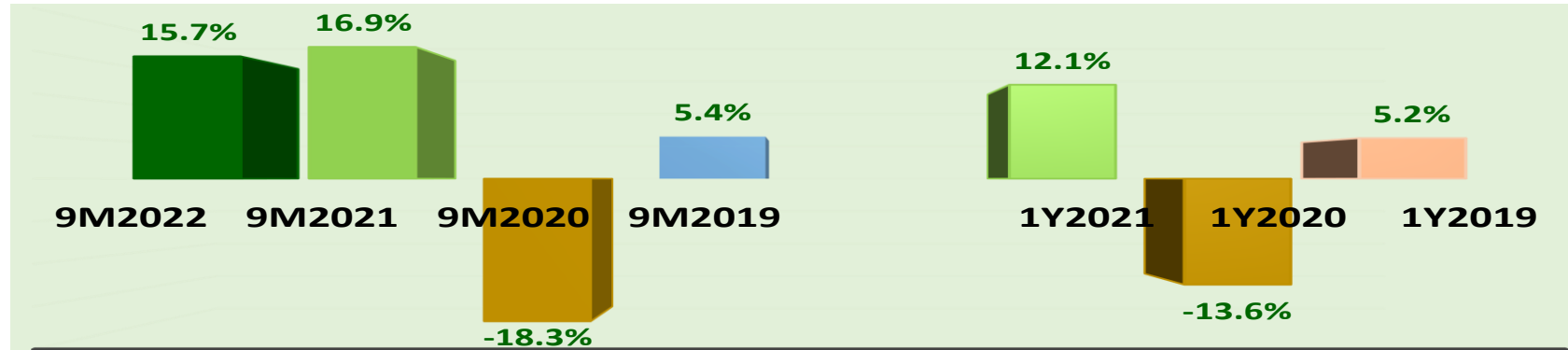
# Total Net Sales Breakdown – 9M 2022

Php Millions

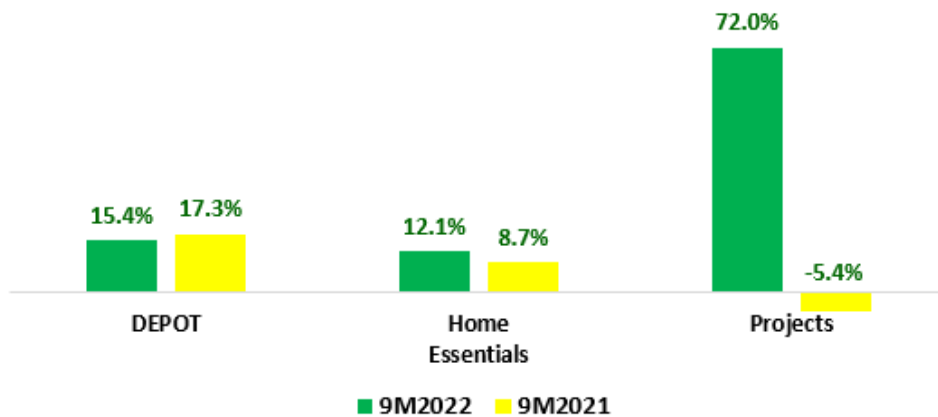


# Comparable Sales Summary

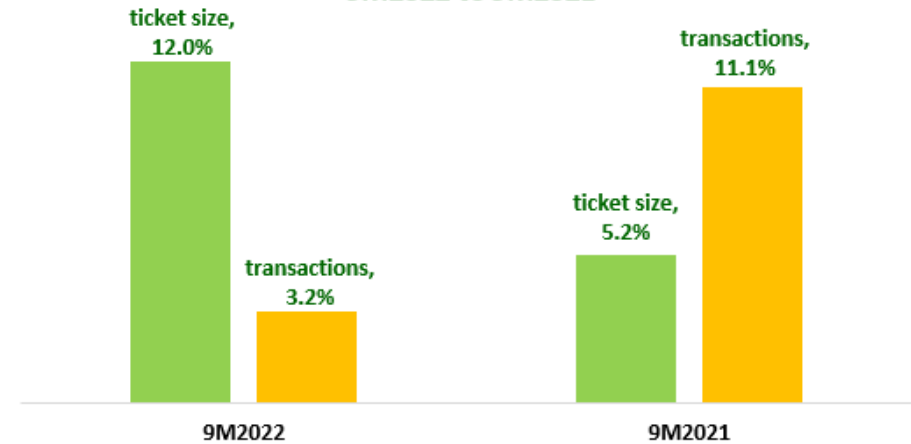
## Trend



Comparable Sales per Format  
9M2022 vs 9M2021



Comparable Ticket Size and Number of Transactions  
9M2022 vs 9M2021





# Nine Months 2022

(In Php MM)	9M2022	% Sales	9M2021	% Sales	% Growth
<b>Net Sales</b>	<b>24,723</b>	<b>100.0</b>	<b>20,048</b>	<b>100.0</b>	<b>23.3</b>
Cost of Sales	-15,105	-61.1	-12,617	-62.9	19.7
<b>Gross Income</b>	<b>9,617</b>	<b>38.9</b>	<b>7,432</b>	<b>37.1</b>	<b>29.4</b>
Operating Expenses	-5,588	-22.6	-4,818	-24.0	16.0
Interest Exp (Lease Liab)	-395	-1.6	-353	-1.8	12.0
Other Income - Net	299	1.2	218	1.1	36.9
<b>Income from Operations</b>	<b>3,933</b>	<b>15.9</b>	<b>2,479</b>	<b>12.4</b>	<b>58.6</b>
Non PFRS16 Depreciation & Amortization	996	4.0	893	4.5	11.6
<b>EBITDA - Adjusted</b>	<b>4,929</b>	<b>19.9</b>	<b>3,372</b>	<b>16.8</b>	<b>46.2</b>
Non-operating income	11	0.0	24	0.1	-56.2
<b>Income Before Tax</b>	<b>3,944</b>	<b>16.0</b>	<b>2,504</b>	<b>12.5</b>	<b>57.5</b>
Income tax	-983	-4.0	-634	-3.2	55.1
<b>Net Income</b>	<b>2,960</b>	<b>12.0</b>	<b>1,870</b>	<b>9.3</b>	<b>58.3</b>

GPM rate increased  
to 38.9%

Lease-related expense

# Balance Sheet

	Unaudited Sep 30, 2022	Audited Dec 31, 2021
Current Assets	16,478	17,189
Noncurrent Assets	18,119	15,149
<b>Total Assets</b>	<b>34,596</b>	<b>32,337</b>
Current Liabilities	7,340	8,880
Noncurrent Liabilities	7,679	5,979
<b>Total Liabilities</b>	<b>15,019</b>	<b>14,859</b>
Capital Stock	4,100	4,100
Additional Paid-in Capital	5,374	5,374
Other Comprehensive Loss	100	100
Retained Earnings	10,005	7,905
<b>Total Equity</b>	<b>19,578</b>	<b>17,478</b>
Current ratio	2.25	1.94
Quick ratio	0.39	0.50
Debt to equity ratio	0.77	0.85
Return on asset	8.6%	7.9%
Return on equity	16.0%	14.7%

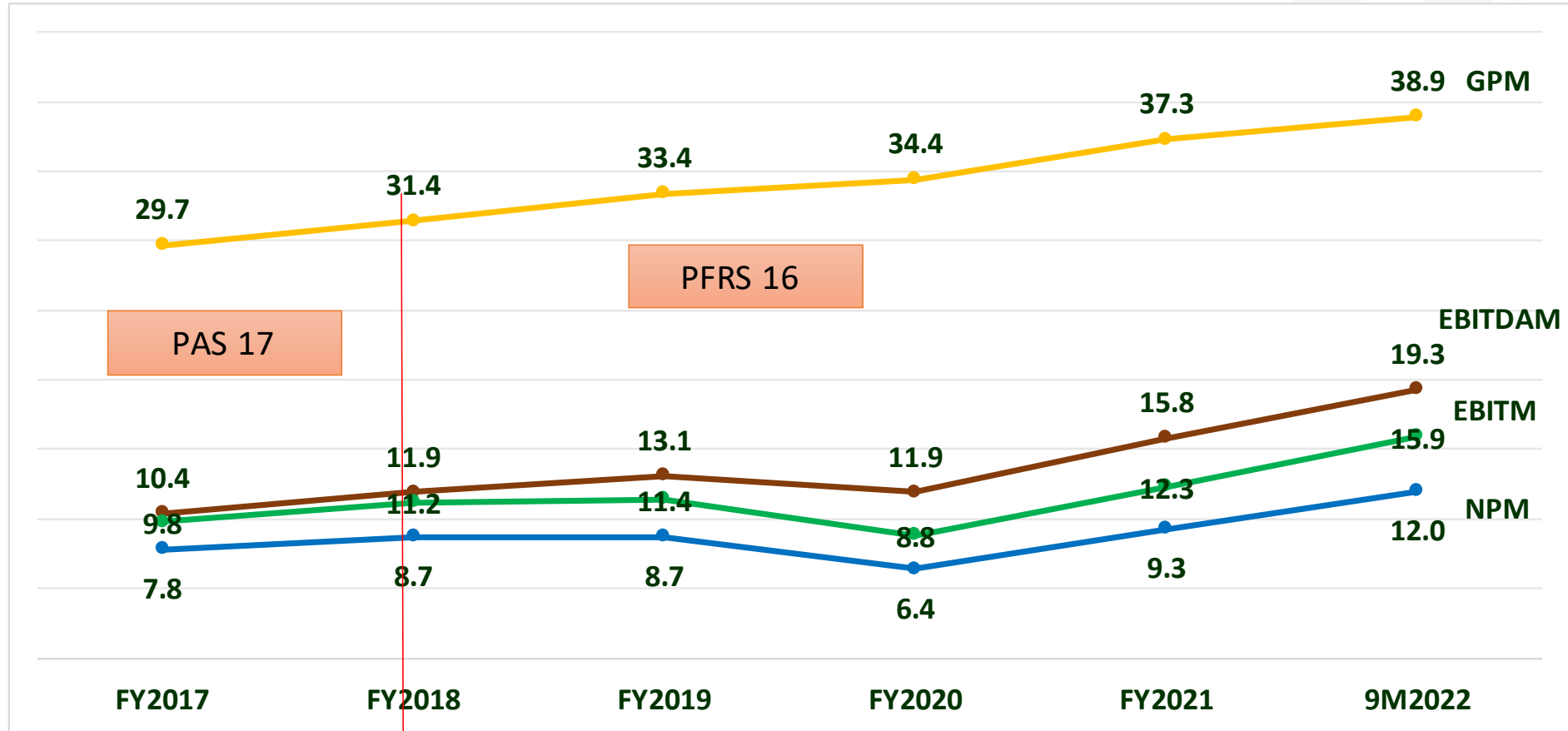


# 9M 2022 CAPEX Investment



Capex Breakdown	9M2022 Actual Spent
Expansion-related (new stores, renovations, eqpt, warehouses, etc)	1,782
Solar Panel Project	83
IT Infrastructure and Projects	97
<b>Total CAPEX</b> <i>(in millions Php)</i>	<b>1,962</b>

# Improving Margins



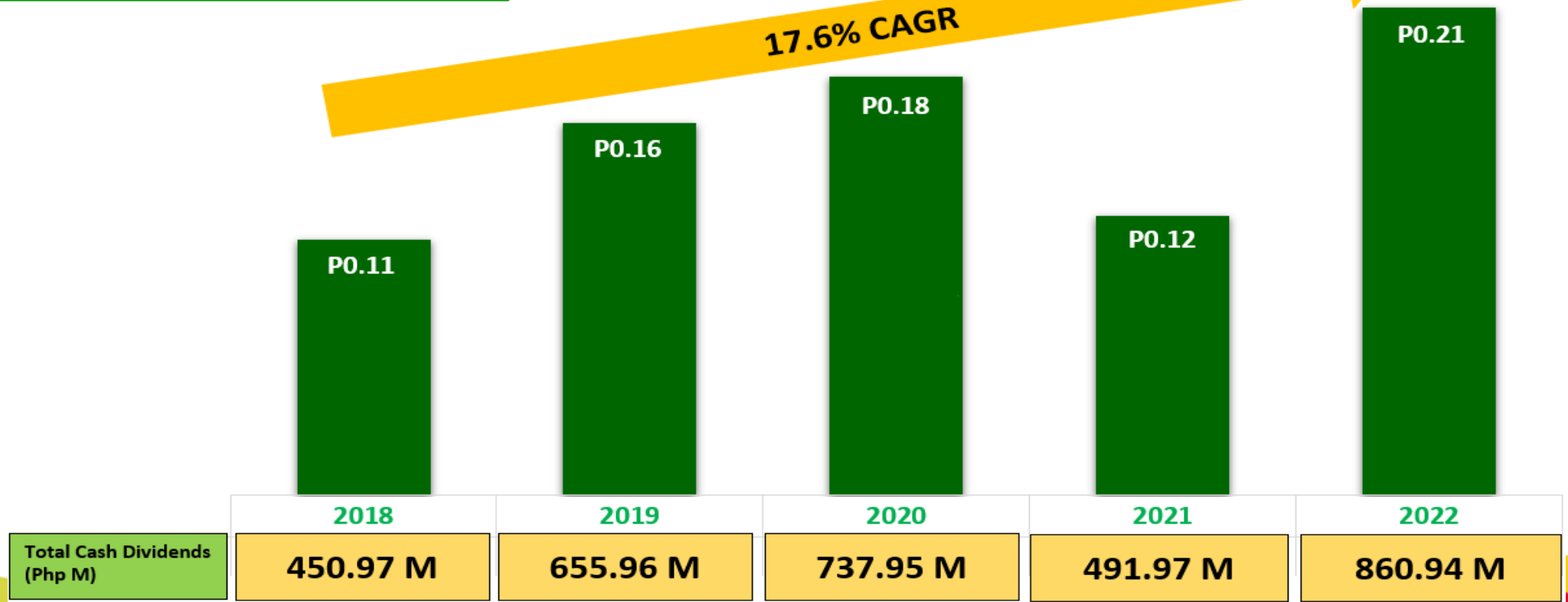
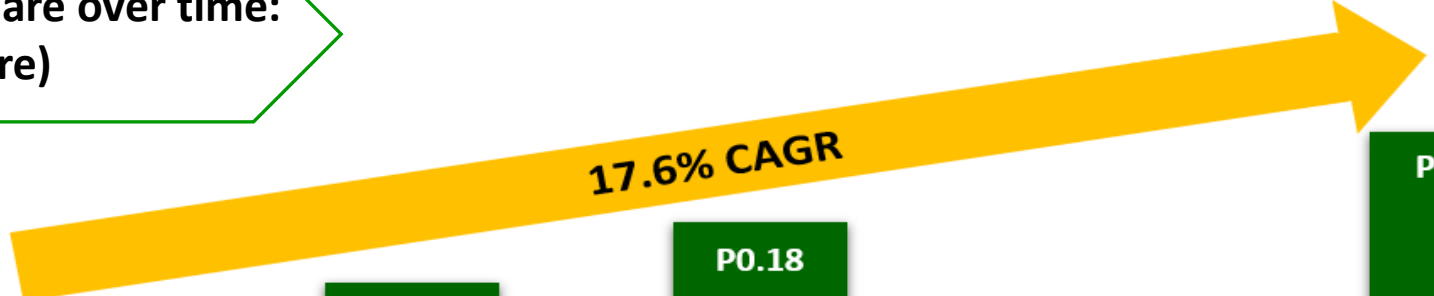
Note: ROU depreciation and interest expense charged on lease liability were considered as rent expense for 2019, 2020, 2021 and 2022.



# Returning Value to Shareholders

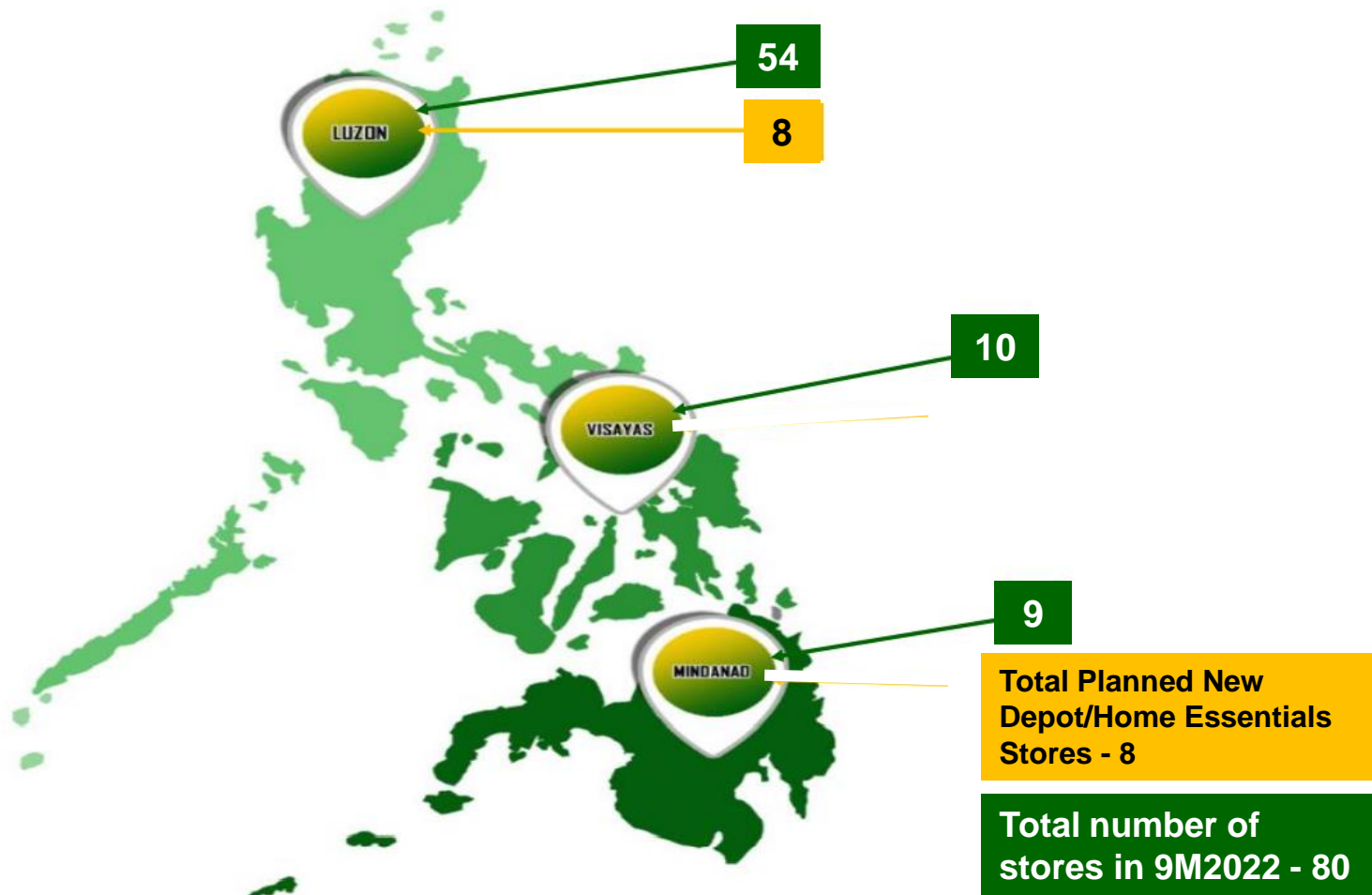
45 YEARS CON

Cash Dividend per share over time:  
(Php/share)



WILSON DEPOT

# 2022 Planned New Branches



	2022
Beg. Balance	73
1st Half	Mayamot, Antipolo Mar, 2022
	Gapan, Nueva Ecija Apr, 2022
	Lemery, Batangas May, 2022
2nd Half	HE, Tagaytay City Jul, 2022
	Bantay, Ilocos Sur Jul, 2022
	Abucay, Bataan Sep, 2022
	Calapan, Oriental Mindoro Sep, 2022
	Bauang, La Union
<b>Total, end</b>	<b>81</b>



Store network expansion



Continue to build and develop in-house products and carry exclusive brands



Physical and online store layout, features and customer experience enhancements



Further strengthen and increase brand awareness and visibility

A circular inset image showing a modern kitchen with light-colored tiled walls, a wooden countertop, and a sink. The text 'Key Growth Strategies' is overlaid on the image in a large, bold, black font.

# Key Growth Strategies



# Store Network Expansion

# 45

**100**  
Stores  
by 2025

**2022 Planned New Branches**

## WILCON STORES

### METRO MANILA (DEPOT)

- VALENZUELA CITY
- FAIRVIEW
- QUIRINO
- BALINTAWAK
- QUEZON AVENUE
- LIBIS
- CAPITOL-COMMONWEALTH
- WILCON IT HUB
- SUCAT
- ALABANG
- FILINVEST
- PASONG TAMO

12

### METRO MANILA (HOME ESSENTIALS)

- MINDANAO AVENUE
- CITY CENTER, VISAYAS AVENUE
- MUÑOZ
- ALI MALL
- STA. MESA
- PASAY CITY

6

HOME ESSENTIALS DEPOTS

### LUZON (DEPOT)

- LAOAG, ILOCOS NORTE
- BANTAY, ILOCOS SUR
- VILLASIS, PANGASINAN
- IGUIG, CAGAYAN
- CABANATUAN CITY, NUEVA ECJIA
- GAPAN, NUEVA ECJIA
- CORDON, ISABELA
- TARLAC CITY
- OLONGAPO CITY
- ABUCAY, BATAAN
- DAU, PAMPANGA
- SAN FERNANDO, PAMPANGA
- MEXICO, PAMPANGA
- BALIUAG, BULACAN
- SAN JOSE DEL MONTE CITY
- CALUMPIT, BULACAN
- TAYTAY, RIZAL
- SAN JUAN, TAYTAY, RIZAL
- ANTIPOLO CITY
- MAYAMOT, ANTIPOLO CITY
- SAN ISIDRO, ANTIPOLO CITY
- DASMARIÑAS CITY
- GENERAL TRIAS CITY
- KAWIT, CAVITE
- BACOOR CITY
- SILANG, CAVITE
- CALAMBA CITY
- CABUYAO CITY
- SAN PABLO CITY
- STA. ROSA CITY
- PILA, LAGUNA
- STO. TOMAS CITY
- ALANGILAN, BATANGAS CITY
- LIPA CITY
- LEMERY, BATANGAS
- TAYABAS, QUEZON
- DARAGA ALBAY
- NAGA CITY
- SORSOGON CITY
- CALAPAN, ORIENTAL MINDORO
- PUERTO PRINCESA CITY

41

### (HOME ESSENTIALS)

- SAN FERNANDO, PAMPANGA
- TAGAYTAY CITY

2

### VISAYAS (DEPOT)

- JARO, ILOILO CITY
- TACLOBAN CITY, LEYTE
- TALISAY CITY, CEBU
- MANDAUE CITY, CEBU
- STA. BARBARA, ILOILO
- MAKATO, AKLAN
- TALISAY - BACOLOD, NEGROS OCCIDENTAL
- ORMOG CITY, LEYTE
- DAUIS, BOHOL

9

### (HOME ESSENTIALS)

- FESTIVETWALK MALL, ILOILO CITY

1

### MINDANAO (DEPOT)

- BUTUAN CITY
- CAGAYAN DE ORO CITY, MISAMIS ORIENTAL
- MATINA, DAVAO CITY
- PANACAN, DAVAO CITY
- TAGUM CITY, DAVAO DEL NORTE
- ZAMBOANGA CITY
- GENERAL SANTOS CITY
- OPOL, MISAMIS ORIENTAL
- MALAYBALAY, BUKIDNON

9



**80** Stores Nationwide  
(as of September 30, 2022)



**81**

Stores Nationwide  
at year end

Total Planned New Depot/Home Essentials Stores - 8

# Continue to Increase Margins Thru In-house & Exclusive brands expansion

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- ✓ Enhance the Company's ability to provide its customers with value for money products
- ✓ Rationalize product offerings

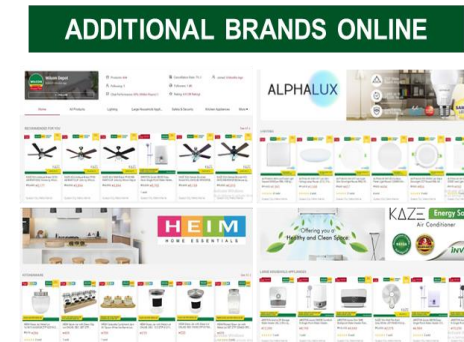
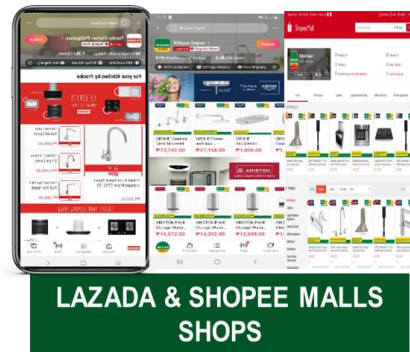
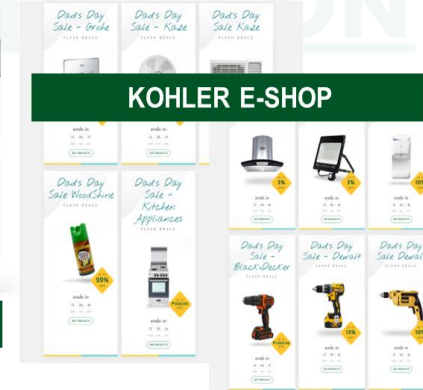
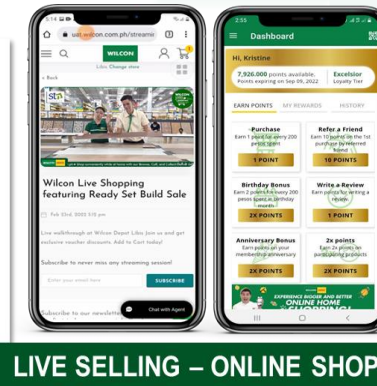


- Improve supply chain management
- Enhance marketing efforts
- Expand product lines/ product offerings



# Physical and online store layout, features and customer experience enhancements

45 YEARS WILCON



- Constant innovations in store layout, features and customer experience that add value to our relationship with our customers and consistently differentiate us from competition



# Further Strengthen and Increase Brand Awareness and Visibility



- ✓ Tap various media outlets especially social media to enhance customer's awareness
- ✓ Localization of advertising and promotions
- ✓ Use brand ambassadors to represent the Company's products and brands
- ✓ Actively participate in industry associations and trade conventions related to the construction and home improvement



# Q & A





A modern living room with a hanging chair, sofas, coffee table, and decorative elements. The room features a hanging wicker chair with brown cushions on the left, a grey sofa with pink and white pillows in the center, and a light-colored sofa on the right. A wooden coffee table with a glass pitcher and cups sits in front of the sofas. A wooden cabinet with a plant on top is on the right. A large window with curtains is on the far right. A geometric metal chandelier hangs from the ceiling. The walls are white, and a pair of gold wings is mounted on the wall. A large green plant is on the left. The floor is dark grey with a patterned rug.

**THANK YOU!**

**WILCON** **DEPOT**



# Disclaimer

The above contains statements about future events and expectations that constitute “forward-looking statements.” These forward-looking statements include words or phrases such as the Company or its management “believes”, “expects”, “anticipates”, “intends”, “may”, “plans”, “foresees”, “targets”, “aims” “would”, “could” or other words or phrases of similar import. Similarly, statements that describe the Company's objectives, plans or goals are also forward-looking statements. All such forward-looking statements are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Such forward looking statements are made based on management’s current expectations or beliefs as well as assumptions made by, and information currently available to, management. These forward-looking statements speak only as at the date of this presentation and nothing contained in this presentation is or should be relied upon as a promise, warranty or representation as to the future. The Company expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.