

COVER SHEET

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(Company's Full name)

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(Principal Office)

Atty. Sheila Pasicolan - Camerino

Contact Person

(02) 8634-8387

Tel. No.

PRESS RELEASE

1 7 - C

FORM TYPE

Secondary License, (if applicable type)

Dept. requiring this doc

N/A
Amended Articles number

Total stockholders

Domestic Foreign

To be accomplished by SEC personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 31 July 2024
Date of Report
2. SEC Identification Number - CS201524712 3. BIR Tax Identification No. - 009-192-878

4. Exact name of issuer as specified in its charter

WILCON DEPOT, INC. doing business under the name and style of WILCON DEPOT, WILCON HOME ESSENTIALS, DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT (Formerly, WILCON DEPOT, INC. doing business under the name and style of WILCON DEPOT and WILCON HOME ESSENTIALS)

5. QUEZON CITY, PHILIPPINES (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:

6. 90 E. Rodriguez Jr. Avenue, Ugong Norte, Quezon City 1110
Address of principal office Postal Code

7. (02) 8634-8387
Issuer's telephone number, including area code

8. NOT APPLICABLE
Former name or former address, if changed since last report

9. Securities registered pursuant to Sections 8 and 12 of the SRC 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 SHARES	4,099,724,116

10. Indicate the item numbers reported herein: 1
-

Item. 9. Other Events

Please see attached press release entitled "WILCON DEPOT REPORTS P1.5B 1ST HALF 2024 NET INCOME"

SIGNATURES

Registrant Atty. Sheila P. Pasicolan - Camerino
Title Asst. Corporate Secretary/Compliance Officer

Signature _____


Date 31 July 2024

WILCON DEPOT REPORTS P1.5B 1ST HALF 2024 NET INCOME

- *2nd Qtr 2024 Net sales of P8.9 billion, up 2.9% YoY*
- *1st Half 2024 Gross profit of P6.8 billion, 39.8% GPM*

Wilcon Depot, Inc., the Philippines' leading home improvement and finishing construction supplies retailer, today reported its first half 2024 financial results.

Second quarter net sales growth improved to P8.873 billion, a year-on-year increase of 2.9% or P249 million, pulling up the first half 2024 net sales to P17.184 billion and approximately equal the first half 2023 level of P17.152 billion. Gross profit margin rate expanded to 39.8% for first-half from 39.5% in the same period in 2023 to bring the gross profit level to P6.839 billion by the end of the period. Net income for the first half of 2024 totaled P1.51 billion lower by P307 million or 16.9% year-on-year due mainly to operating expenses growth outpacing net sales growth.

Wilcon's President and CEO, Ms. Lorraine Belo-Cincochan, said that, "our second quarter performance improved over that of the first quarter's to generate a net income of P770 million, while this was down 10% or P85 million year-on-year, there are one-off charges recognized this quarter of P98 million for inventory allowances and loss due to fire. The improved second quarter performance was partly due to the timing of the long holidays but we also rolled out programs focused on contractors and professionals and best deals promotions to increase turnover."

"We are looking forward to a better second half as we continue to push for higher sales while re-aligning resources deployed with the current market demand. We are continuing with our store network expansion program, opening five new stores for the first half and on track to reach our 100-store target by the end of the year", Ms. Belo-Cincochan added.

1st Half 2024 Results Highlights

Net sales for the first half 2024, amounted to P17.184 billion, approximately equal to the first half 2023 level, up P32 million or 0.2% from the same period last year, driven mainly by sales from new stores offset by the decline in comparable sales of 4.6%. Five new stores were opened during the first-half, bringing to 95 the total number of branches by the end of the period.

On a per format basis, net sales from the depot-format stores, which comprised 95.8% of total net sales, were lower by P171 million or 1.0% year-on-year to total P16.469 billion. Sales from new depots increased the first half 2024 balance by 4.1%, however, comparable sales were 5.1% lower. The smaller Do-It-Wilcon (DIW) format, recorded net sales of P488 million, a P137 million or 39.1% increase year-on-year, contributed mainly by new DIW stores. Same store sales for this smaller store format declined by 3.1%. The remaining 1.3% of total net sales was accounted for by project sales or sales to major institutional accounts, which amounted to P227 million, with a P67 million or 41.5% year-on-year increase.

Gross profit margin rate expanded by 30 basis points to 39.8%, due mainly to product mix, resulting in gross profit of P6.839 billion, up 1.0% or P69 million year-on-year.

Operating expenses including lease-related interest expense increased by P400M or 8.6% to amount to P5.077 billion while operating other income totaled P244 million, lower by P69 million or 22.1% year-on-year. Non-operating net other income (charges) amounted to P2 million with the loss due to fire of P12 million recognized in the second quarter partly offsetting the P14 million interest income.

As a result, net income amounted to P1.510 billion, P308 million or 16.9% lower year-on-year.

2nd Quarter 2024 Results Highlights

Net sales for the quarter totaled P8.873 billion 2.9% or P249 million higher year-on-year. Comparable sales were still down 2.0% year-on-year but an improvement over the 7.3% decline in the first quarter. Two new depots were opened during the quarter.

Gross profit of P3.519 billion was up P112 million or 3.3% year-on-year, attributed mainly to higher sales and the expansion in gross profit margin from 39.5% to 39.7%. Operating expenses including lease-related interest expense totaled P2.605 billion, up P242 million or 10.2% year-on-year mainly traced to expansion-related expenses. Operating other income was P20 million or 21.1% higher year-on-year at P115 million in view of increased delivery fees from customers partly offset by the lower collection of rent and rebates and other support from suppliers. Non-operating other charges of P6 million included the recognition of loss due to fire of P12 million partly offset by interest income.

Net income totaled P770 million, P85 million or 10% lower year-on-year.

Cash dividends of P1.019 billion were distributed in May 2024.

FINANCIAL HIGHLIGHTS

(In Php MM)	6M2024	% Sales	% Growth y-o-y	2Q2024	% Sales	% Growth y-o-y
Net Sales	17,184	100.0	0.2	8,873	100.0	2.9
Cost of Sales	-10,345	-60.2	-0.3	-5,354	-60.3	2.6
Gross Income	6,839	39.8	1.0	3,519	39.7	3.3
Operating Expenses	-4,742	-27.6	-8.6	-2,440	-27.5	-10.5
Interest Exp (Lease Liab)	-335	-1.9	-8.1	-165	-1.9	-5.9
Other Income - Net	232	1.3	-26.0	103	1.2	8.3
Income from Operations	1,994	11.6	-17.2	1,017	11.5	-10.7
Non PFRS16 Depreciation & Amortization	646	3.8	2.9	328	3.7	2.9
EBITDA -Adjusted	2,640	15.4	-13.0	1,345	15.2	-7.7
Non-operating other income	15	0.1	17.2	7	0.1	359.6
Income Before Tax	2,009	11.7	-17.0	1,024	11.5	-10.2
Income tax	-499	-2.9	-17.2	-254	-2.9	-11.0
Net Income	1,510	8.8	-16.9	770	8.7	-10.0

Balance Sheet	Unaudited	Audited
Current Assets	17,954	19,749
Noncurrent Assets	20,371	20,032
Total Assets	38,325	39,781
Current Liabilities	7,109	9,097
Noncurrent Liabilities	8,262	8,175
Total Liabilities	15,371	17,272
Capital Stock	4,100	4,100
Additional Paid-in Capital	5,374	5,374
Other Comprehensive Income	177	177
Retained Earnings	13,303	12,859
Total Equity	22,954	22,510

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.