



107162018000576



# SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines  
Tel: (632) 726-0931 to 39 Fax: (632) 725-5293 Email: mis@sec.gov.ph

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### Company Representative

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### Company Information

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SEC Registration No. CS201524712  
Company Name WILCON DEPOT, INC DOING BUSINESS UNDER THE NAME AND STYLE OF WILCON DEPOT AND WILCON HOMES ESSENT  
Industry Classification Const. Materials & Supplies Retail  
Company Type Stock Corporation

### Document Information

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# COVER SHEET

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S.E.C Registration No.

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(Company's Full name)

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(Principal Office)

**Atty. Sheila Pasicolan - Camerino**

Contact Person

**(02)634-8387**

Tel. No.

## QUARTERLY PROGRESS REPORT

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FORM TYPE

Secondary License, (if applicable type)

Dept. requiring this doc

N/A

Amended Articles number

Total stockholders

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Domestic

Foreign

To be accomplished by SEC personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS



**Item. 9. Other Events**

Please see attached Quarterly Progress Report (Disbursement of Proceeds) as of June 30, 2018.

**SIGNATURES**

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

Signature 

Date 13 July 2018

The logo for WILCON, featuring the word "WILCON" in white, bold, uppercase letters on a green rectangular background.

90 E. Rodriguez Jr. Ave., Ugong Norte Libis, Quezon City  
Tels: 634-8387 (connecting all departments)  
Fax: 636-2950, 636-1837  
Website: www.wilcon.com.ph

July 13, 2018

**SECURITIES and EXCHANGE COMMISSION**  
Pasay City, Philippines

Attention: **DIRECTOR VICENTE GRACIANO P. FELIZMENIO**  
Market and Securities Regulation Department

**Mr. Mike Ferdinand Santos**  
SEC Examiner

Gentlemen:

For submission are the attached progress report on the application of proceeds from IPO for the second quarter of 2018 and certification of Reyes Tacandong & Co. on the accuracy of information provided by the Company in relation to the progress report.

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Mark Andrew Y. Belo".

**MARK ANDREW Y. BELO**  
Chief Financial Officer

July 13, 2018

**THE DISCLOSURE DEPARTMENT  
THE PHILIPPINE STOCK EXCHANGE, INC.**  
3<sup>rd</sup> Floor, Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: **Ms. Janet A. Encarnacion**  
Head – Disclosure Department

Subject: **Quarterly Summary of the Application of Proceeds from the Initial Public Offering (IPO)**

Dear Ms. Encarnacion:

In compliance with the disclosure requirements of the Philippine Stock Exchange, please find enclosed the following:

1. Quarterly Summary of Application of Proceeds from the Initial Public Offering of the common shares of stocks of Wilcon Depot, Inc. (the "Corporation") as of June 30, 2018.
2. Certification of Reyes Tacandong & Co. on the accuracy of information provided in relation to the progress report.

**WILCON DEPOT, INC.**




**MARK ANDREW Y. BELO**  
Chief Financial Officer

**WILCON DEPOT, INC.**  
**Quarterly Summary of Application of Proceeds**  
**As of June 30, 2018**

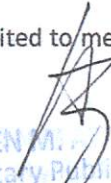
<b>Gross Offering Proceeds:</b>		PHP 7,039,226,310
<b>Less: IPO related expenses</b>		
Underwriting and selling fees	PHP 178,029,707	
Philippine Securities and Exchange Commission registration, filing and research fees, taxes paid by the Company and Philippine Stock Exchange listing and processing fees	102,111,680	
Professional and legal fees	8,200,000	
Others	790,614	
		289,132,001
<b>Net Offering Proceeds</b>		<b>6,750,094,309</b>
<b>Less: Disbursements</b>		
Costs Incurred from April 01, 2017 to December 31, 2017		
Store network expansion	509,691,585	
Debt repayment	428,100,000	
General corporate purposes	200,000,000	
Offer expenses	765,802	
		1,138,557,387
Costs Incurred from January 01, 2018 to March 31, 2018		
Store network expansion		555,388,882
Costs Incurred from April 01, 2018 to June 30, 2018		
Store network expansion		405,392,997
<b>Total Disbursements up to June 30, 2018</b>		<b>2,099,339,266</b>
<b>Balance of the Net Offering Proceeds as of June 30, 2018</b>		<b>PHP 4,650,755,043</b>

IN WITNESS WHEREOF, I have hereunto set my hand this day of JUL 13 2018 at Quezon City, Metro Manila Philippines.

  
**MARK ANDREW Y. BELO**  
 Chief Financial Officer

SUBSCRIBED AND SWORN to before me this day of JUL 13 2018, affiant exhibited to me his Tax Identification No.

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 Page No. 78  
 Book No. ix  
 Series of 2018.

  
 ATTY. RUBEN M. [Name]  
 Notary Public  
 Until December 2018  
 PTR. No. 95611098, 01-09-2018  
 Roll of Attorney's No. 46427  
 IBP No. AR001205 Q.C. Chapter  
 Admin Matter No. 233  
 MCLE No. V-0024616  
 TIN No. 149-394-836  
 (PRBS) Camp, Crame, Quezon City





July 13, 2018

The Stockholders and the Board of Directors  
WILCON DEPOT, INC.  
Doing Business under the Name and Style of  
WILCON DEPOT and WILCON HOME ESSENTIALS  
No. 90 E. Rodriguez Jr. Avenue  
Brgy. Ugong Norte Libis, Quezon City

**Report of Factual Findings**

We have performed the procedures agreed to by management of WILCON DEPOT, INC. Doing Business under the Name and Style of WILCON DEPOT and WILCON HOME ESSENTIALS (the Company) with respect to the Progress Report of the Company for the quarter ended June 30, 2018 on the use of the proceeds from the Initial Public Offering (the Offering) of the Company's common shares in connection with its compliance with the reportorial requirements of the Philippine Stock Exchange, Inc. (PSE). Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-upon Procedures regarding Financial Information*, applicable to agreed-upon procedures engagements.

*Background*

On September 13, 2016, the stockholders and the Board of Directors of the Company authorized the Company to undertake the Offering of its shares with the PSE. Subsequently, on February 23 and March 8, 2017, the Securities and Exchange Commission (SEC) and the PSE approved the Company's application for the Offering, respectively.

The shares of stock of the Company are officially listed at the PSE on March 31, 2017. The Company listed 1,393,906,200 common shares at an offer price of ₱5.05 per share.

The proceeds from the Offering are being used by the Company for (i) store network expansion (ii) payment for the outstanding financial obligation and (iii) general corporate purposes.

*Procedures Performed and Results*

The agreed-upon procedures and the results thereof are summarized as follows:

1. We obtained the Progress Report on the Use of the Proceeds from the Offering for the quarter ended June 30, 2018.

Balances and movements of unapplied proceeds as at and for the quarter ended June 30, 2018 are as follows:

Unapplied proceeds as at March 31, 2018	₱5,056,148,040
Store network expansion	(405,392,997)
<u>Unapplied proceeds as at June 30, 2018</u>	<u>₱4,650,755,043</u>



2. During the quarter ended June 30, 2018, the Company made actual disbursements amounting to P405.4 million for the on-going construction of new stores.

We traced the disbursements to the bank statements and examined the underlying documents supporting the construction cost amounting to P372.6 million. The underlying documents examined include, among others, duly approved quotations, delivery receipts, sales invoices and official receipts issued by the suppliers. No exceptions were noted.

The Company also made disbursements for acquisition of fixed assets, supplies and initial inventory amounting to P32.8 million. We traced the disbursements to the bank statements and examined the sales invoices and official receipts issued by the suppliers. No exceptions were noted.

Of the total disbursements of P405.4 million, P89.3 million were disbursed from various regular disbursing bank accounts of the Company. These will be reverted back by the Company to the various regular disbursing bank accounts from the Offering proceeds in July 2018.

3. We traced to the underlying documents of the unapplied proceeds as follows: the bank statements for cash in banks, promissory notes and confirmation for money market placements and marketable security, respectively. No exceptions were noted, except for the matter discussed in Item no. 2.

Details are as follows:

Cash in banks:	
Various regular accounts	P248,738,372
Designated accounts for Offering proceeds	48,294,243
Cash equivalents	1,443,000,000
AFS financial asset	3,000,000,000
	<u>4,740,032,615</u>
Amount disbursed from various accounts	<u>89,277,572</u>
Unapplied proceeds as at June 30, 2018	<u>P4,650,755,043</u>

As at June 30, 2018, the unapplied proceeds amounting to P4,650.8 million are maintained in various regular bank accounts, designated bank accounts for Offering proceeds, money market placements and marketable security.

The total cash in banks for various regular accounts amounting to P526.2 million as at June 30, 2018 includes the unapplied proceeds amounting to P248.7 million. We traced to the bank statements the balance of cash in banks for various regular accounts and designated accounts for Offering proceeds. No exceptions were noted.

The P248.7 million unapplied proceeds in various regular bank accounts will be reverted back to the designated accounts for Offering proceeds in July 2018.

4. As at June 30, 2018, the status of planned and actual use of proceeds is summarized below:

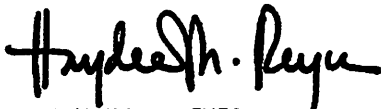
	Estimated	Actual	Over (Under)
<b>Gross Proceeds</b>	<b>P7,039,226,310</b>	<b>P7,039,226,310</b>	<b>P-</b>
<b>Use of the Proceeds</b>			
Debt repayment	(428,100,000)	(428,100,000)	-
General corporate purposes	(200,000,000)	(200,000,000)	-
Store network expansion	(6,121,994,309)	(1,470,473,464)	(4,651,520,845)
	<u>(6,750,094,309)</u>	<u>(2,098,573,464)</u>	<u>(4,651,520,845)</u>
<b>Offer expenses</b>	<b>(289,132,001)</b>	<b>(289,897,803)</b>	<b>765,802</b>
<b>Unapplied Proceeds</b>	<b>P-</b>	<b>P4,650,755,043</b>	<b>(P4,650,755,043)</b>

The sufficiency of the foregoing procedures is solely the responsibility of the Company. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

Because the foregoing procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing or Philippine Standards on Review Engagements, we do not express any assurance on any of the financial statement accounts of the Company.

Had we performed additional procedures or performed an audit or a review of the financial statements in accordance with Philippines Standards on Auditing or Philippine Standards on Review Engagements, other matters might have come to our attention that would have been reported to you. Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to items specified in the foregoing and does not extend to any financial statements of the Company taken as a whole.

**REYES TACANDONG & Co.**



**HAYDEE M. REYES**

**Partner**

**CPA Certificate No. 83522**

**Tax Identification No. 102-095-265-000**

**BOA Accreditation No. 4782; Valid until December 31, 2018**

**SEC Accreditation No. 0663-AR-3 Group A**

**Valid until August 30, 2020**

**BIR Accreditation No. 08-005144-005-2017**

**Valid until January 13, 2020**

**PTR No. 6607959**

**Issued January 3, 2018, Makati City**

**July 13, 2018**

**Makati City, Metro Manila**