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SECURITIES AND EXCHANGE COMMISSION

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Company Information

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 Retaili
Company Type Stock Corporation

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October 13, 2017

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
3rd 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 September 30, 2017.
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 September 30, 2017

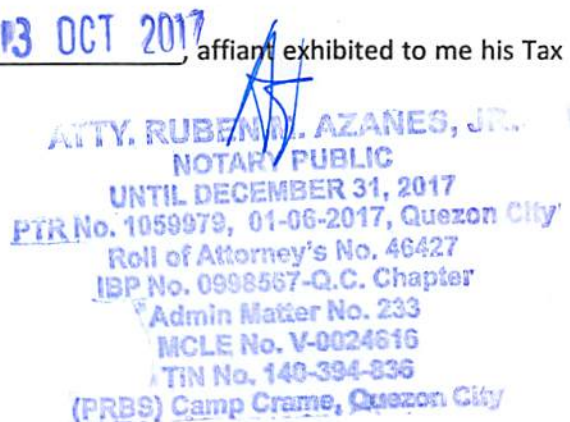
Gross Offering Proceeds:		PHP 7,039,226,310
Less: IPO related expenses		
Underwriting and selling fees	PHP 178,029,707	
Philippine Securities and Exchange Commission registration, filing and research fees, taxes paid by the Company and Philippine Stock Exchange listing and processing fees	102,111,680	
Professional and legal fees	8,200,000	
Others	790,614	<u>289,132,001</u>
Net Offerring Proceeds		6,750,094,309
Less: Disbursements		
Costs Incurred from April 01, 2017 to June 30, 2017		672,809,153
Costs Incurred from July 01, 2017 to September 30, 2017		
Store network expansion	122,207,989	
Offer expenses	765,802	<u>122,973,791</u>
Total Disbursements up to September 30, 2017		<u>795,782,944</u>
Balance of the Net Offering Proceeds as of September 30, 2017		<u><u>PHP 5,954,311,365</u></u>

IN WITNESS WHEREOF, I have hereunto set my hand this day of 13 OCT 2017 at Quezon City, Metro Manila Philippines.


MARK ANDREW Y. BELO
 Chief Financial Officer

SUBSCRIBED AND SWORN to before me this day of 13 OCT 2017, affiant exhibited to me his Tax Identification No. 220-546-117-000.

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 Book No. V/11
 Series of 2017.


ATTY. RUBEN M. AZANES, JR.
 NOTARY PUBLIC
 UNTIL DECEMBER 31, 2017
 PTR No. 1059979, 01-06-2017, Quezon City
 Roll of Attorney's No. 46427
 IBP No. 0998567-Q.C. Chapter
 Admin Matter No. 233
 MCLE No. V-0024616
 TIN No. 140-394-836
 (PRBS) Camp Crame, Quezon City



October 13, 2017

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 September 30, 2017 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 September 30, 2017.

Balances and movements of unapplied proceeds as at and for the quarter ended September 30, 2017 are as follows:

Unapplied proceeds carried over from the previous quarter	₱6,077,285,156
Store network expansion	(122,207,989)
Offer expenses	(765,802)
<u>Unapplied proceeds as at September 30, 2017</u>	<u>₱5,954,311,365</u>

2. During the quarter ended September 30, 2017, the Company made actual disbursements amounting to ₱122,207,989 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 ₱119.2 million, which include, among others, the contracts, 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 and supplies amounting to ₱3.0 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.

3. The input value-added tax and withholding tax amounting to ₱765,802 on certain offer expenses that were paid by the Company using the China Banking Corporation and Metropolitan Bank and Trust Company (MBTC) regular disbursing bank accounts prior to the Offering was reimbursed by the Company using the proceeds from the Offering in September 2017.

As presented in the second quarter Progress Report, estimated offer expenses in excess of the actual offer expenses amounting to ₱10.2 million were reallocated to store network expansion based on the Prospectus.

4. 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.

The unapplied proceeds from the Offering are maintained in various current and savings accounts with MBTC and BDO Unibank, Inc., money market placements and marketable securities with First Metro Investment Corporation and Metrobank Card Corporation.

Details are as follows:

Cash in banks	₱603,794,149
Money market placements	2,350,517,216
Marketable security	3,000,000,000
<u>Unapplied proceeds</u>	<u>₱5,954,311,365</u>

5. As at September 30, 2017, the status of planned and actual use of proceeds is summarized below:

	Estimated	Actual	Over (Under)
Gross Proceeds	P7,039,226,310	P7,039,226,310	P-
Use of the Proceeds			
Debt repayment	(428,100,000)	(428,100,000)	-
General corporate purposes	(200,000,000)	(200,000,000)	-
Store network expansion	(6,121,994,309)	(167,917,142)	(5,954,077,167)
	(6,750,094,309)	(796,017,142)	(5,954,077,167)
Offer expenses	(289,132,001)	(289,897,803)	765,802
Unapplied Proceeds	P-	P5,954,311,365	(P5,954,311,365)

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. 08-005144-006-2017

Valid until January 13, 2020

PTR No. 5908527

Issued January 3, 2017, Makati City

October 13, 2017

Makati City, Metro Manila