

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. January 10, 2019
Date of Report

2. SEC Identification Number - CS201524712 3. BIR Tax Identification No. – 009-192-878

4. WILCON DEPOT, INC. doing business under the name and style of WILCON DEPOT and WILCON HOME ESSENTIALS
Exact name of issuer as specified in its charter

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) 634-8387
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 Quarterly Progress Report (Disbursement of Proceeds) as of December 31, 2018.

SIGNATURES

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

Signature



Date

January 10, 2019

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

January 10, 2019

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 fourth 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

WILCON DEPOT, INC.
Quarterly Summary of Application of Proceeds
As of December 31, 2018

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	289,132,001
Net Offerring Proceeds		6,750,094,309
Less: Disbursements		
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
Costs Incurred from July 01, 2018 to September 30, 2018		
Store network expansion		442,529,347
Costs Incurred from October 01, 2018 to December 31, 2018		
Store network expansion		635,162,678
Total Disbursements up to December 31, 2018		3,177,031,291
Balance of the Net Offerring Proceeds as of December 31, 2018		PHP 3,573,063,018

IN WITNESS WHEREOF, I have hereunto set my hand this day of JAN 11 2019 at Quezon City, Metro Manila Philippines.


MARK ANDREW Y. BELO
 Chief Financial Officer

SUBSCRIBED AND SWORN to before me this day of JAN 11 2019, affiant exhibited to me his Tax Identification No. 220-546-117-000.

Doc. No. 380 ;
 Page No. 76 ;
 Book No. 11 ;
 Series of 2019.


ATTY. RUBEN M. AZANES, JR.,
 NOTARY PUBLIC
 UNTIL DECEMBER 31, 2020
 PTR NO. 7324188, 01-04-2019, Quezon City
 IBP No. AR001205 - Quezon City Chapter
 Roll of Attorney's No. 46427
 Admin Matter No. 053
 MCLE-V-0024616
 TIN: 140-394-386-000

January 10, 2019

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 December 31, 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 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 December 31, 2018.

Balances and movements of unapplied proceeds as at and for the quarter ended December 31, 2018 are as follows:

Unapplied proceeds as at September 30, 2018	₱4,208,225,696
Store network expansion	(635,162,678)
<u>Unapplied proceeds as at December 31, 2018</u>	<u>₱3,573,063,018</u>

2. During the quarter ended December 31, 2018, the Company made actual disbursements amounting to ₱635.2 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 ₱556.4 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 disbursed ₱78.8 million for the acquisition of fixed assets, supplies and initial inventory for the new stores. 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. Details of unapplied proceeds as at December 31, 2018 are as follows:

Cash in banks:	
Designated accounts for Offering proceeds	₱112,375,130
Various regular accounts	7,687,888
Money market placements	453,000,000
Marketable security	3,000,000,000
	₱3,573,063,018

As at December 31, 2018, the unapplied proceeds amounting to ₱3,573.1 million are maintained in various regular bank accounts, designate bank accounts for Offering proceeds, money market placements and marketable security.

We traced the unapplied proceeds to the promissory notes and confirmation for money market placements and marketable security, respectively. No exceptions were noted.

We traced to the bank statements the total cash in banks for various regular accounts, which includes the unapplied proceeds amounting to ₱7.7 million, and designated accounts for Offering proceeds. No exceptions were noted.

The ₱7.7 million unapplied proceeds in various regular bank accounts will be reverted back to the designated accounts for Offering proceeds in January 2019.

4. As at December 31, 2018, the status of planned and actual use of proceeds is summarized below:

	Estimated	Actual	Over (Under)
Gross Proceeds	₱7,039,226,310	₱7,039,226,310	₱-
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)	(2,548,165,489)	(3,573,828,820)
	(6,750,094,309)	(3,176,265,489)	(3,573,828,820)
Offer expenses	(289,132,001)	(289,897,803)	765,802
Unapplied Proceeds	₱-	₱3,573,063,018	(₱3,573,063,018)

The sufficiency of the foregoing procedures is solely the responsibility of the Company. Accordingly, 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 August 15, 2021

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. 7334335

Issued January 3, 2019, Makati City

January 10, 2019

Makati City, Metro Manila