



Wilcon Depot, Inc.

August 2018



Disclaimer

This presentation does not constitute a prospectus or any kind of offering memorandum in whole or in part. This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities of the Company. There shall be no sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to any qualification under the securities laws of such state or jurisdiction. This presentation has not been and will not be reviewed or approved by any statutory or regulatory authority or any stock exchange in the Philippines or elsewhere. Prospective investors should undertake their own assessment with regard to their investment and they should obtain independent advice on any such investment's suitability, inherent risks and merits and any tax, legal and accounting implications which it may have for them.

This presentation 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.

This presentation and the contents hereof are restricted for only the intended recipient(s). This presentation and the contents hereof should not be (i) forwarded or delivered or transmitted in any manner whatsoever, to any other person other than the intended recipient(s); or (ii) reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this presentation in whole or in part is unauthorized. This presentation must not be distributed to the press or any media organization.

Neither the Company nor its advisor, nor any of their respective affiliates, shareholders, directors, employees, agents or advisers makes any expressed or implied representations or warranties as to the accuracy and completeness of the information contained herein or any other information (whether communicated in written or oral form) and each of the foregoing parties expressly disclaim any and all responsibility and liability of any kind (including any contractual, non-contractual, or third party liability) for any loss or damage, whether or not arising from any error or omission in compiling such information or as a result of any party's reliance or use of such information. The information in this presentation has not been independently verified. The information and opinions in this presentation are subject to change without notice, and no obligation is assumed by the Company nor its advisor, nor any of their respective affiliates, shareholders, directors, employees, agents or advisers to provide the recipient(s) with access to any additional information.

Discussion Agenda

WILCON

DEPOT

1 Company Overview

2 Strategy Overview

3 Financial Results

4 Outlook



SECTION 1

Overview of Wilcon Depot, Inc.



home interior



building materials



doors & mouldings



tiles



paints & sundries



plumbing

Leader in the home improvement and construction supply retail space in the Philippines; 41 years in operation

One-stop shop offering the complete spectrum of home improvement products

Strong line-up of quality, value-priced in-house brands

Exclusively carries a number of renowned international and local brands

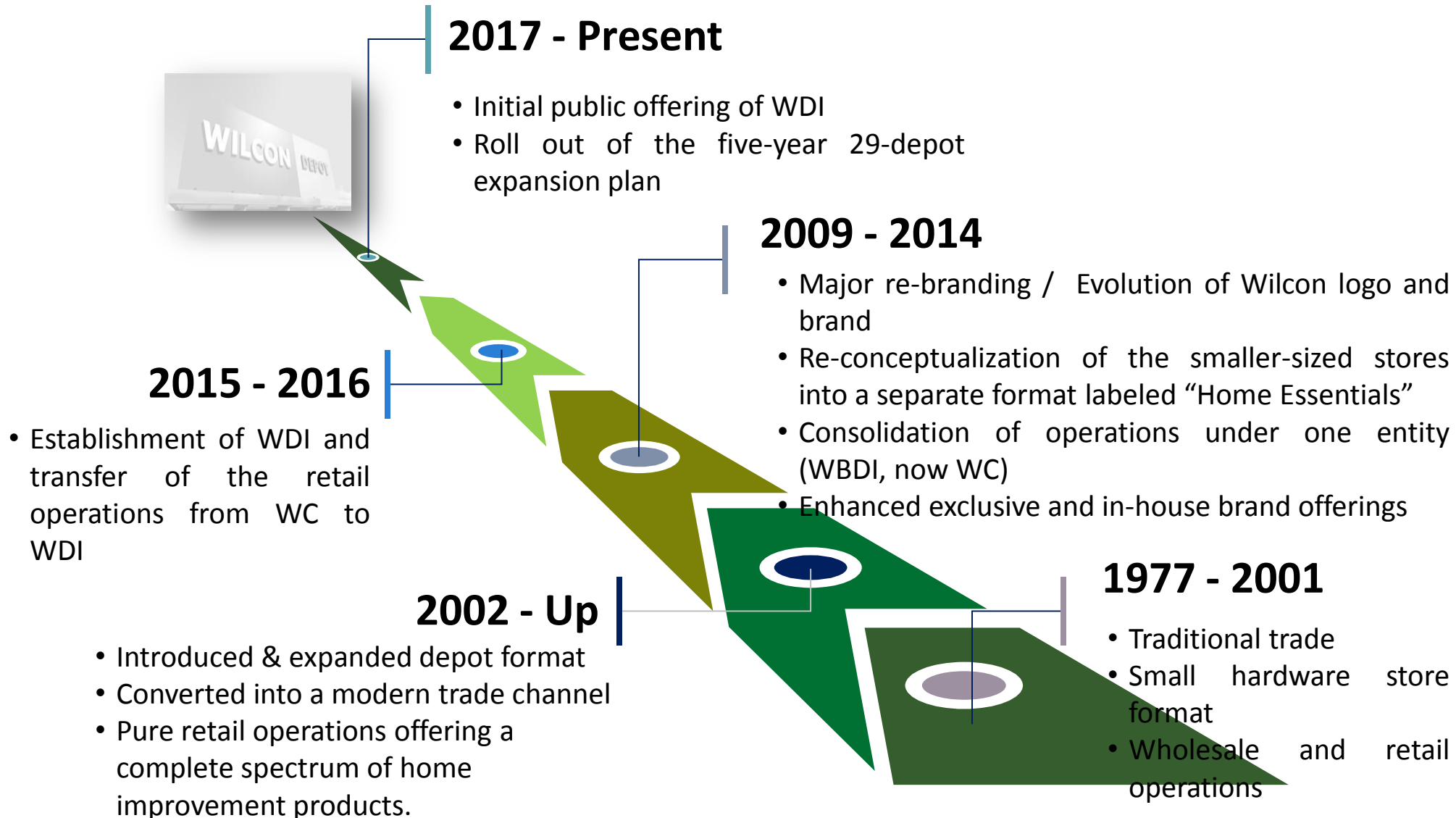
Revolutionized the construction-supply industry by enhancing customer shopping experience



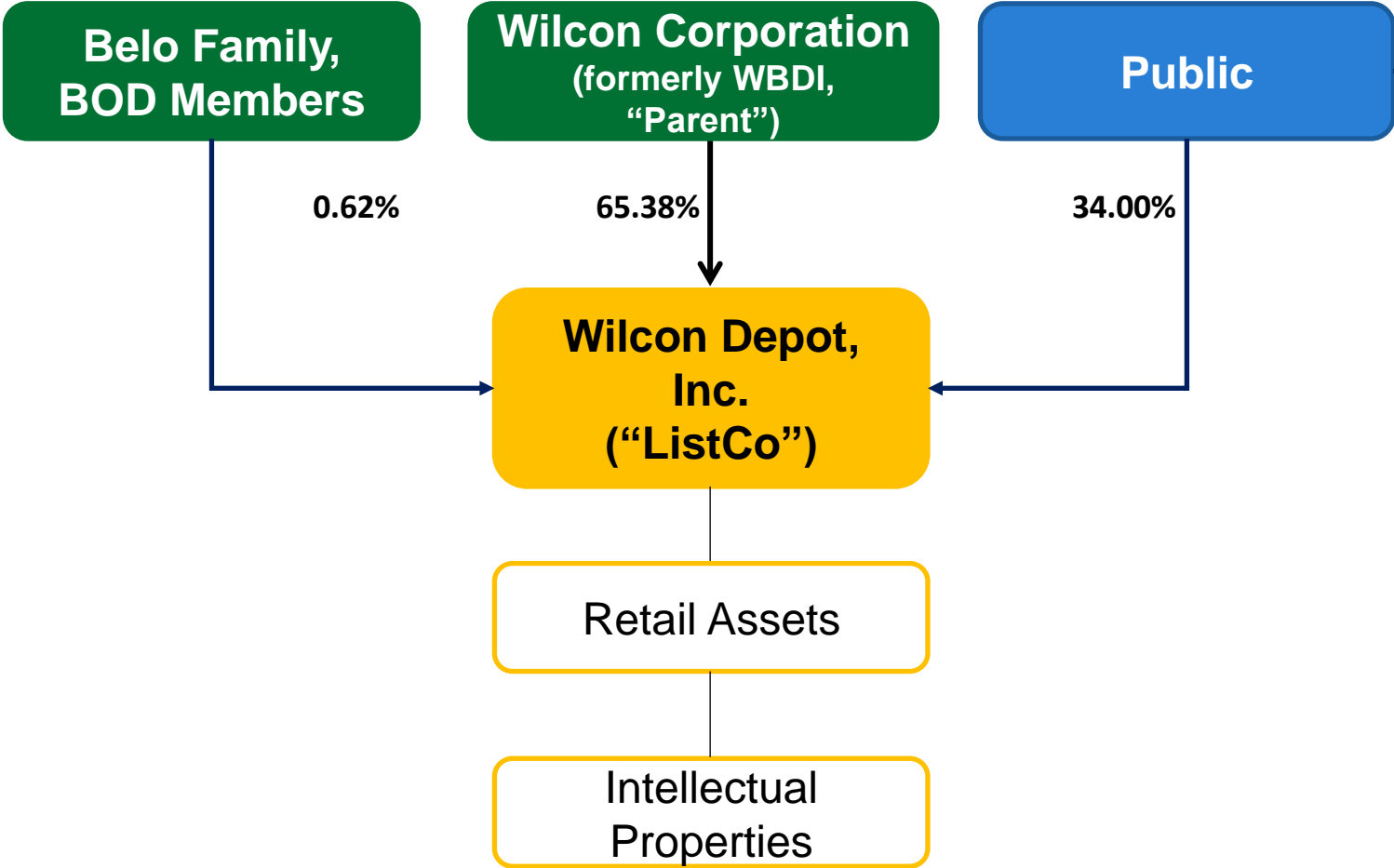
Brief Background

WILCON

DEPOT



Wilcon Group: Corporate Structure



Foreign Ownership

AS OF END	%
JUN 2018	16.15
MAR 2018	15.40
DEC 2017	12.38
SEP 2017	11.60
JUN 2017	10.45
MAR 2017	2.53

➤ The retail business was transferred to the ListCo on April 1, 2016 from the parent.

Store Network & Presence

WILCON **DEPOT**

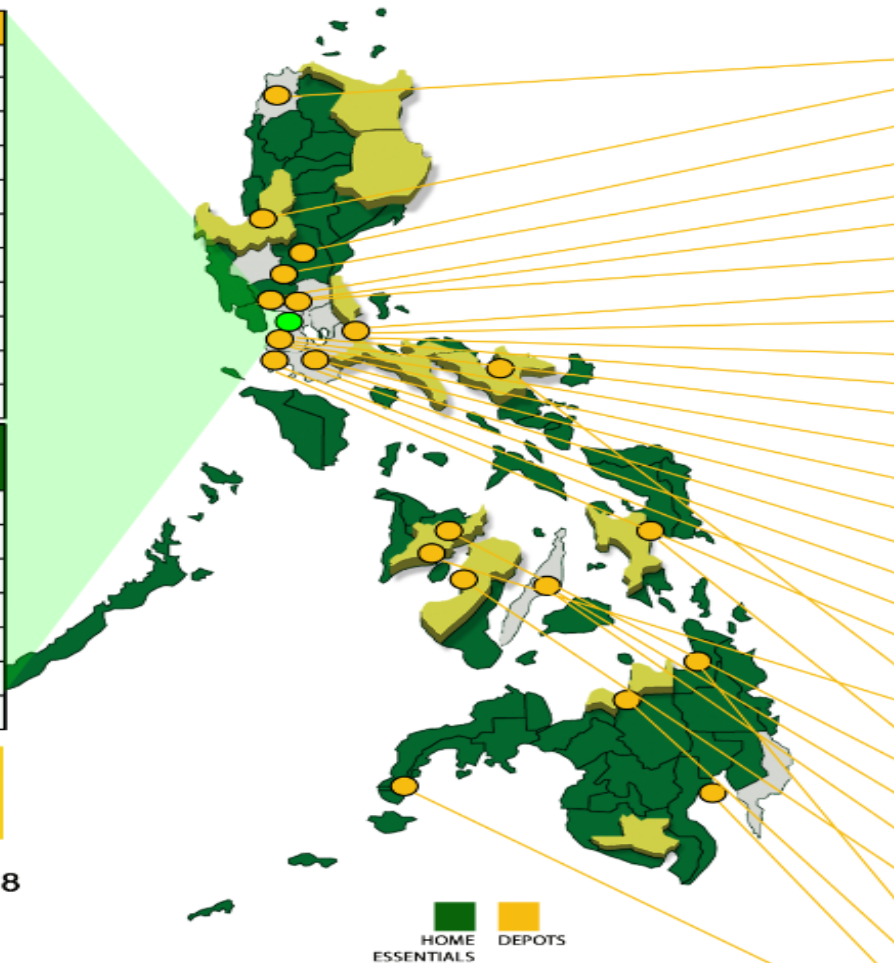
Wilcon operates 47* stores strategically located in dominant markets and in fast-growing cities nationwide.

METRO MANILA (DEPOT)	
1	VALENZUELA CITY
2	FAIRVIEW
3	QUIRINO
4	BALINTAWAK
5	QUEZON AVENUE
6	LIBIS
7	WILCON IT HUB
8	SUCAT
9	ALABANG
10	FILINVEST
	PASONG TAMO (TEMPORARILY CLOSED)

METRO MANILA (HOME ESSENTIALS)	
1	MINDANAO AVENUE
2	CITY CENTER, VISAYAS AVENUE
3	MUÑOZ
4	ALI MALL
5	STA. MESA
6	PASAY CITY
7	LIBIS



* as of AUGUST 10, 2018



NATIONWIDE (DEPOT)	
1	LAOAG, ILOCOS NORTE
2	VILLASIS, PANGASINAN
3	CABANATUAN CITY, NUEVA ECUIJA
4	TARLAC CITY
5	DAU, PAMPANGA
6	SAN FERNANDO, PAMPANGA
7	MEXICO, PAMPANGA
8	BALIUAG, BULACAN
9	TAYTAY, RIZAL
10	ANTIPOLO CITY, RIZAL
11	DASMARIÑAS CITY
12	KAWIT, CAVITE
13	MOLINO, CAVITE
14	SILANG, CAVITE
15	CALAMBA CITY, LAGUNA
16	SAN PABLO CITY, LAGUNA
17	STA. ROSA CITY, LAGUNA
18	BATANGAS CITY
19	LIPA CITY
20	NAGA CITY
21	MANDURRIAO, ILOILO CITY
22	TACLOBAN CITY, LEYTE
23	JARO, ILOILO
24	TALISAY CITY, CEBU
25	MANDAUE CITY, CEBU
26	TALISAY - BACOLOD, NEGROS OCCIDENTAL
27	BUTUAN CITY
28	CAGAYAN DE ORO CITY, MISAMIS ORIENTAL
29	MATINA, DAVAO
30	ZAMBOANGA

Luzon
ex-NCR –
20 stores

Visayas –
6 stores

Mindanao –
4 stores 8

HOME ESSENTIALS DEPOTS

Major Categories and Select Brands

WILCON

DEPOT

Plumbing and Sanitary



Furniture, Furnishings, & Houseware



Tiles / Flooring



Hardware and Tools



Electrical and Lighting



Paints



Building Materials



Appliances





SECTION 2

Strategy Overview



home interior



building materials



doors & mouldings



tiles



paints & sundries



plumbing

Key Growth Strategies

WILCON

DEPOT

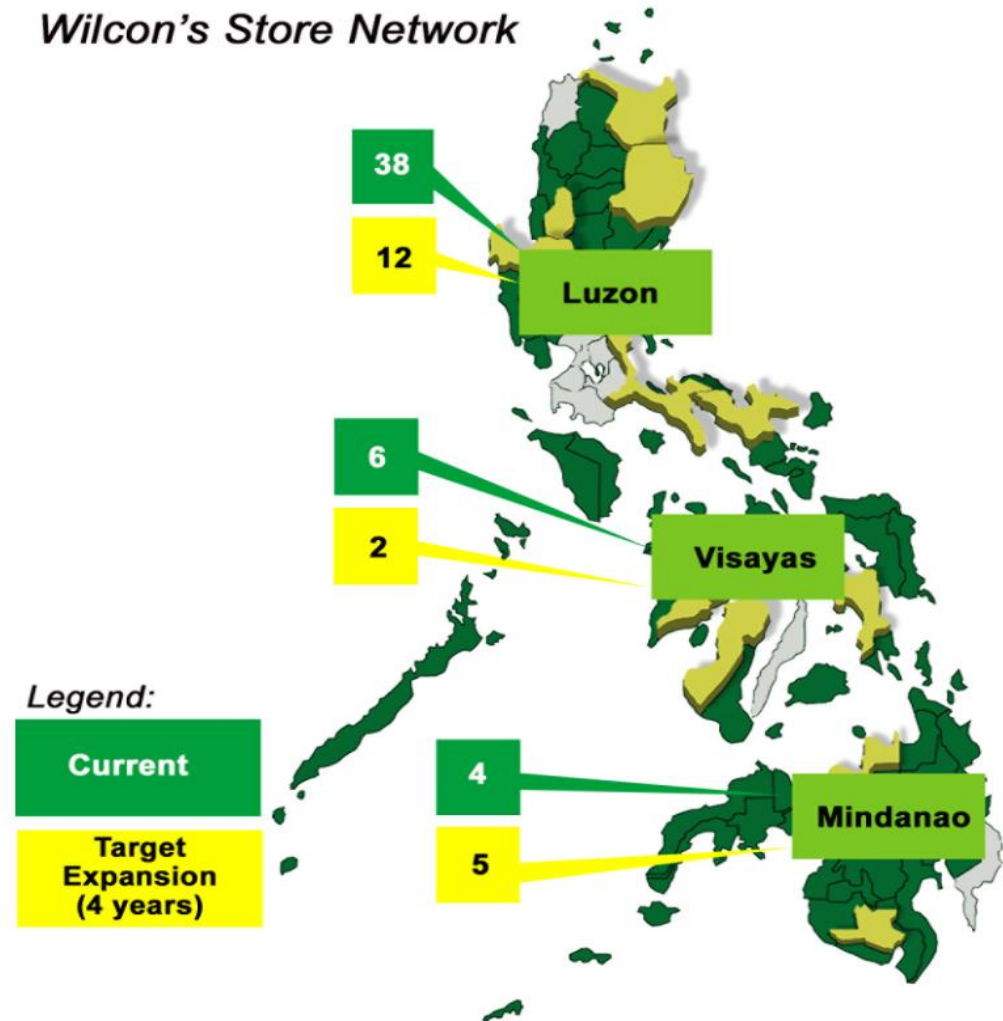
1 Expand Store Network

- ✓ Solidify presence in existing markets
- ✓ Expand foothold in fast-growing cities with focus on Visayas and Mindanao regions
- ✓ Target to open 29 depot branches from 2017 to 2021 (ten opened as of August 2018)
- ✓ Target locations include Cavite, Zamboanga, Bicol, Batangas, Davao, General Santos



As of August 2018

Wilcon's Store Network



Key Growth Strategies

WILCON

DEPOT

2 Focus on continuous introduction of in-house and exclusive brands

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

In-house brands



Select Exclusive brands



Key Growth Strategies

WILCON DEPOT

3 Continually improve store layouts and product offering

- ✓ Improve and renovate existing stores to enhance overall shopping experience.
- ✓ Remodel store layouts by optimizing and/or expanding the sales floor areas of existing stores to improve visitor traffic



Key Growth Strategies

WILCON DEPOT

4 Further strengthen and increase brand awareness and visibility



- ✓ Tap various media outlets such as radio, newspapers, billboards, and social media to enhance customer's awareness
- ✓ Use brand ambassadors to represent the Company's products and brands
- ✓ Actively participate in industry associations and trade conventions related to construction and home improvement



SECTION 3

Financial Highlights



home interior



building materials



doors & mouldings



tiles



paints & sundries



plumbing

Income Statement Highlights

WILCON

DEPOT

2Q 2018

In Php MM

	2Q 2018	% of Sales	2Q 2017	% of Sales	% Growth
NET SALES	5,296	100.0	4,296	100.0	23.3
COST OF SALES	3,640	68.7	3,000	69.8	21.3
GROSS INCOME	1,656	31.3	1,295	30.2	27.9
OPERATING EXPENSES	-1,049	(19.8)	-822	(19.1)	27.6
OTHER INCOME - NET	96	1.8	51	1.2	88.8
EBIT	703	13.3	524	12.2	34.2
INTEREST EXPENSE	-1	(0.0)	-5	(0.1)	(86.9)
INCOME BEFORE TAX	703	13.3	519	12.1	35.4
INCOME TAX	197	3.7	147	3.4	34.7
NET INCOME	505	9.5	372	8.7	35.7
Depreciation	33	0.6	24	0.6	37.8
EBITDA	737	13.9	548	12.8	34.3

Income Statement Highlights

WILCON

DEPOT

1H 2018

In Php MM

	1H 2018	% of Sales	1H 2017	% of Sales	% Growth
NET SALES	10,001	100.0	8,478	100.0	18.0
COST OF SALES	6,873	68.7	5,921	69.8	16.1
GROSS INCOME	3,128	31.3	2,557	30.2	22.3
OPERATING EXPENSES	-2,039	(20.4)	-1,673	(19.7)	21.9
OTHER INCOME - NET	182	1.8	94	1.1	94.5
EBIT	1,271	12.7	978	11.5	30.0
INTEREST EXPENSE	-2	(0.0)	-16	(0.2)	(84.9)
INCOME BEFORE TAX	1,269	12.7	962	11.3	31.9
INCOME TAX	354	3.5	199	2.4	77.7
NET INCOME	914	9.1	763	9.0	19.9
Depreciation	64	0.6	47	0.6	35.7
EBITDA	1,335	13.3	1,025	12.1	30.3

Balance Sheet Highlights

WILCON

DEPOT

In Php MM

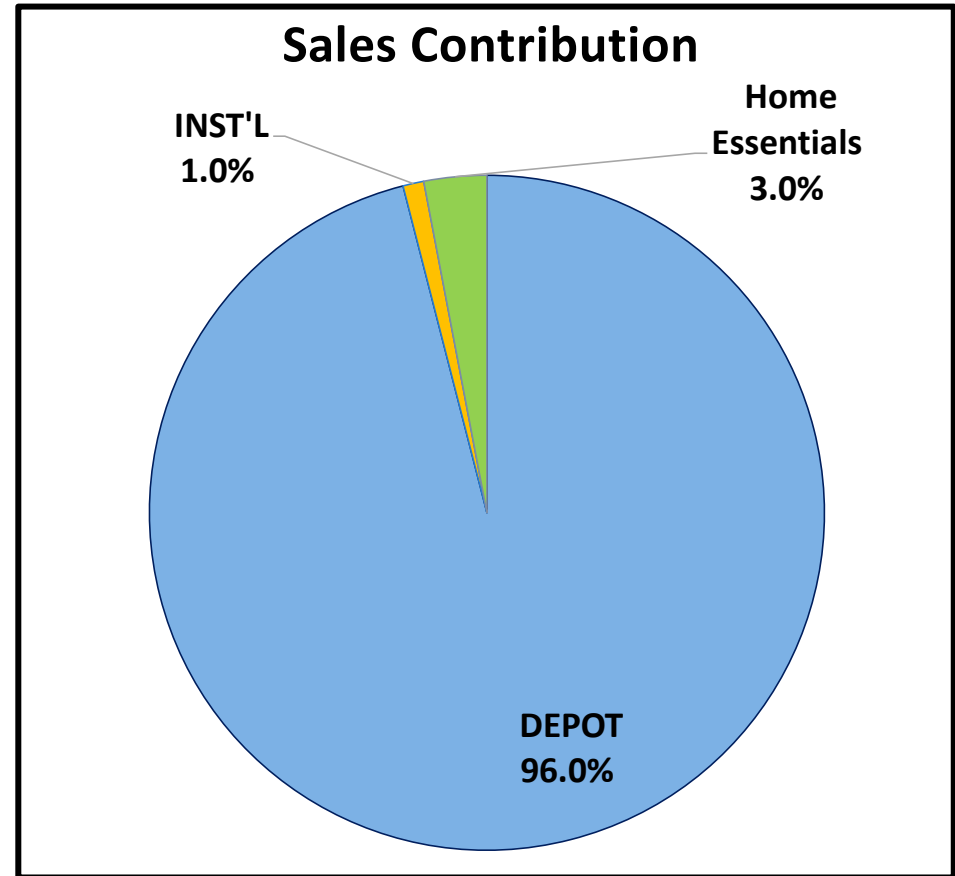
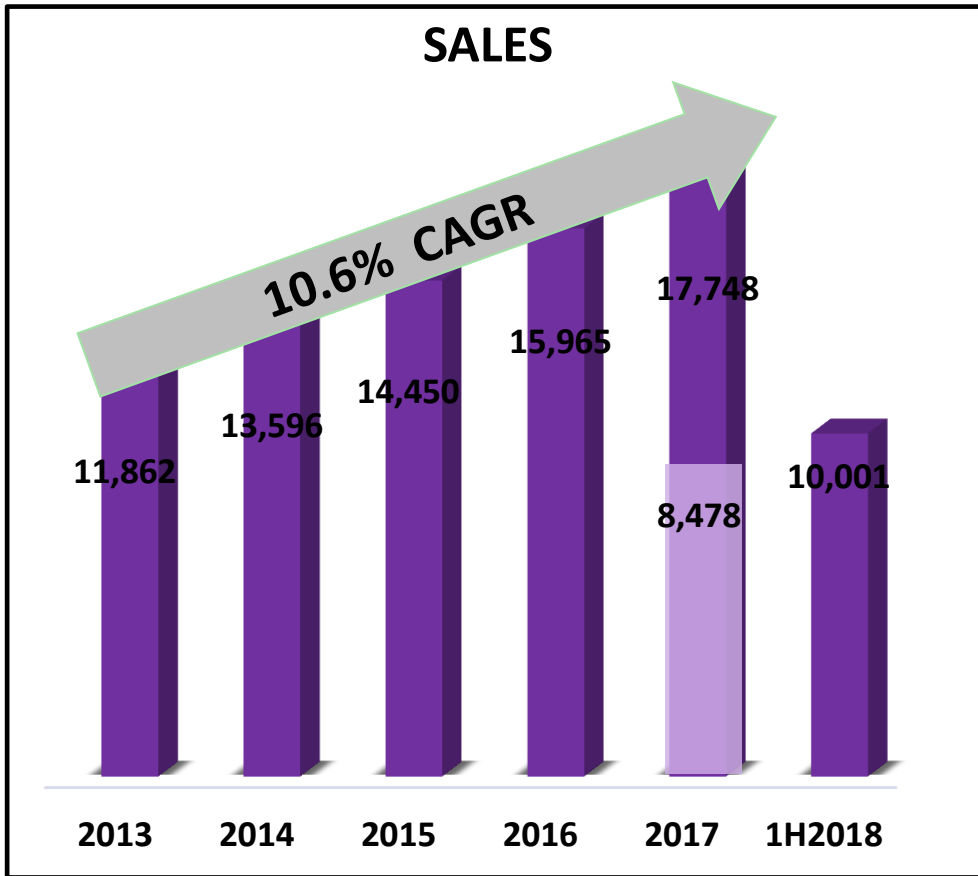
	Unaudited June 30, 2018	Audited December 31, 2017
Current Assets	11,717	11,748
Noncurrent Assets*	5,074	4,277
Total Assets	16,791	16,024
Current Liabilities	4,318	3,725
Noncurrent Liabilities	119	381
Total Liabilities	4,437	4,106
Capital Stock	4,100	4,100
Additional Paid-in Capital	5,374	5,374
Other Comprehensive Loss	146	173
Retained Earnings	2,735	2,272
Total Equity	12,354	11,918
CURRENT RATIO	2.71	3.15
QUICK RATIO	0.92	1.12
DEBT-TO-EQUITY RATIO	0.36	0.34
RETURN ON ASSET	5%	9%
RETURN ON EQUITY	7%	12%

*Includes AFS assets of P3.0B comprising of RTBs and representing part of the IPO proceeds

Total Sales Summary



Healthy sales growth



Note: 2013 to 2015 – Pro-forma/Reviewed / 2016 – In-house Pro-forma / 2017 – Actual/Audited
Commercial operations under WDI commenced April 1, 2016

Total Sales Summary



2018 vs 2017

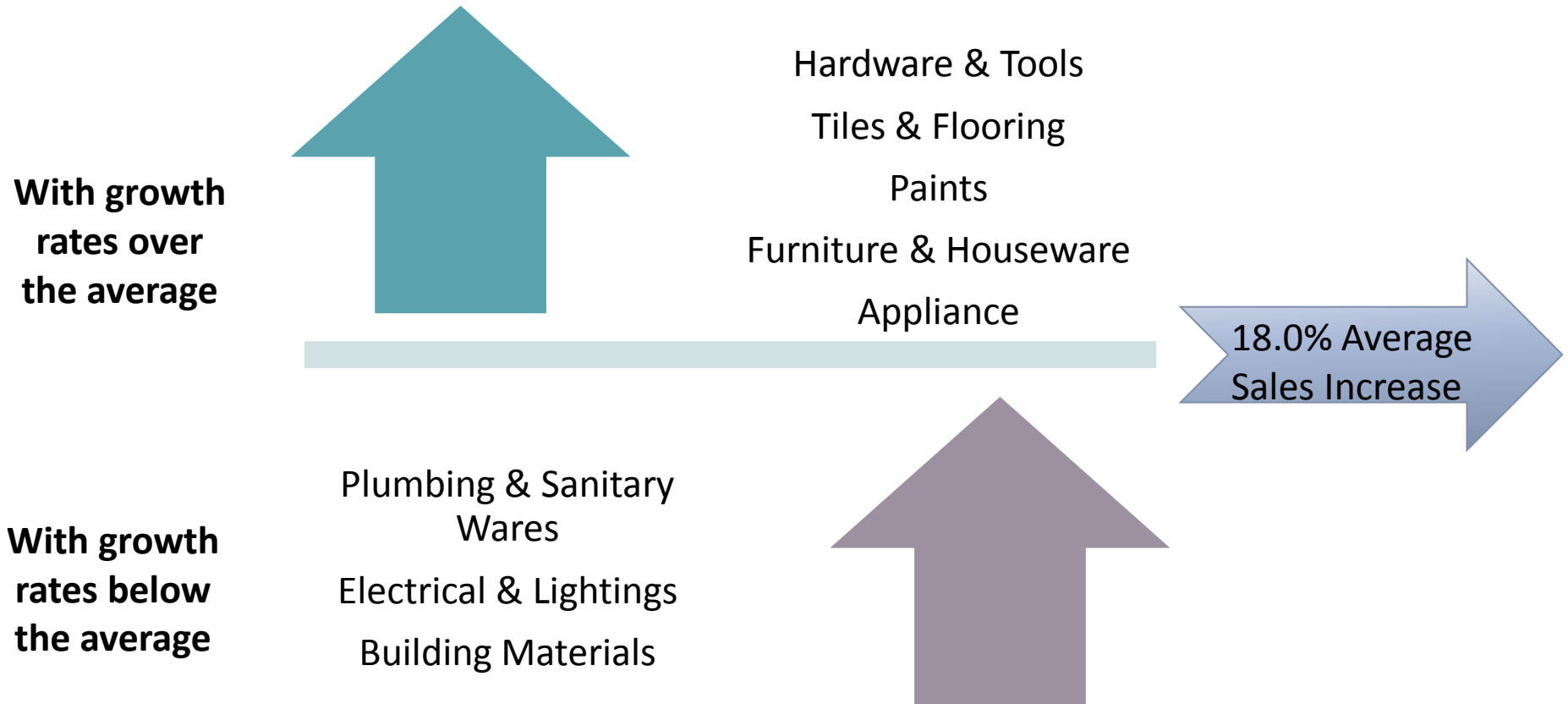
	1H	% Var	2Q	% Var
Sales (Php Millions)	10,001	18.0	5,296	23.3
Average Ticket Size (Php)	3,977	7.4	4,060	9.2
Sales Transactions ('000)	2,515	9.8	1,304	12.9

Product Category Performance

WILCON

DEPOT

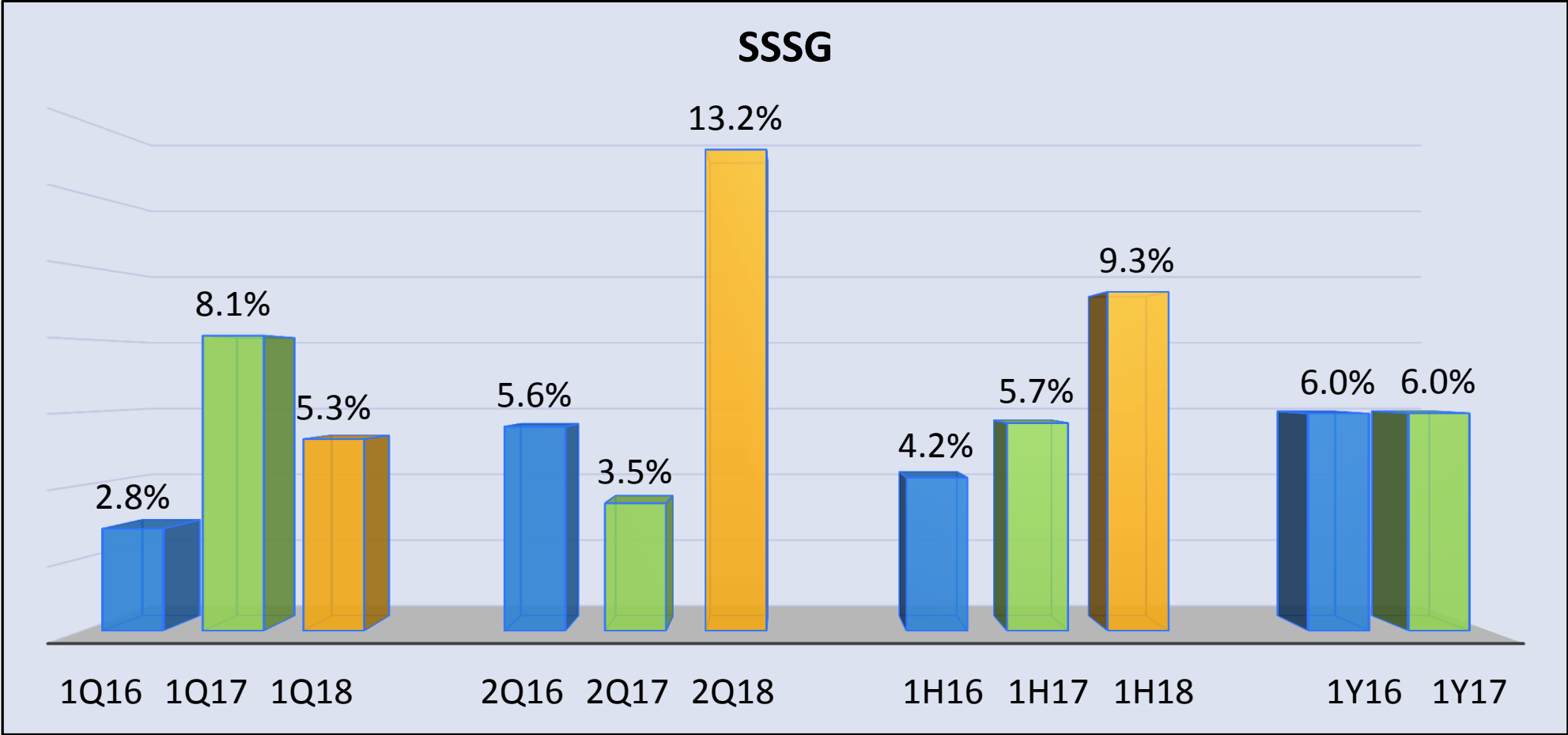
1H18 VS 1H17



Same Store Sales Summary



Quarterly Trend



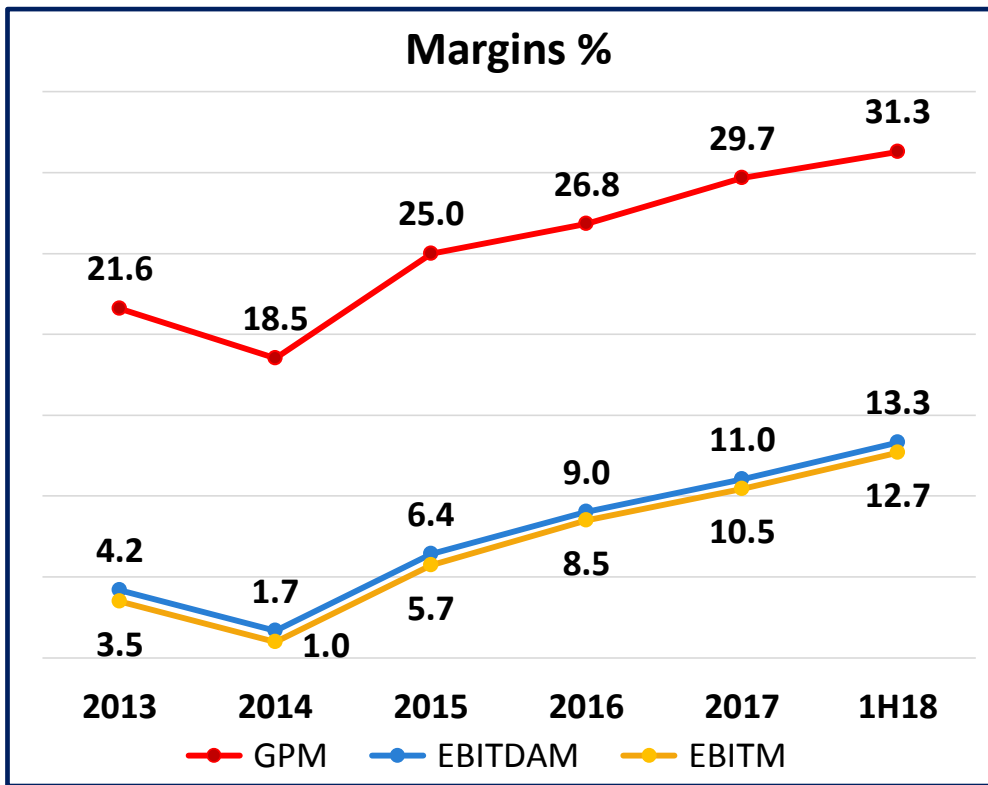
Note: 2016 – In-house Pro-forma
 Commercial operations under WDI commenced April 1, 2016

Operating Margins Summary

WILCON

DEPOT

Improving margins



1H18 VS 1H17

Enhancers

- ✓ Product Mix
- ✓ Volume discounts and incentives
- ✓ Roll out and ramp of new stores
- ✓ Marketing initiatives

- Higher operating expenses attendant to increasing number of stores and volume of business, e.g., rent, utilities, logistics, etc.

Limiters

Note: 2013 to 2015 – Pro-forma/Reviewed

Commercial operations under WDI commenced April 1, 2016



SECTION 4

Outlook



home
interior



building
materials



doors &
mouldings



tiles



paints &
sundries



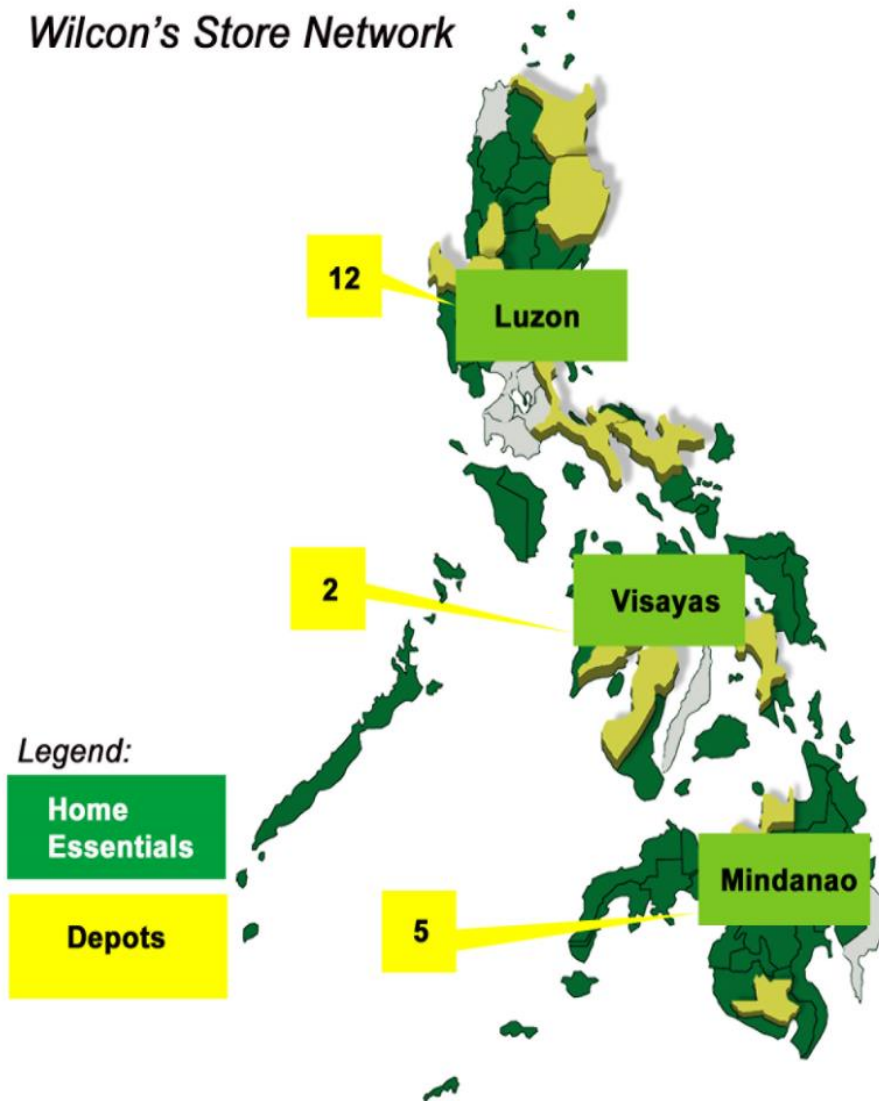
plumbing

2018 to 2021 Store Expansion Plan

WILCON

DEPOT

Wilcon's Store Network

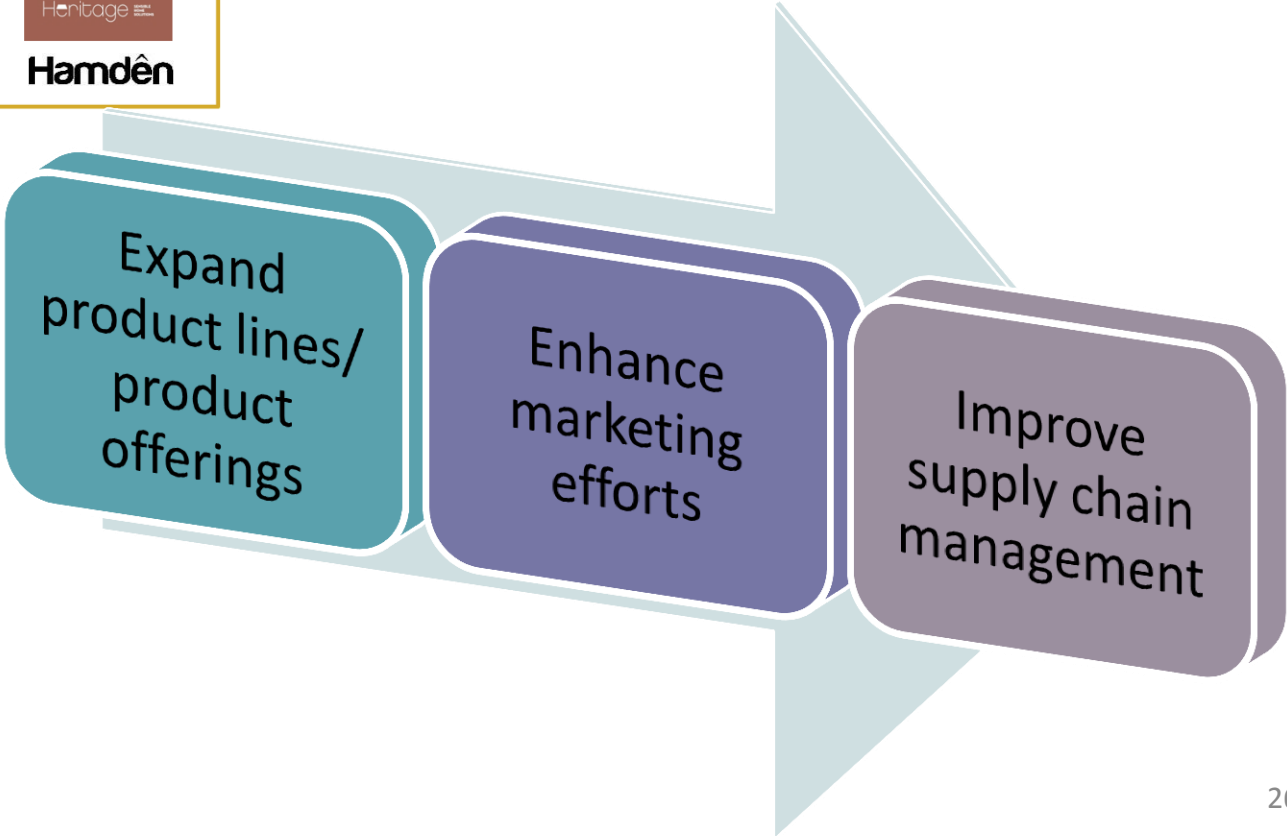


2018	
1H	Libis (Home Essentials) - March 9 Tacloban - April 20 Silang - May 4 Naga - June 29 Iloilo (Home Essentials) - June 30
2H	Lipa - July 27 Zamboanga - August 10 Tayabas General Santos Davao Puerto Princesa/ General Trias
New	11
Temporary Closure - Depot	-1
Total	51

Increase margins thru in-house & exclusive brands expansion



Plumbing and Sanitary SEFA Crown Sink POZZI Käsch	Furniture, Furnishings, & Houseware HEIM Heritage Heritage	Tiles / Flooring Arte SOL VERONA PICASSO ROMANTIC	Hardware & Tools DIRECT HARDWARE
Electrical and Lighting ALPHALUX KAZE	Building Materials WOODLAND FOREST SOLUTHERM	Appliances Heritage Hamden	



END OF PRESENTATION