



Wilcon Depot, Inc.



Discussion Agenda

WILCON

DEPOT

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2 Financial Results

3 Operating and Financial Statistics

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Results Highlights

For the Y2018

- Net Income grew 32.5% y-o-y to P1.835 billion or P0.45 per share for a net margin of 8.7% driven by:
 - Net Sales increased 18.6% y-o-y to P21.041 billion with a comparable sales growth of 8.0%
 - Gross profit margin improved to 31.4% from 29.7% in 2017
- Eleven (11) new stores were opened, nine (9) depots and two (2) smaller format Home Essentials, ending the year with 51 branches (8 Home Essentials and 43 depots)
- Target product mix was exceeded with in-house and exclusive brands contributing 46.9% of total net sales for the year



home
interior



building
materials



doors &
mouldings



tiles



paints &
sundries



plumbing

Financial Results

Net Income grew 32.5% to P 1.835 B

(For the Year Ended December 31, 2018)

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Net Sales up 18.6%

GPM expanded to
31.4%

EBIT margin
increased to 12.1%

(In PHP MM)	FY 2018	% of Sales	FY 2017	% of Sales	% Growth
NET SALES	21,041	100.0	17,748	100.0	18.6
COST OF SALES	14,438	68.6	12,482	70.3	15.7
GROSS INCOME	6,603	31.4	5,266	29.7	25.4
OPERATING EXPENSES	-4,421	21.0	-3,596	20.3	22.9
OTHER INCOME – NET	359	1.7	185	1.0	93.9
EBIT	2,542	12.1	1,856	10.5	37.0
INTEREST EXPENSE	-2	0.0	-22	0.1	89.2
INCOME BEFORE TAX	2,540	12.1	1,834	10.3	38.5
INCOME TAX	704	3.3	448	2.5	57.1
NET INCOME	1,835	8.7	1,385	7.8	32.5
Depreciation	165	0.8	104	0.6	58.0
EBITDA	2,707	12.9	1,960	11.0	38.1

Net Income grew 66.6% to P446 M

(Fourth Quarter 2018)

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Net Sales up 20.4%

GPM expanded to
31.6%

EBIT margin
increased to 10.8%

(In PHP MM)	4Q18	% Sales	4Q17	% Sales	% Growth
NET SALES	5,682	100.0	4,721	100.0	20.4
COST OF SALES	3,887	68.4	3,381	71.6	15.0
GROSS INCOME	1,795	31.6	1,340	28.4	34.0
OPERATING EXPENSES	-1,276	22.4	-985	20.9	29.5
OTHER INCOME – NET	93	1.6	22	0.5	321.4
EBIT	613	10.8	377	8.0	62.6
INTEREST EXPENSE	0	0.0	-2	0.0	100.0
INCOME BEFORE TAX	613	10.8	375	7.9	63.6
INCOME TAX	167	2.9	107	2.3	56.0
NET INCOME	446	7.8	267	5.7	66.6
Depreciation	58	1.0	30	0.6	91.8
EBITDA	671	11.8	407	8.6	64.7

Balance Sheet

(In Php MM)

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	Audited Dec 31, 2018	Audited Dec 31, 2017
Current Assets	11,368	11,748
Noncurrent Assets*	6,134	4,277
Total Assets	17,502	16,024
Current Liabilities	4,171	3,725
Noncurrent Liabilities	118	381
Total Liabilities	4,290	4,106
Capital Stock	4,100	4,100
Additional Paid-in Capital	5,374	5,374
Other Comprehensive Loss	83	173
Retained Earnings	3,656	2,272
Total Equity	13,212	11,918
CURRENT RATIO	2.73	3.15
QUICK RATIO	0.81	1.12
DEBT-TO-EQUITY RATIO	0.32	0.34
RETURN ON ASSET	10%	9%
RETURN ON EQUITY	14%	12%

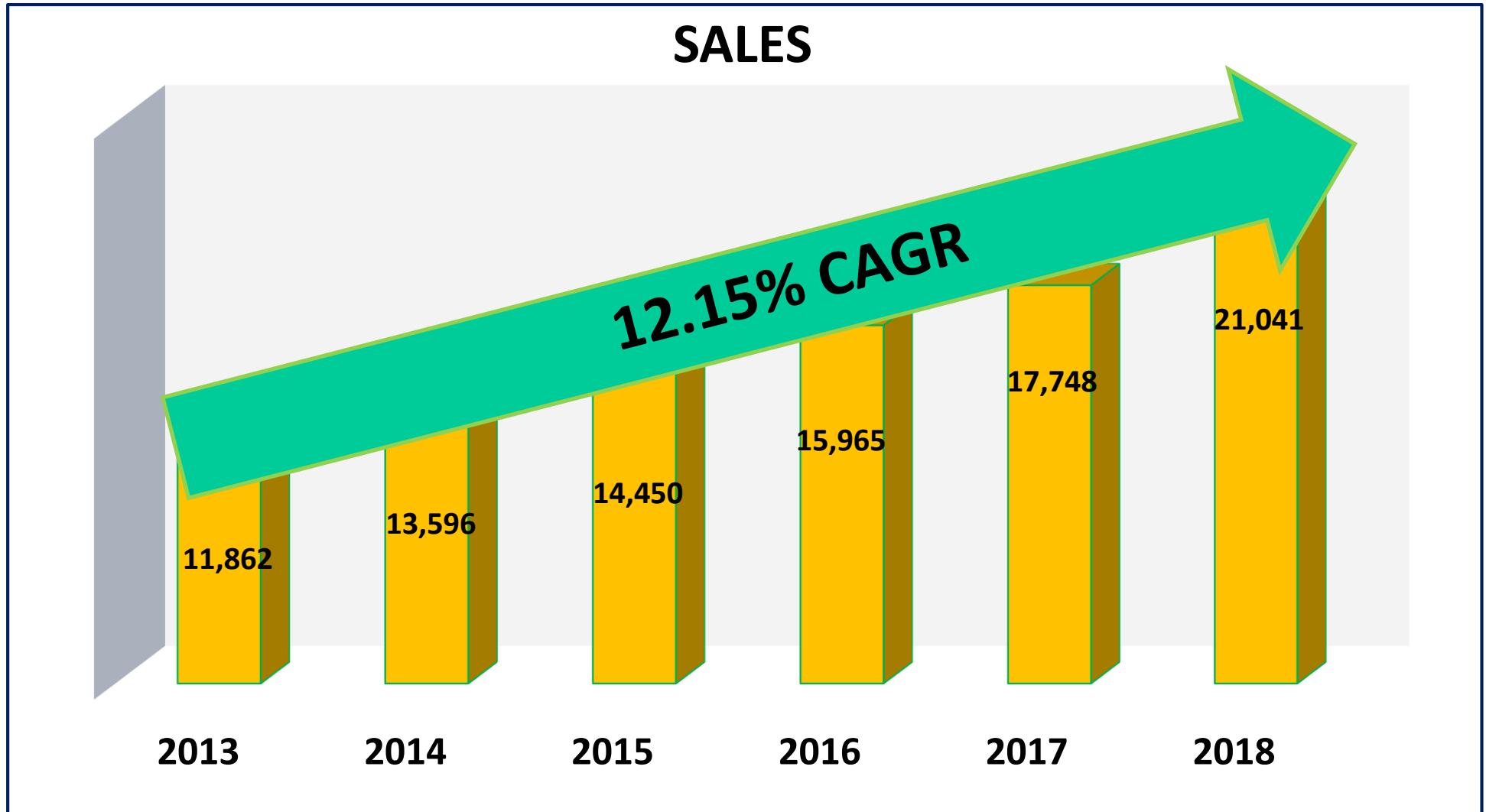
*Includes AFS assets of P2.9B comprising of RTBs and representing part of the IPO proceeds

WILCON DEPOY



Operating and Financial Statistics

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

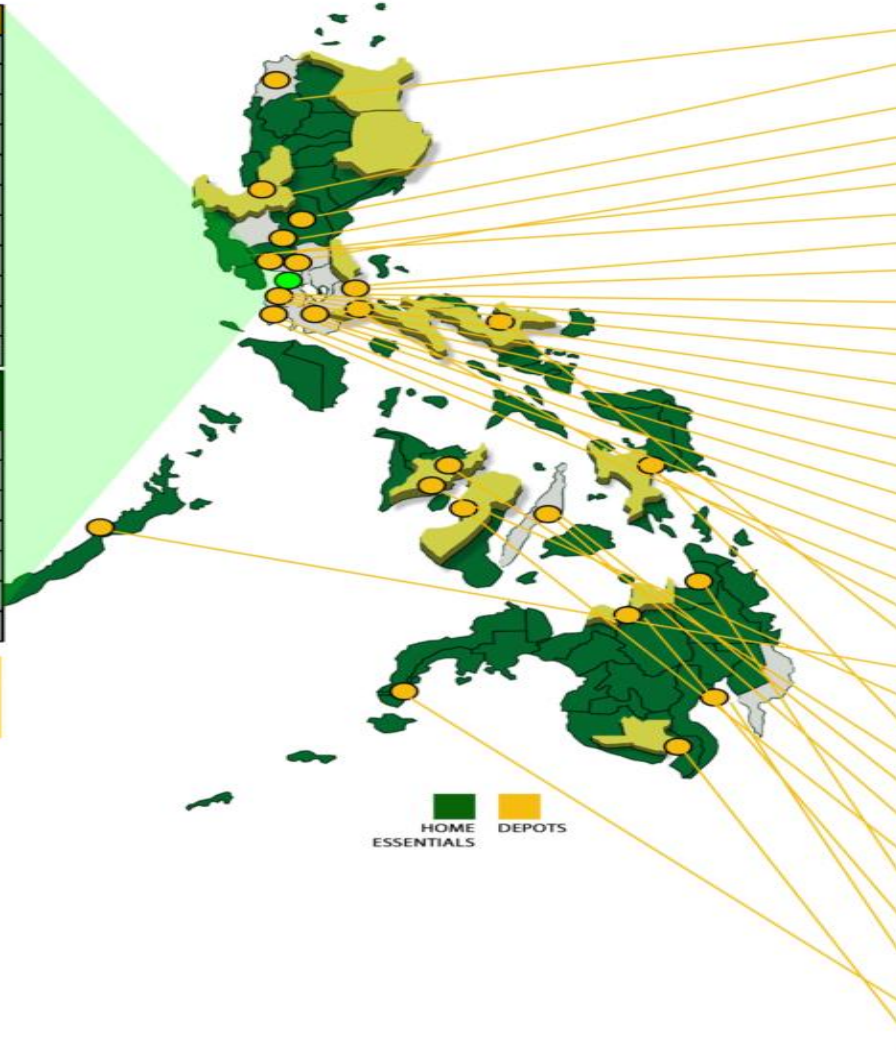
Store Network & Presence



Wilcon operates 52* 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



NATIONWIDE (DEPOT)	
1	LAOAG, ILOCOS NORTE
2	VILLASIS, PANGASINAN
3	CABANATUAN CITY, NUEVA ECIJA
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	GENERAL, TRIAS
13	KAWIT, CAVITE
14	MOLINO, CAVITE
15	SILANG, CAVITE
16	CALAMBA CITY, LAGUNA
17	SAN PABLO CITY, LAGUNA
18	STA. ROSA CITY, LAGUNA
19	BATANGAS CITY
20	LIPA CITY
21	TAYABAS, QUEZON
22	NAGA CITY
23	PUERTO PRINCESA
24	MANDURRIAO, ILOILO CITY
25	TACLOBAN CITY, LEYTE
26	JARO, ILOILO
27	TALISAY CITY, CEBU
28	MANDAUE CITY, CEBU
29	TALISAY - BACOLOD, NEGROS OCCIDENTAL
30	BUTUAN CITY
31	CAGAYAN DE ORO CITY, MISAMIS ORIENTAL
32	MATINA, DAVAO
33	PANACAN, DAVAO
34	ZAMBOANGA
35	GENERAL SANTOS

Luzon
ex-Metro
Manila –
23 stores

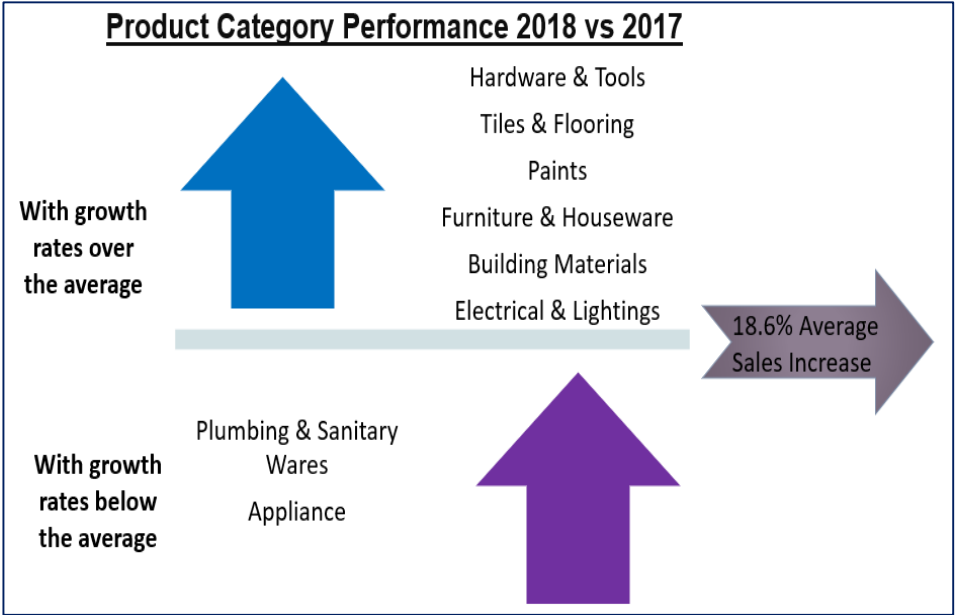
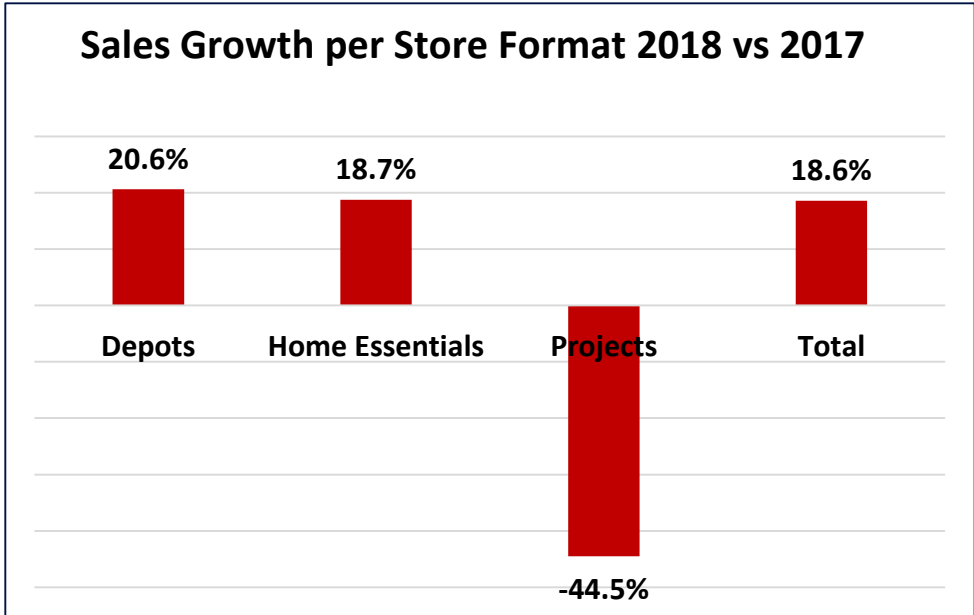
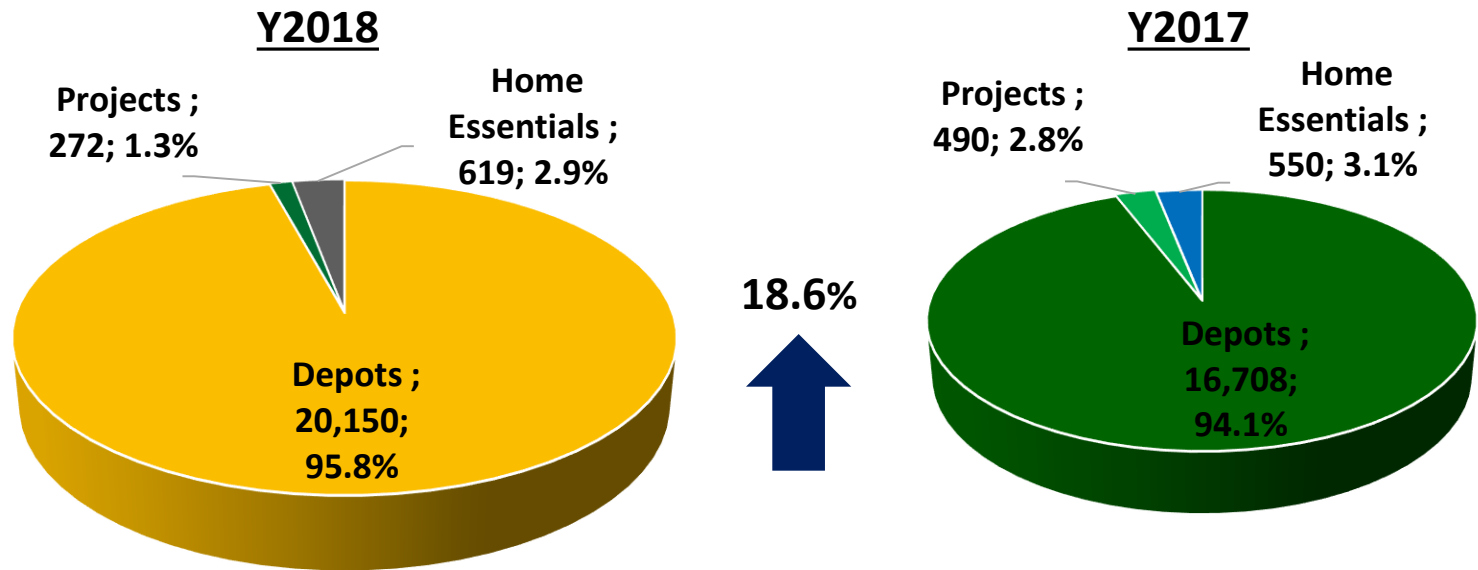
Visayas –
6 stores:
5 depots/
1 HE

Mindanao –
6 stores

* as of January 25, 2019



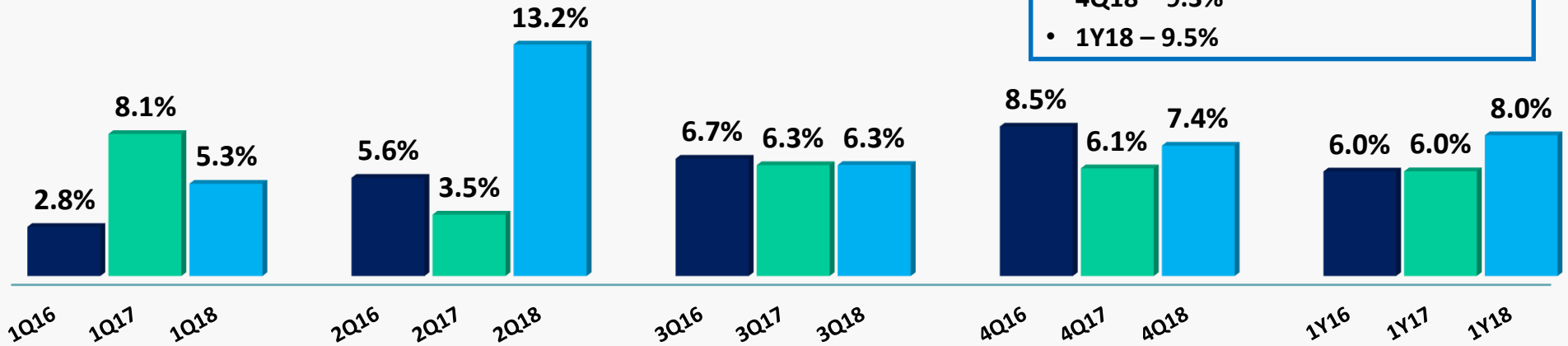
Total Net Sales Breakdown



Comparable Sales Summary



Quarterly Trend

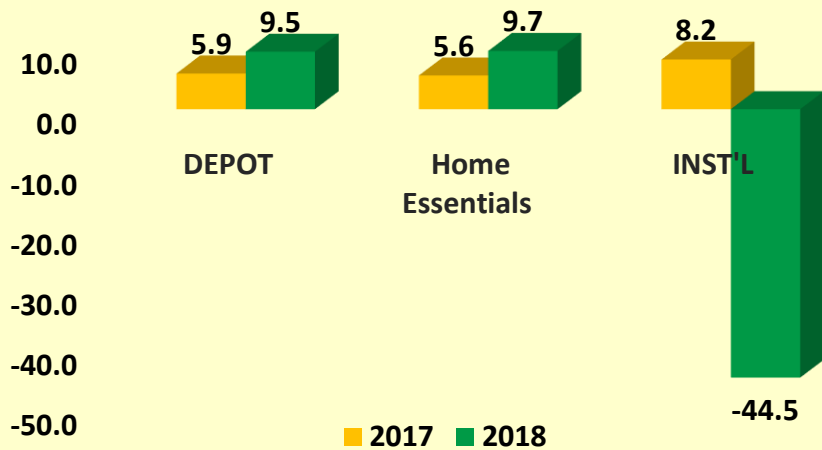


SSSG Excluding Inst'l/ Projects Sales

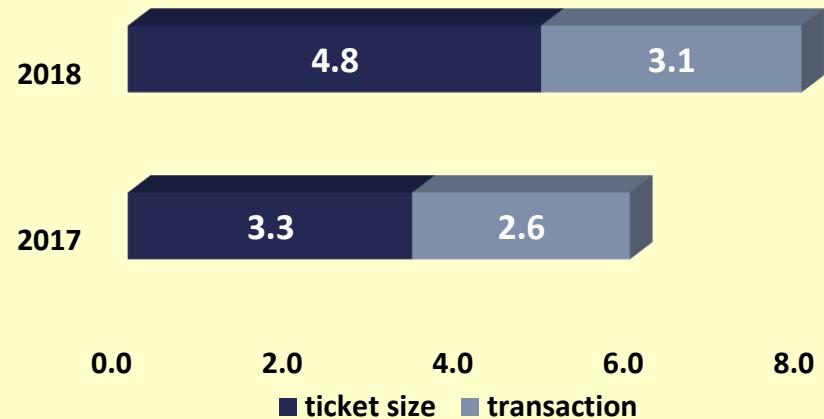
- 4Q18 – 9.3%
- 1Y18 – 9.5%

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

Comparable Sales per Format 2018 vs 2017



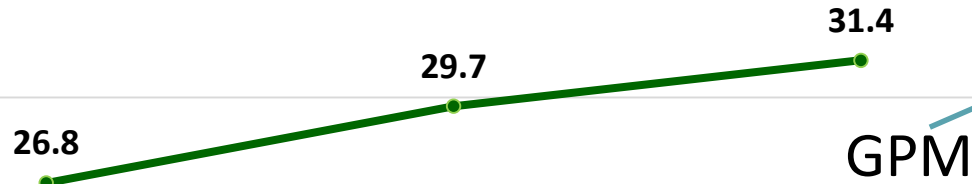
Comparable Ave Ticket/ Transactions



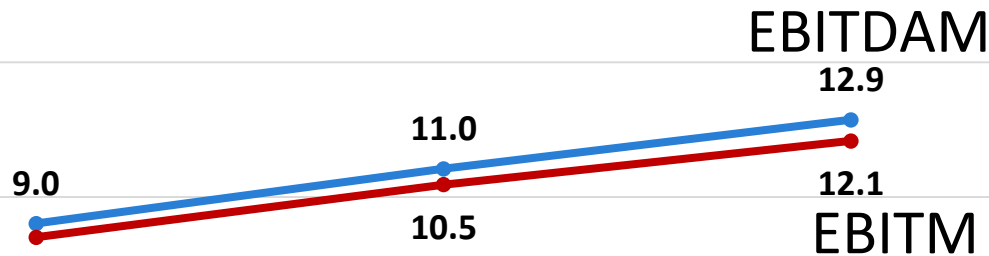
Improving Margins

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- Effective product mix strategy
- Expansion of contribution to net sales to 46.9% of the higher-margin in-house and exclusive brands



- Faster than expected ramp up of most of the stores opened in 2017 and 2018
- Marketing initiatives
- Volume discounts and incentives
- Partly offset by higher opex attendant to increased volume of business

2016

2017

2,018



home
interior



building
materials



doors &
mouldings



tiles



paints &
sundries



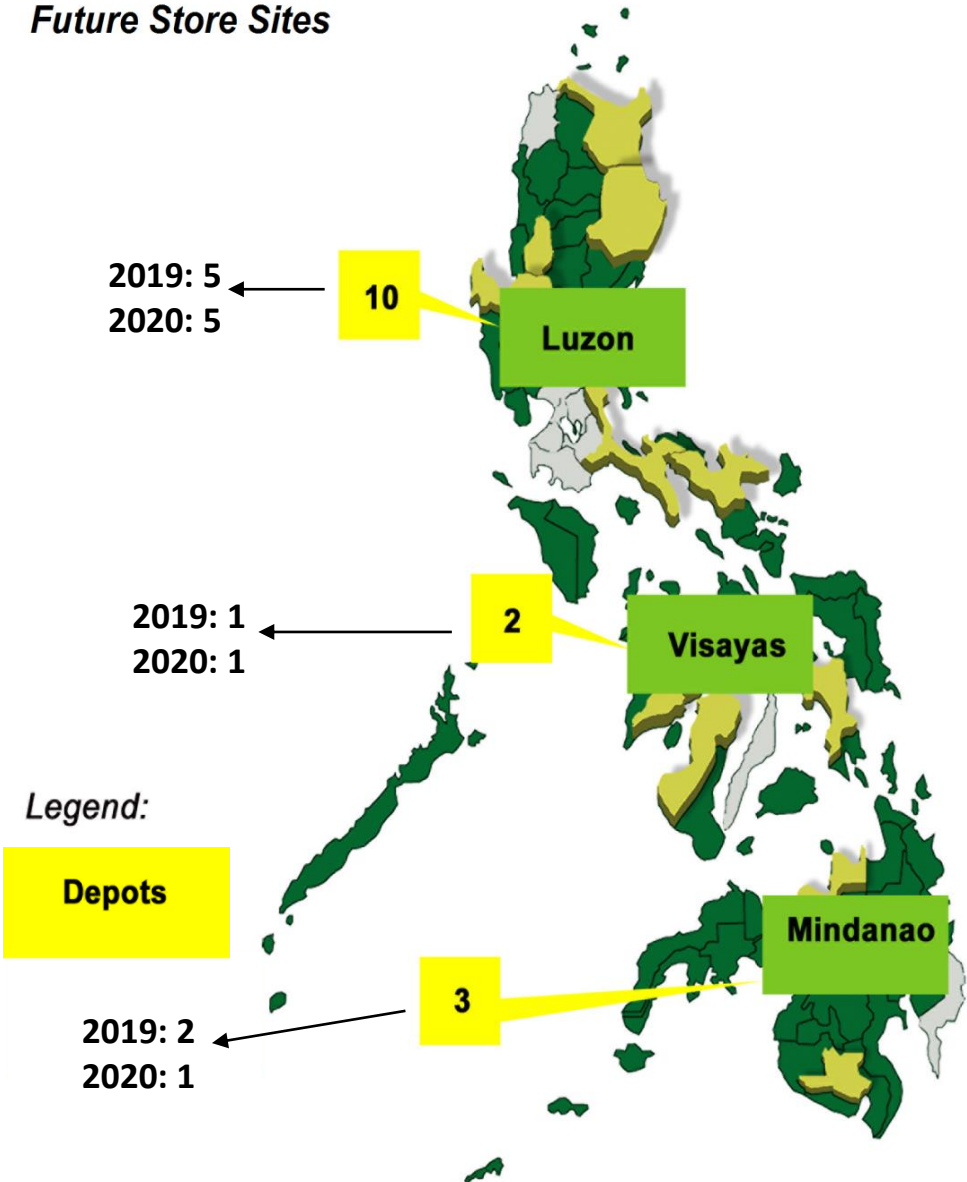
plumbing

Outlook

2019 - 2020 Store Expansion Plan

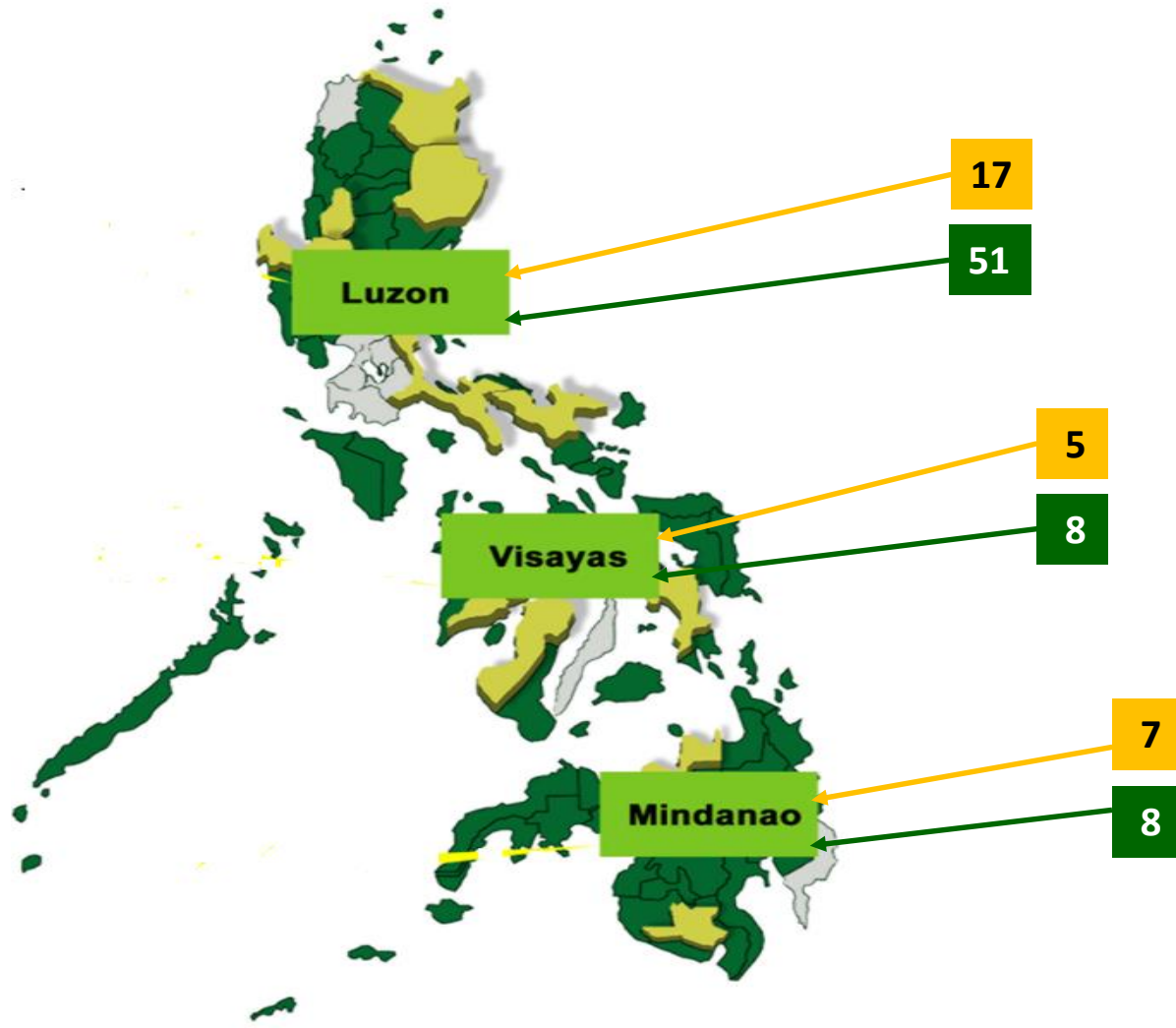


Future Store Sites



	2019
IH	Panacan, Davao – Jan 25 Sta. Barbara, Iloilo Opol, CDO Sto. Tomas, Batangas Antipolo City
2H	Calumpit, Bulacan Tuguegarao Commonwealth
New, 2019	8
2018 Balance	51
Total, end 2019	59

2017 - 2020 Planned New Branches

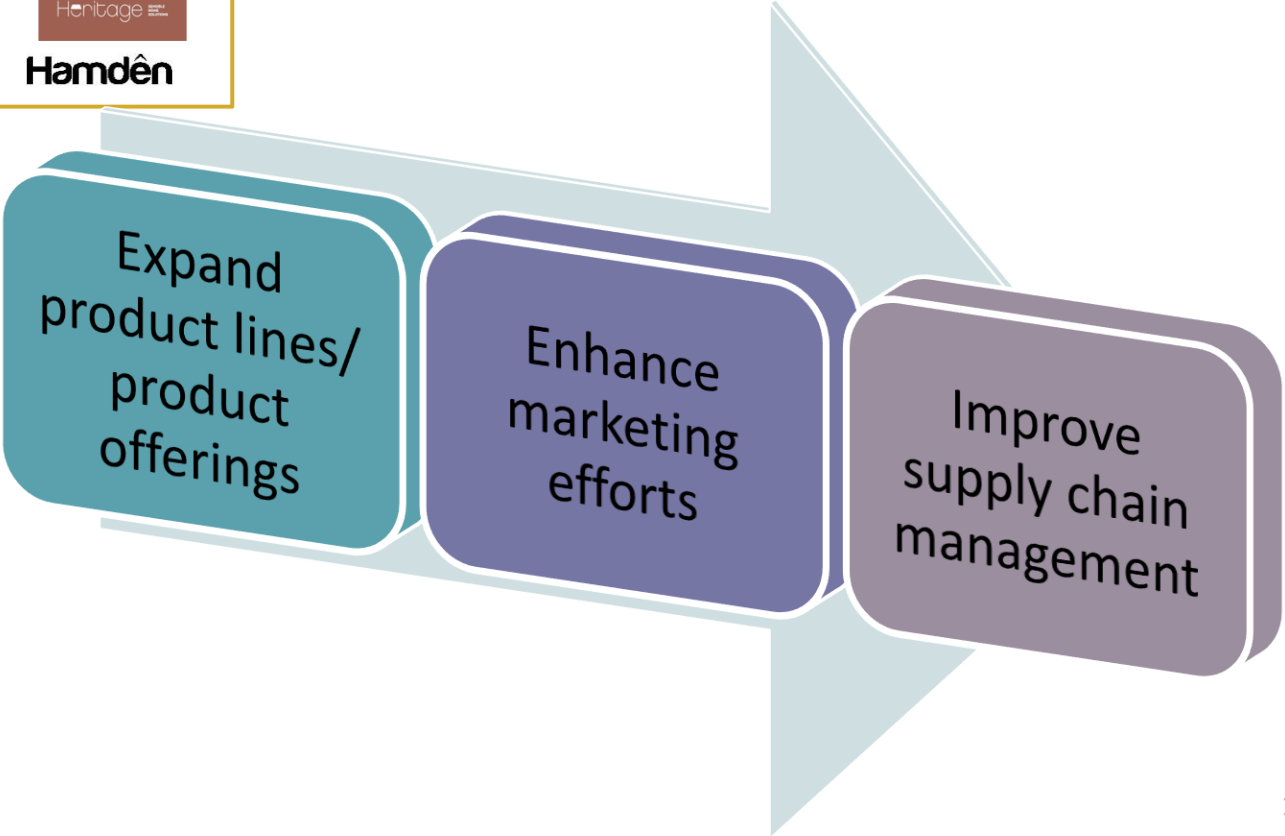


From January 2017 to January 2019, seventeen (17) new stores were opened, fifteen (15) depots and two (2) smaller format Home Essentials.

Continue to increase margins thru in-house & exclusive brands expansion



Plumbing and Sanitary SEFA Crown Sink POZZI Käsch	Furniture, Furnishings, & Houseware HEIM 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	



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