

# Annual Stockholders' Meeting

June 19, 2017

Wack Wack Golf and Country Club



**WILCON**

**DEPOT**

CARPARK ENTRANCE

**WILCON**

**DEPOT**

# AGENDA

1. **Call to Order**
2. **Proof of Notice; Attendance and Quorum**
3. **Approval of Minutes of Previous Meeting**
4. **Annual Report and Financial Statements**
5. **Ratification of Acts of the Board and Management**
6. **Amendment to By-laws**
7. **Election of Directors**
8. **Appointment of External Auditor**
9. **Other Matters**
10. **Adjournment**

1

# Call to Order



2

## Proof of Notice; Attendance and Quorum



# Approval of Minutes of Previous Meeting



**WILCON DEPOT: FROM HUMBLE BEGINNINGS TO 40 YEARS OF BEING A HOUSEHOLD NAME IN HOMEBUILDING SUPPLIES**



**WILCON LAUNCHES NEW BRAND AMBASSADORS AND PARTNERSHIP WITH GROHE AND FRANKE**



**FOR FOUR DECADES, Wilcon Depot has established itself as a trusted name in the retail construction industry, supplying high-grade materials and excellent services to its customers. A pioneer in the industry, the company was founded in 1977 and started from humble beginnings as a small hardware store.**



# Annual Report and Financial Statements



# FOUNDER'S MESSAGE

BUILDING

BIG

IDEAS



40 YEARS



**WILCON**

**DEPOT**



# 1977

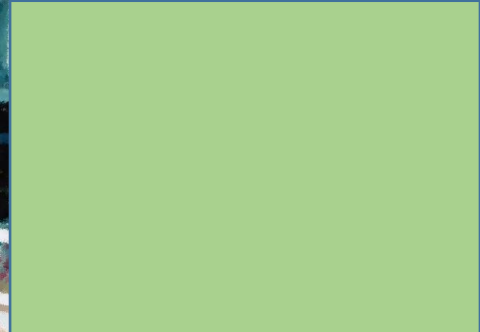
## 60-meter hardware store

tiles, plumbing and sanitary wares,  
electrical and lighting products, and  
hardware and tools





1980s –  
1990s  
measured growth



# 2000s

opened depot-format stores and expanded outside of Metro Manila



<p><b>Plumbing and Sanitary</b></p> <p>SEFA</p> <p>POZZI BATHROOM SOLUTIONS</p> <p>Crown Sink</p> <p>Käsch</p>	<p><b>Furniture, Furnishings, &amp; Houseware</b></p> <p>HEIM HOME ESSENTIALS</p> <p>Heritage</p>	<p><b>Tiles / Flooring</b></p> <p>Arte CERAMICHE</p> <p>SOL CERAMICA</p> <p>VERONA TILES</p> <p>PICASSO ROMANTIC</p>	<p><b>Hardware &amp; Tools</b></p> <p>DIRECT HARDWARE</p>
<p><b>Electrical and Lighting</b></p> <p>ALPHALUX</p> <p>KAZE</p>	<p><b>Building Materials</b></p> <p>WOODLAND</p> <p>FREST PRODUCTS</p> <p>SOLUTHERM</p>	<p><b>Appliances</b></p> <p>Heritage</p>	

Developed house brands across major categories

We evolved from the traditional hardware store into

**modern retail trade**, transforming our stores to become what they are today

- customer-focused,  
with product choices  
that have meaningful depth and breadth  
and peopled by customer experts  
who offer quality solutions  
to help every homeowner and homebuilder  
realize their dream homes and projects.






# INDUSTRY LEADER




## STRENGTHEN LEADERSHIP POSITION


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professionalize our business



continually improve systems and processes



deliver the Wilcon brand of customer service that is consistently responsive to customers' needs day in and day out

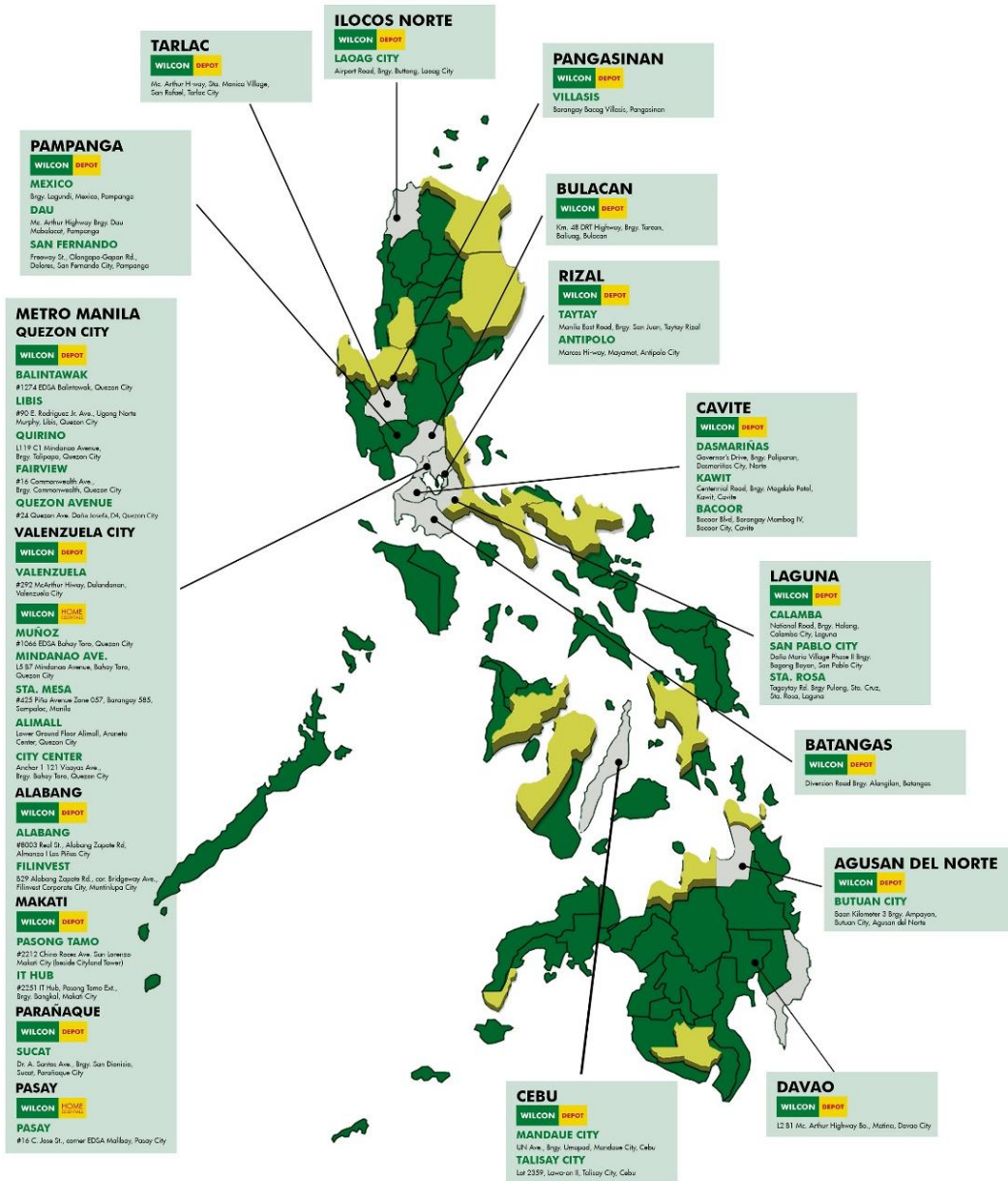
A photograph of a large sign for Wilcon Depot. The sign is split into two sections: a green section on the left and a yellow section on the right. The word "WILCON" is written in large, white, 3D block letters on the green background. The word "DEPOT" is written in smaller, red, 3D block letters on the yellow background. The sign is set against a clear blue sky.

**WILCON**

**DEPOT**

**IPO**

**31 March 2017**



**37**  
**Stores**

We remain **optimistic** on the Philippine economy and the retail sector.

The increased government spending with particular focus on **infrastructure** will surely create compounding benefits to the economy and stimulate growth throughout the country.

Against this backdrop, we hope **WILCON** will continue to **prosper** and **sustain its growth trajectory** in the coming years.

**THANK  
YOU**



# PRESIDENT'S REPORT

**WILCON**

**DEPOT**

We, at **WILCON**,  
are committed to realize  
our Founder's vision to  
be partners of our  
stakeholders in building  
**big ideas.**

LEGACY



WILCON DEPOT

**WILCON**

**DEPOT**

**Dec  
2015**

incorporated to operate  
the  
home improvement  
and  
construction supplies  
retail business  
of the parent company,

**Wilcon Corporation**

**WILCON**

**DEPOT**

**Apr  
2016**

**WILCON  
CORPORATION**



**WILCON DEPOT, INC.**

# 2016 Financial Performance





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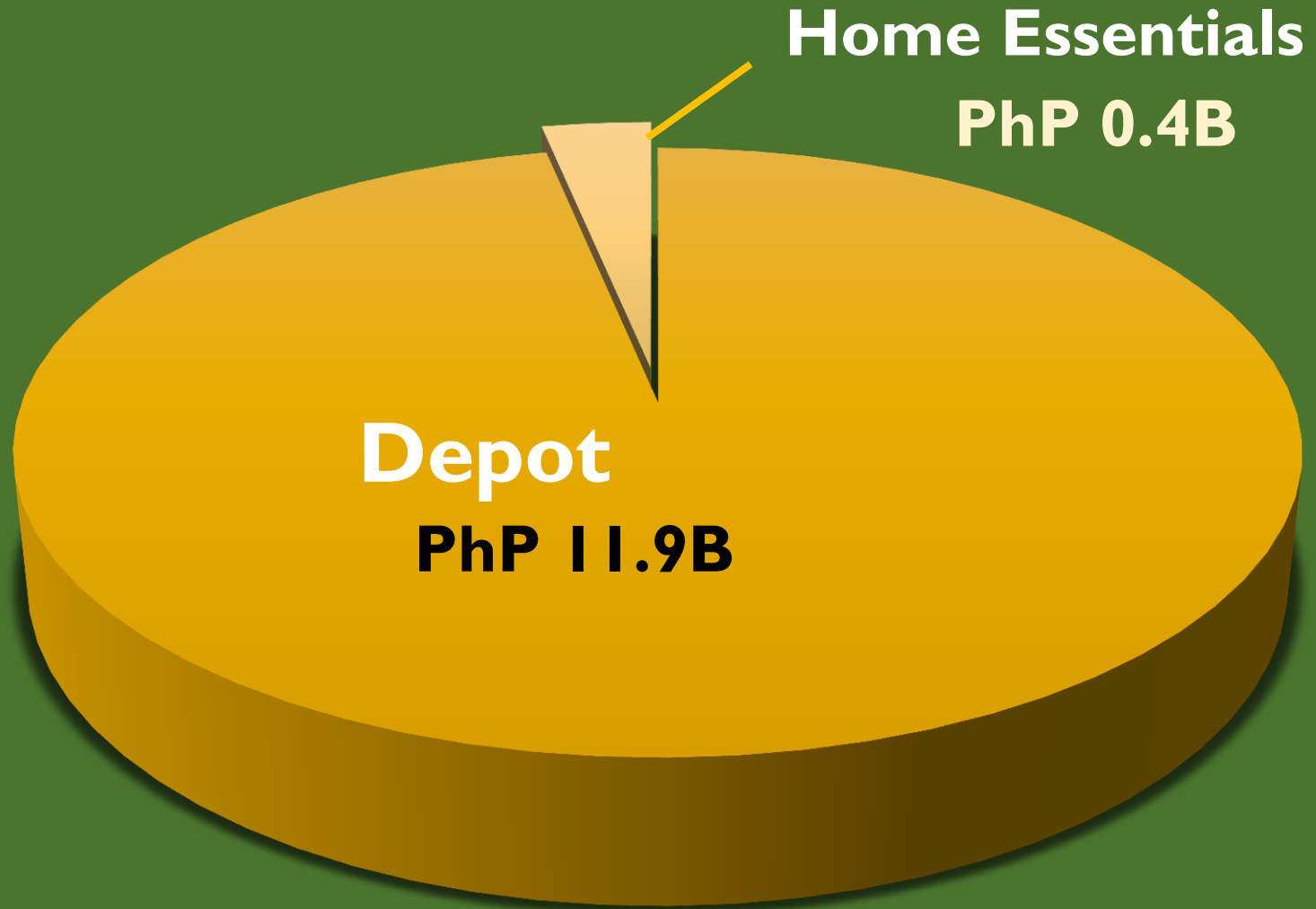
**SALES**

**APR – DEC 2016**

**WILCON**

**DEPOT**

# Depot vs Home Essentials Net Sales



# 2016 Store Openings



During the period, the Company opened two new stores, both depot-formats, in Molino, Cavite in April

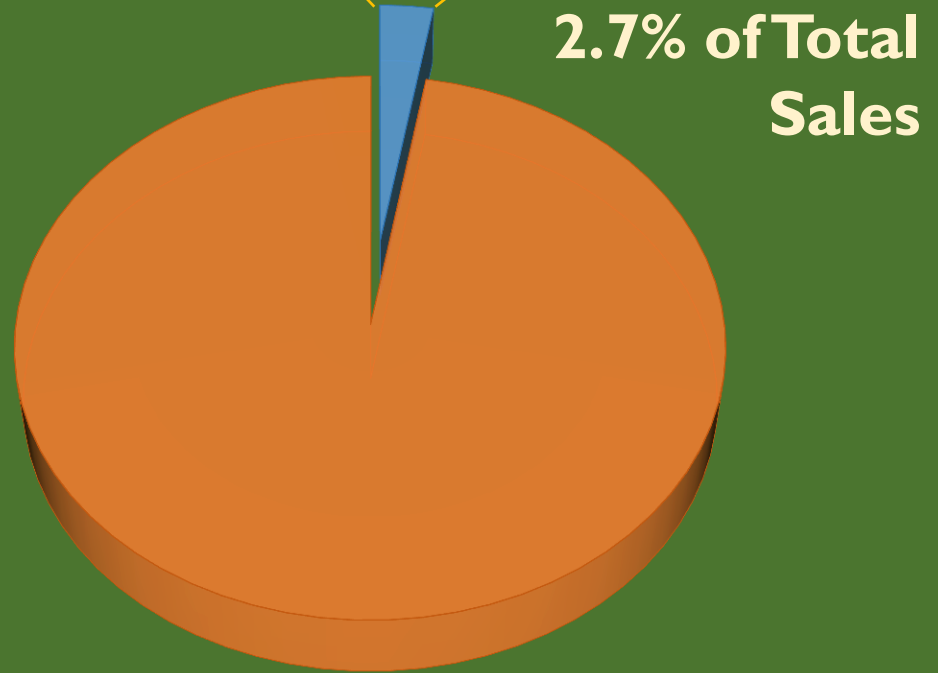
and Sta. Rosa, Laguna  
in September.



**Sta. Rosa Branch**



These new stores are expected to account for more of the Company's **revenues** in the future given the demographics of their locations.



# Income Statement Highlights

(In PhP Million)	Audited Apr-Dec 2016	
<b>Net Sales</b>	<b>12,298</b>	<b>100.0%</b>
Cost of Sales	8,999	73.2%
<b>Gross Income</b>	<b>3,299</b>	<b>26.8%</b>
Operating Expense	2,287	18.6%
Interest Expense	-30	
Other Income - Net	34	
<b>Income before Tax</b>	<b>1,015</b>	<b>8.3%</b>
<b>Net Income</b>	<b>887</b>	<b>7.2%</b>

# Balance Sheet Highlights

(In PhP Millions)	Amount
Current Assets	8,406
Noncurrent Assets	737
<b>Total Assets</b>	<b>9,143</b>
Current Liabilities	4,497
Noncurrent Liabilities	1,064
<b>Total Liabilities</b>	<b>5,561</b>
Capital Stock	2,706
Other Comprehensive Loss	-10
Retained Earnings	886
<b>Total Equity</b>	<b>3,582</b>



We look forward to **expanding** into new markets and introducing the **WILCON** brand of quality products and customer service to attain our **growth targets** and maintain our **leadership** in our space.



Management and Staff  
Board of Directors  
Shareholders

**Thank you**

# Ratification of Acts of the Board and Management



1. Creating the Honorary Position of Chairman Emeritus; and
2. Indicating under Sections 4.1 to 4.5 thereof that the composition of the committees of the Board of Directors shall be in such composition as may be required by law be approved and ratified.

## 7 Election of Directors

1. Ms. Lorraine C. Belo-Cincochan
2. Mr. Mark Andrew Y. Belo
3. Ms. Careen Y. Belo

### Independent Directors:

4. Mr. Bertram B. Lim
5. Mr. Ricardo S. Pascua
6. Mr. Rolando S. Narciso
7. Mr. Delfin L. Warren



**REYES TACANDONG & Co.**  
FIRM PRINCIPLES. WISE SOLUTIONS.



## 9 Other Matters



**THANK  
YOU**