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SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines
 Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph

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Company Representative

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Company Information

SEC Registration No. CS201524712
 Company Name WILCON DEPOT, INC. DOING BUSINESS UNDER THE NAME AND
 Industry Classification CONST. MATERIALS & SUPPLIES RETAIL
 Company Type Stock Corporation

Document Information

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COVER SHEET

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S.E.C Registration No.

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(Company's Full name)

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(Principal Office)

Atty. Sheila Pasicolan - Camerino
Contact Person

(02)8634-8387
Tel. No.

ANNUAL PROGRESS REPORT

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FORM TYPE

Secondary License, (if applicable type)

Dept. requiring this doc

Amended Articles number

Total stockholders

Domestic	Foreign

To be accomplished by SEC personnel concerned

File Number	LCU

Document I.D.	Cashier

STAMPS

Item. 9. Other Events

Please see attached Annual Progress Report (2019 Disbursement of Proceeds).

SIGNATURES

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

Signature 

Date January 10, 2020

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, 2020

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 annual period ended December 31, 2019 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 black ink, appearing to read "Mark Andrew Y. Belo".

MARK ANDREW Y. BELO
Treasurer

January 10, 2020

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: **Annual Progress Report on the Use of Initial Public Offering Proceeds with External Auditor Certification**

Dear Ms. Encarnacion:

In compliance with the Initial Public Offering (IPO) of Wilcon Depot Inc. (WDI) on March 31, 2017, we submit herewith our report on the application of the proceeds coming from the primary offer of WDI shares amounting to SEVEN BILLION THIRTY NINE MILLION TWO HUNDRED TWENTY SIX THOUSAND THREE HUNDRED TEN PESOS (₱7,039,226,310) for the year ended December 31, 2019.

COMPARISON OF ESTIMATED VERSUS ACTUAL

	Allocation based on Prospectus		Allocation based on Actual Net Proceeds		Actual Disbursements	
Gross Proceeds	PHP	7,039,226,310	PHP	7,039,226,310	PHP	7,039,226,310
Offer expenses		(289,132,001)		(289,897,803)		(289,897,803)
Net Proceeds		6,750,094,309		6,749,328,507		6,749,328,507
Use of the Proceeds						
Debt repayment		(428,100,000)		(428,100,000)		(428,100,000)
General corporate purposes		(200,000,000)		(200,000,000)		(200,000,000)
Store network expansion		(6,121,994,309)		(6,121,228,507)		(4,720,559,535)
		(6,750,094,309)		(6,749,328,507)		(5,348,659,535)
Unapplied Proceeds	PHP	-	PHP	-	PHP	1,400,668,972

**APPLICATION OF NET PROCEEDS
AS OF DECEMBER 31, 2019**

Use of Proceeds	Allocation Based on Actual Net Proceeds	Balance of the Proceeds as of December 31, 2018	Actual Disbursements for the Year 2019	Balance of the Proceeds as of December 31, 2019
Debt repayment	PHP 428,100,000	PHP -	PHP -	PHP -
General corporate purposes	200,000,000	-	-	-
Store network expansion	6,121,228,507	3,573,063,018	2,172,394,046	1,400,668,972
Total	PHP 6,749,328,507	PHP 3,573,063,018	PHP 2,172,394,046	PHP 1,400,668,972

JAN 10 2020

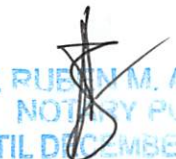
IN WITNESS WHEREOF, I have hereunto set my hand this day of _____ at Quezon City, Metro Manila Philippines.


MARK ANDREW Y. BELO
 Treasurer

JAN 10 2020

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

Doc. No. 141 ;
 Page No. 29 ;
 Book No. 11 ;
 Series of 2020.


ATTY. RUELIN M. AZANES, JR.
 NOTARY PUBLIC
 UNTIL DECEMBER 31, 2020
 PTR NO. 9269843, Jan. 2, 2020 Quezon City
 IBP No. AR54011860-Jan. 2, 2020 QC Chapter
 Roll of Attorney's No. 46427
 Admin Matter No. 053
 MCLE-V-0024616
 TIN: 140-394-386-000



January 10, 2020

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 year ended December 31, 2019 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 P5.05 per share.

The remaining proceeds from the Offering are being used by the Company for store network expansion.

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 year December 31, 2019.

Balances and movements of unapplied proceeds as at and for the year ended December 31, 2019 are as follows:

Unapplied proceeds as at December 31, 2018	P3,573,063,018
Store network expansion	(2,172,394,046)
<u>Unapplied proceeds as at December 31, 2019</u>	<u>P1,400,668,972</u>

2. For the year ended December 31, 2019, the Company made actual disbursements amounting to ₱2,172.4 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 ₱1,878.1 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 ₱294.3 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, 2019 are as follows:

Cash in designated bank accounts for Offering proceeds	₱37,372,360
Investment in retail treasury bond (RTB)	2,250,000,000
	<u>2,287,372,360</u>
Funds from various regular bank accounts	(886,703,388)
	<u>₱1,400,668,972</u>

As at December 31, 2019, the unapplied proceeds amounting to ₱1,400.7 million are maintained in designated bank accounts for Offering proceeds and investment in RTB.

We traced to the bank statements the total cash in banks for various regular bank accounts, which includes the ₱886.7 million funds from regular bank accounts, and designated bank accounts for Offering proceeds. No exceptions were noted.

In 2019, the Company sold portions of the RTB back to the selling agent. The proceeds were used to reimburse the funds from regular bank accounts. Details are as follows:

Date	Principal	Proceeds
August 27, 2019	₱250,000,000	₱251,596,684
December 18, 2019	500,000,000	503,970,523
	<u>₱750,000,000</u>	<u>₱755,567,207</u>

We confirmed and traced the investment in RTB from the Progress Report to the portfolio statement. No exceptions were noted.

4. As at December 31, 2019, the status of planned and actual use of proceeds is summarized below:

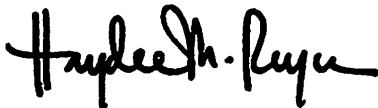
	Allocation Based on Prospectus	Allocation Based on Actual Net Proceeds	Actual Disbursements
Gross Proceeds	₱7,039,226,310	₱7,039,226,310	₱7,039,226,310
Offer Expenses	(289,132,001)	(289,897,803)	(289,897,803)
Net Proceeds	6,750,094,309	6,749,328,507	6,749,328,507
Use of the Proceeds			
Store network expansion	(6,121,994,309)	(6,121,228,507)	(4,720,559,535)
Debt repayment	(428,100,000)	(428,100,000)	(428,100,000)
General corporate purposes	(200,000,000)	(200,000,000)	(200,000,000)
	<u>(6,750,094,309)</u>	<u>(6,749,328,507)</u>	<u>(5,348,659,535)</u>
Unapplied Proceeds	₱-	₱-	₱1,400,668,972

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, 2020

Makati City, Metro Manila