



**MACQUARIE ASEAN CONSUMER
& LIFESTYLE ACCESS
March 10, 2022**

DISCUSSION AGENDA

WILCON

DEPOT

- ▶ First Quarter 2022 Situationer
 - ▶ 2021 Operations Highlights
 - ▶ 2021 Financial Results Highlights
 - ▶ Operating and Financial Statistics
 - ▶ 2022 Outlook

WILCON

DEPOT

1st Quarter 2022 Updates



PH fully vaccinates 54 million Filipinos

By CNN Philippines Staff
Published Jan 14, 2022 10:48:02 PM

Like Share 3 people like this. Be the first of your friends.



Metro Manila (CNN Philippines, January 14) — Two weeks after its original target, the Philippine government finally achieved its end-2021 goal of fully vaccinating 54 million people against COVID-19.

The National Task Force against COVID-19 said 54,457,863 people already received full protection against the coronavirus, which represents 70.60% of the country's target population of around 77 million - which the government aims to fully immunize by the first quarter of 2022, and reach 90 million by the end of the second quarter.

TRANSPORTATION IN PHOTOS: Metro Manila under Alert Level 1

Written by CNN Philippines Life Staff
Updated Mar 4, 2022 4:58:35 PM



Health Undersecretary Maria Rosario Vergara said that Alert Level 1 is closer to "living with the virus" but Filipinos should still remain vigilant. Photo by J.C. JAVIER

Good Balita

LOWEST COVID-19 ALERT LEVEL 1 IN EFFECT OVER 38 AREAS IN PHILIPPINES

By The Good News Pilipinas Team - March 1, 2022



ALERT LEVEL MARCH 1-15, 2022

ALERT LEVEL 1

NATIONAL CAPITAL REGION	ISABELA	ROMBLON
ABRA	QUIRINO	NAGA CITY
APAYAO	ANGELES CITY	CATANDUANES
BAGUIO CITY	AURORA	AKLAN
KALINGA	BATAAN	BACOLOD CITY
DAGUPAN CITY	BULACAN	CAPIZ
ILOCOS NORTE	OLONGAPO CITY	GUIMARAS
ILOCOS SUR	PAMPANGA	SIQUIJOR
LA UNION	TARLAC	BILIRAN
PANGASINAN	CAVITE	ZAMBOANGA CITY
BATANES	LAGUNA	CAGAYAN DE ORO CITY
CAGAYAN	MARINDUQUE	CAMIGUIN
CITY OF SANTIAGO	PUERTO PRINCESA CITY	DAVAO CITY

NCR and 38 areas in the Philippines under Alert Level 1. PCOO Twitter.

- ✓ Metro Manila and most of the country experienced another surge with record number of Covid-19 cases per day the first three weeks of January.
- ✓ Number of cases started to decline towards the end of January.
- ✓ The continued drop in new COVID-19 cases led to the easing of restrictions. Currently at Alert Level 1, the lowest or closest to pre-pandemic normal.
- ✓ PH fully vaccinates 54 million Filipinos representing 70.6% of the country's target population of around 77 million – which the government aims to fully immunize by the first quarter of 2022.
- ✓ All stores remained open through all the quarantine/alert levels.

2021 Operations Updates



Store Network Expansion

- Opened 10 new branches
- 9 depots and 1 Home Essentials
- 73 branches by yearend
- Total GFA as of December 31, 2021- 622,935 SQM

- ✓ Metro Manila and nearby provinces placed in a bubble labeled NCR+ in end-March to April, stricter quarantine measures in place
- ✓ NCR+ and other areas with elevated Covid-19 cases were placed under ECQ or some form of stricter mobility restrictions from August 6 to October 15
- ✓ Continuous elevated number of Covid-19 cases for most of the 3rd quarter
- ✓ Rolled out the free vaccination program for all employees and their family members nationwide starting in July 2021
- ✓ Sustained downtrend in COVID-19 cases and continuous progress in the vaccination campaign enabled the government to ease restrictions from Oct 16
- ✓ All stores remained open through all the quarantine/alert levels



Omnichannel Enhancements

- Launched a new and improved e-commerce site in end-May, 2021
- Opened two LazMall shops
- Partnered with Kohler as the fulfilment partner for their E-shop
- Partnered with third-party delivery service for omnichannel deliveries



- Included in the PSEI on October 11, 2021

WILCON

DEPOT

WILCON

DEPOT

FOURTH QUARTER 2021 RESULTS

WILCON

DEPOT

4Q2021 Results Highlights

Financial Highlights

- ✓ Php 7.465B Net Sales
- ✓ 9.1% y-o-y Net Sales growth
- ✓ Php 692 Million NIAT
- ✓ 22.8% y-o-y NIAT growth
- ✓ 38.1% GPM
- ✓ 15.7% EBITDAM
- ✓ 12.3% EBITM

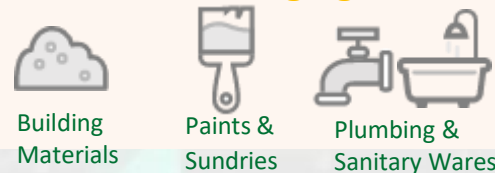
Comparable Sales Summary

- 0.8% SSSG
- 9.9% Transaction Count
- 12.0% Ticket Size

Total Sales Mix

50.1%
In-house & exclusive contribution

Product categories performing better than average growth



Opened 4 new stores

- Tagum, Davao del Norte
- San Fernando Pampanga
- Dauis, Bohol
- Malaybalay, Bukidnon



4th Quarter 2021

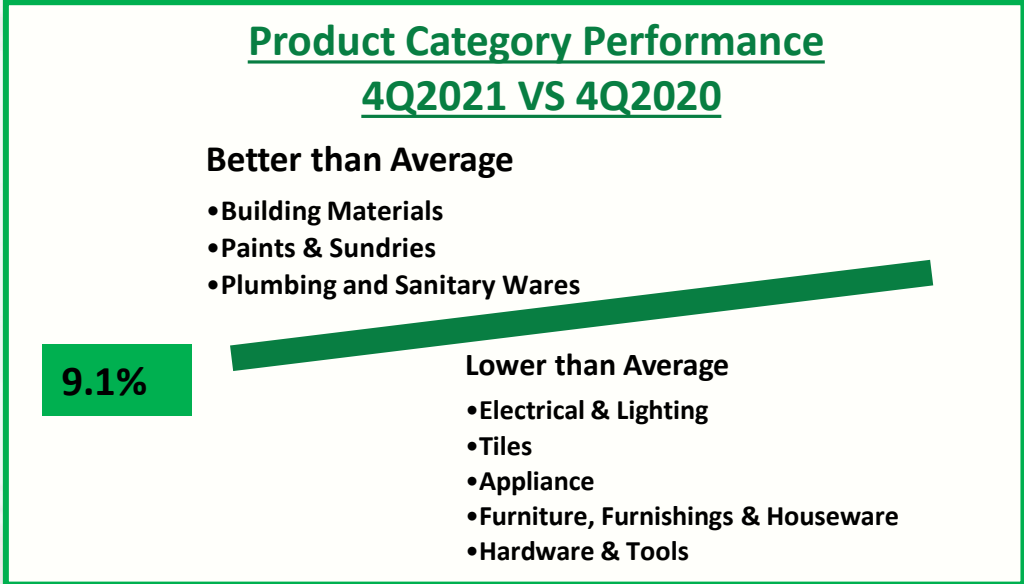
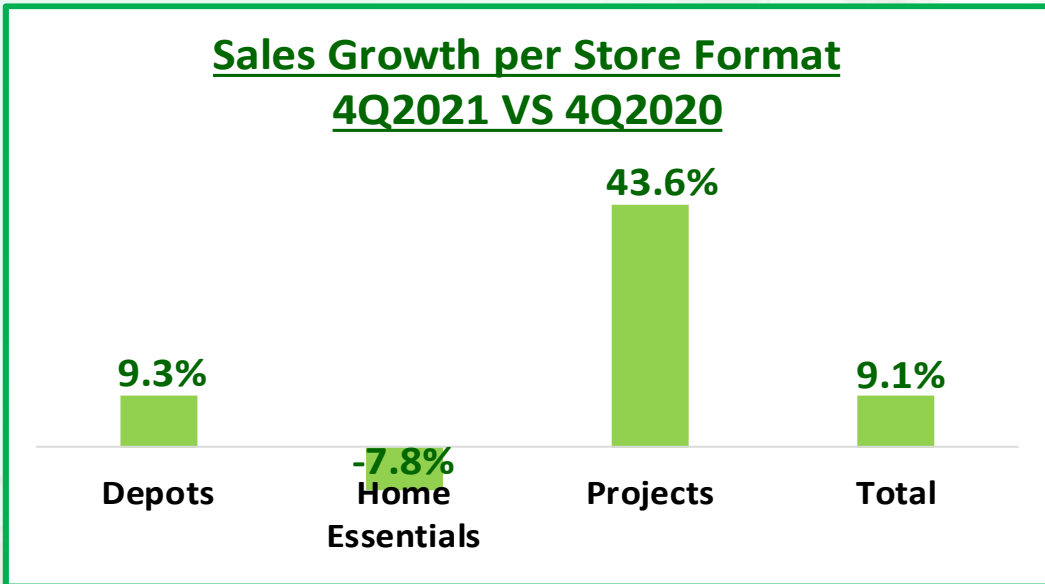
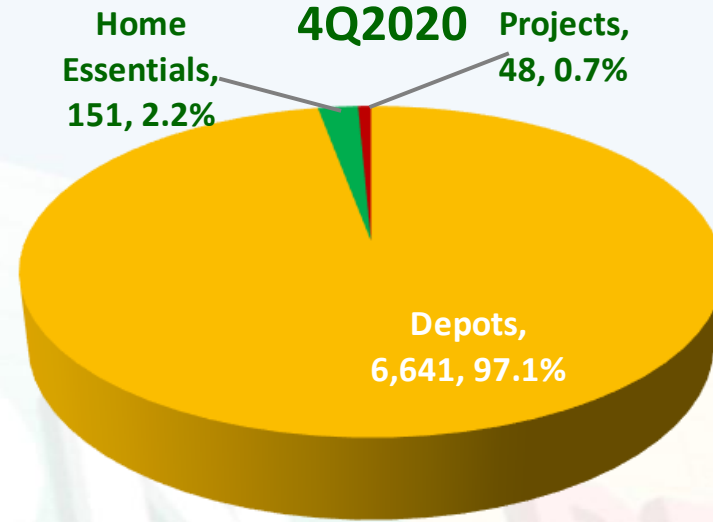
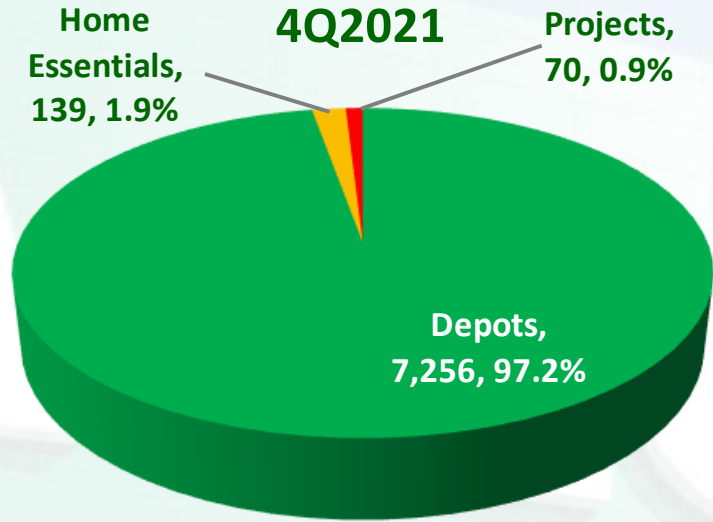
GPM rate increased
to 38.1%

Lease-related
expense

(In Php MM)	4Q2021	% Sales	4Q2020	% Sales	% Growth
Net Sales	7,465	100.0	6,840	100.0	9.1
Cost of Sales	-4,621	-61.9	-4,494	-65.7	2.8
Gross Income	2,844	38.1	2,346	34.3	21.2
Operating Expenses	-1,914	-25.6	-1,625	-23.8	17.8
Interest Exp (Lease Liab)	-117	-1.6	-112	-1.6	4.5
Other Income - Net	104	1.4	184	2.7	-43.7
Income from Operations	917	12.3	792	11.6	15.7
Non PFRS16 Depreciation & Amortization	253	3.4	196	2.9	28.9
EBITDA - Adjusted	1,170	15.7	989	14.5	18.3
Interest Income	5	0.1	9	0.1	-47.6
Income Before Tax	921	12.4	801	11.7	15.0
Income tax	-229	-3.1	-238	-3.5	-3.5
Net Income	692	9.3	563	8.2	22.8

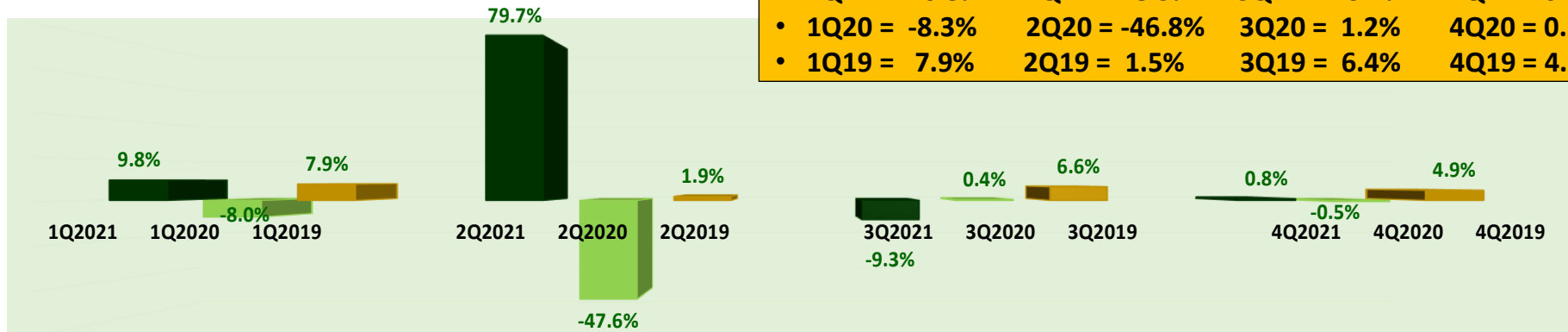
Total Net Sales Breakdown -4Q2021

Php Millions



Comparable Sales Summary

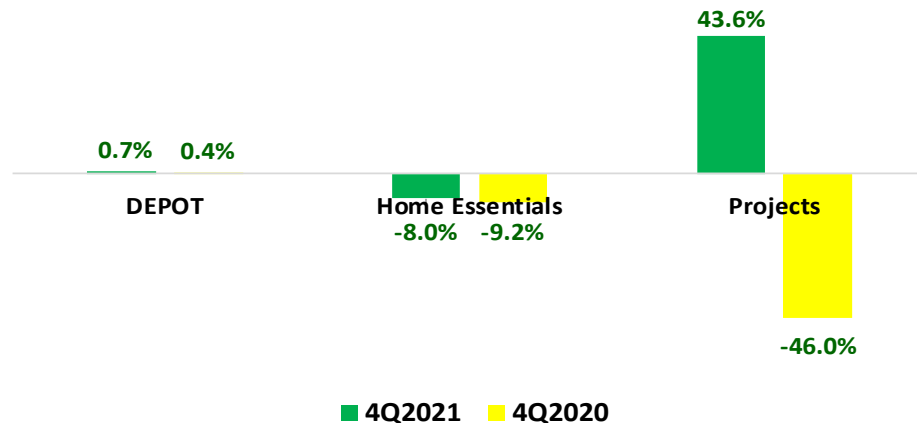
Quarterly Trend



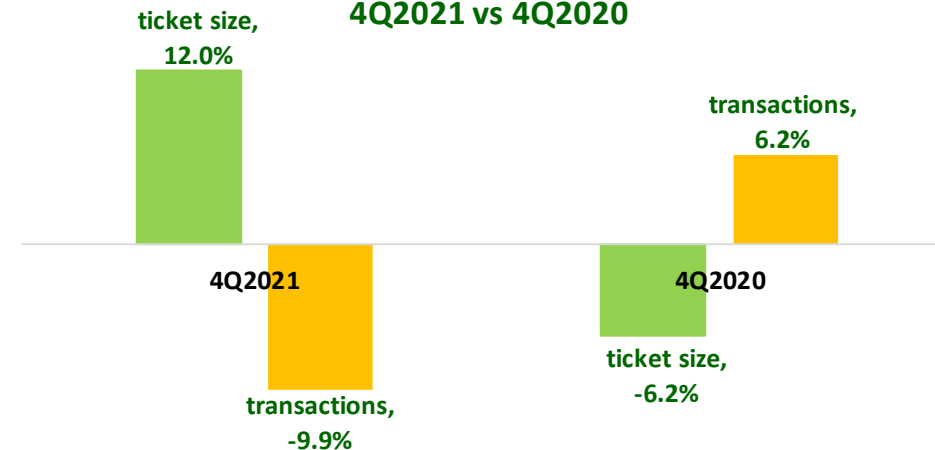
SSSG Excluding Inst'l/ Projects Sales

- 1Q21 = 10.5% 2Q21 = 78.9% 3Q21 = -9.2% 4Q21 = 0.5%
- 1Q20 = -8.3% 2Q20 = -46.8% 3Q20 = 1.2% 4Q20 = 0.2%
- 1Q19 = 7.9% 2Q19 = 1.5% 3Q19 = 6.4% 4Q19 = 4.3%

Comparable Sales per Format 4Q2021 vs 4Q2020



Comparable Ticket Size and Number of Transactions 4Q2021 vs 4Q2020



WILCON

DEPOT

WILCON

DEPOT

TWELVE-MONTH 2021 RESULTS

WILCON

DEPOT

FY2021 Results Highlights

Financial Highlights

- ✓ Php 27.513B Net Sales
- ✓ 21.6% y-o-y Net Sales growth
- ✓ Php 2.561B NIAT
- ✓ 76.8% y-o-y NIAT growth
- ✓ 37.3% GPM
- ✓ 15.8% EBITDAM
- ✓ 12.3% EBITM

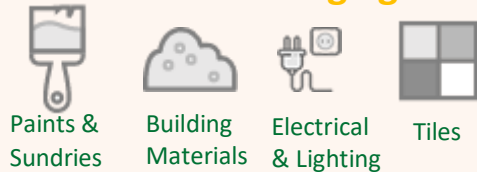
Comparable Sales Summary

- 12.1% SSSG
- 4.7% Transaction Count
- 7.0% Ticket Size

Total Sales Mix

49.5%
In-house & exclusive contribution

Product categories performing better than average growth



Php 2.161B CAPEX

Opened 10 new stores

- Makato, Aklan
- Commonwealth
- Ormoc, Leyte
- Cordon, Isabela
- Sorsogon City
- Pila, Laguna
- Tagum, Davao
- San Fernando, Pampanga - HE
- Dauis, Bohol
- Malaybalay, Bukidnon



For Year 2021

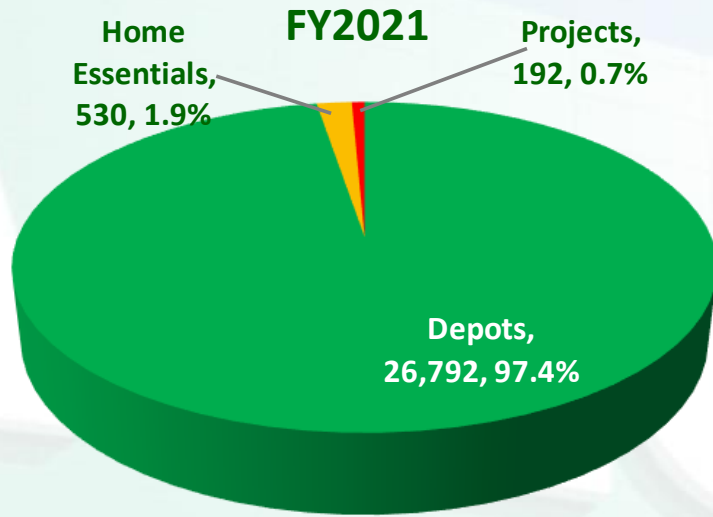
GPM rate increased
to 37.3%

Lease-related
expense

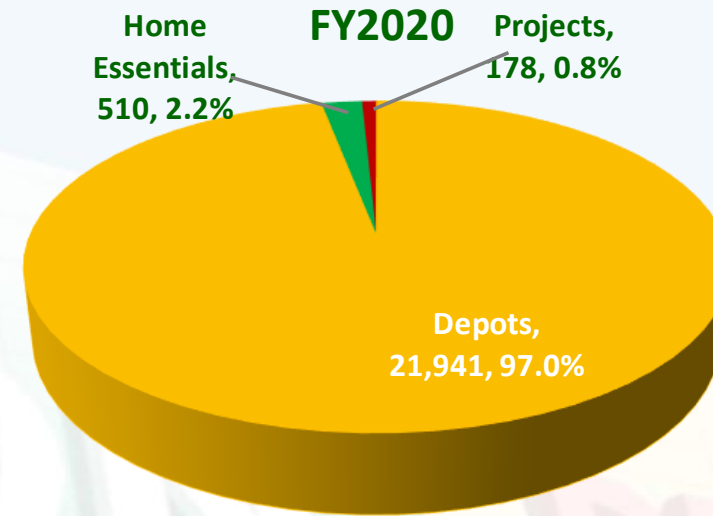
(In Php MM)	FY2021	% Sales	FY2020	% Sales	% Growth
Net Sales	27,513	100.0	22,629	100.0	21.6
Cost of Sales	-17,238	-62.7	-14,847	-65.6	16.1
Gross Income	10,276	37.3	7,782	34.4	32.0
Operating Expenses	-6,732	-24.5	-5,738	-25.4	17.3
Interest Exp (Lease Liab)	-470	-1.7	-429	-1.9	9.6
Other Income - Net	322	1.2	380	1.7	-15.3
Income from Operations	3,396	12.3	1,995	8.8	70.2
Non PFRS16 Depreciation & Amortization	943	3.4	699	3.1	34.9
EBITDA - Adjusted	4,339	15.8	2,694	11.9	61.1
Interest Income	29	0.1	55	0.2	-47.7
Income Before Tax	3,425	12.4	2,050	9.1	67.1
Income tax	-863	-3.1	-601	-2.7	43.6
Net Income	2,561	9.3	1,449	6.4	76.8

Total Net Sales Breakdown - FY2021

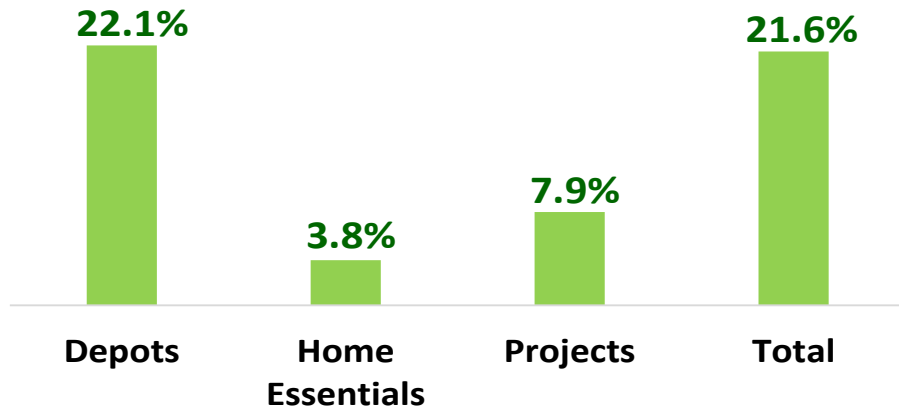
Php Millions



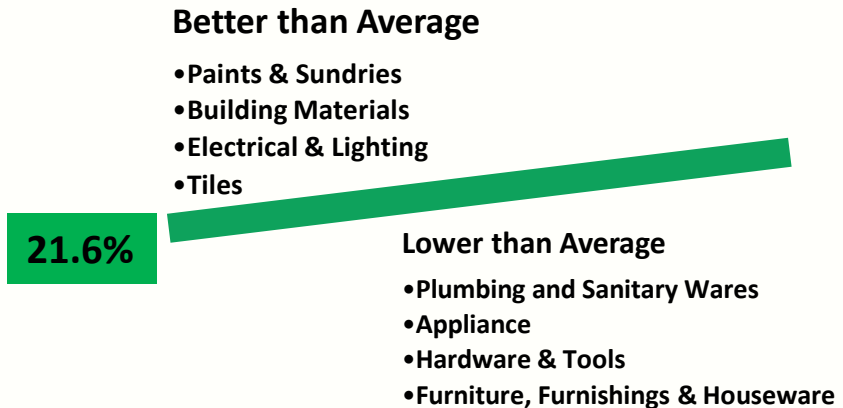
21.6% ↑



Sales Growth per Store Format FY2021 VS FY2020

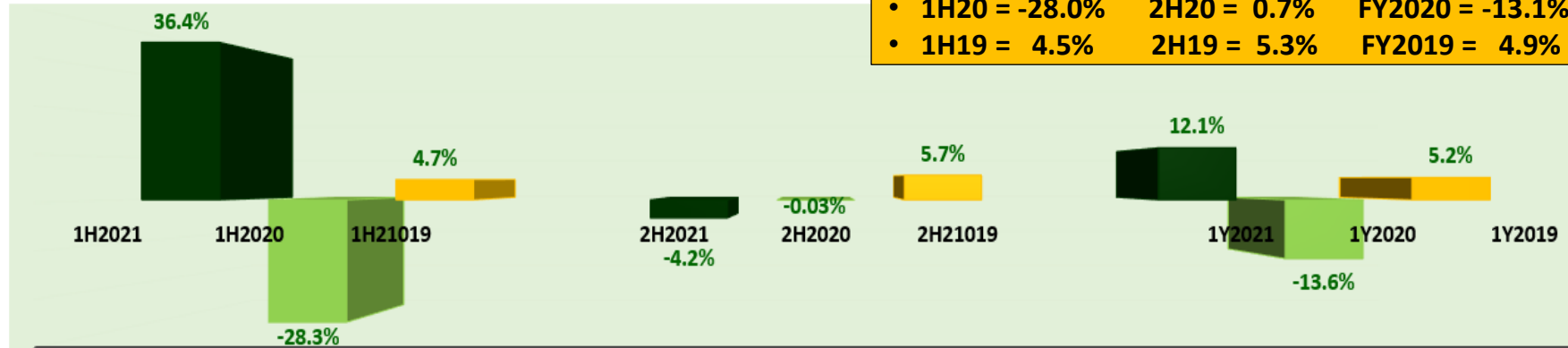


Product Category Performance FY2021 VS FY2020



Comparable Sales Summary

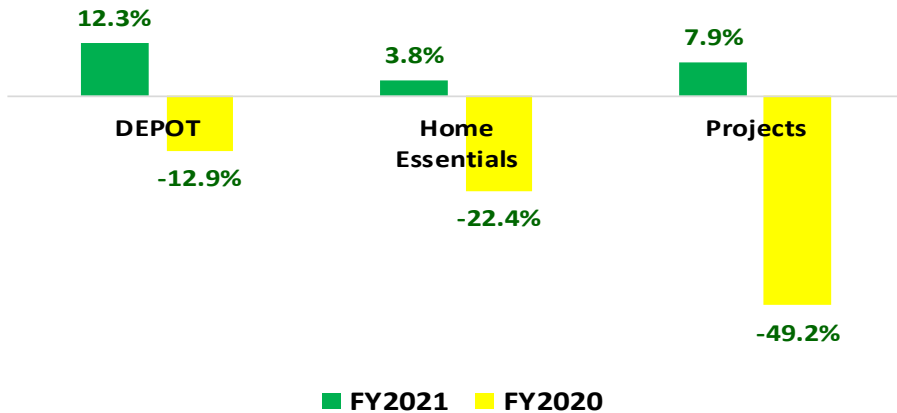
Semi-annual and Annual Trend



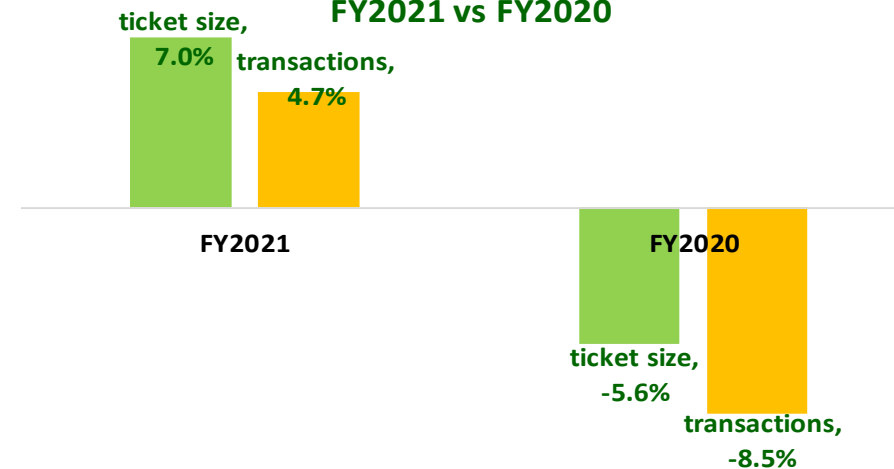
SSSG Excluding Inst'l/ Projects Sales

- 1H21 = 36.8% 2H21 = -4.3% FY2021 = 12.1%
- 1H20 = -28.0% 2H20 = 0.7% FY2020 = -13.1%
- 1H19 = 4.5% 2H19 = 5.3% FY2019 = 4.9%

Comparable Sales per Format FY2021 vs FY2020



Comparable Ticket Size and Number of Transactions FY2021 vs FY2020



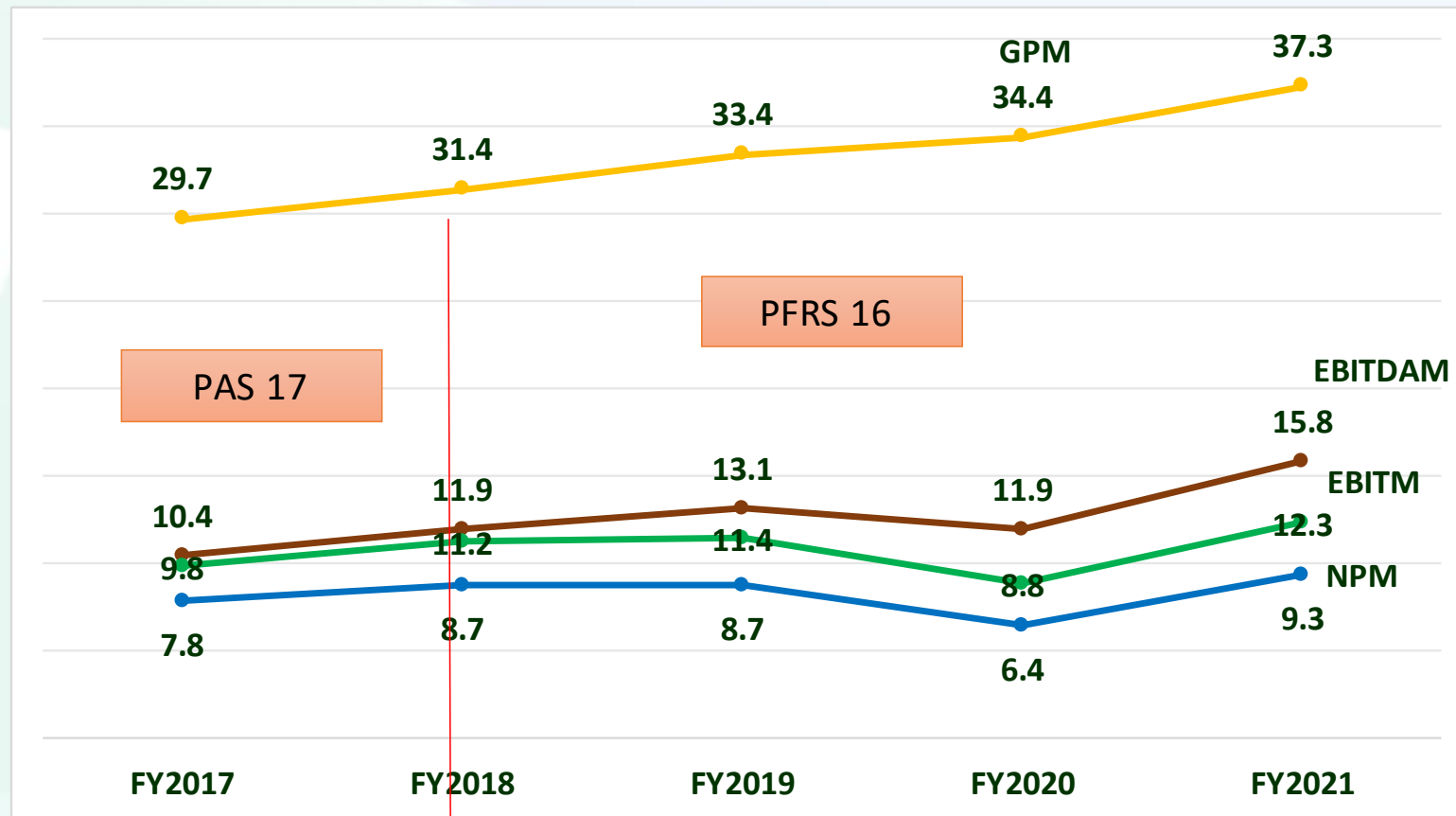
Balance Sheet

(In Php MM)	Audited Dec 31, 2021	Audited Dec 31, 2020
Current Assets	17,189	14,390
Noncurrent Assets	15,149	13,828
Total Assets	32,337	28,218
Current Liabilities	8,880	7,621
Noncurrent Liabilities	5,979	5,287
Total Liabilities	14,859	12,908
Capital Stock	4,100	4,100
Additional Paid-in Capital	5,374	5,374
Other Comprehensive Loss	100	1
Retained Earnings	7,905	5,836
Total Equity	17,478	15,310
Current ratio	1.94	1.89
Quick ratio	0.50	0.66
Debt to equity ratio	0.85	0.84
Return on asset	7.9%	5.1%
Return on equity	14.7%	9.5%

FY2021 CAPEX Investment

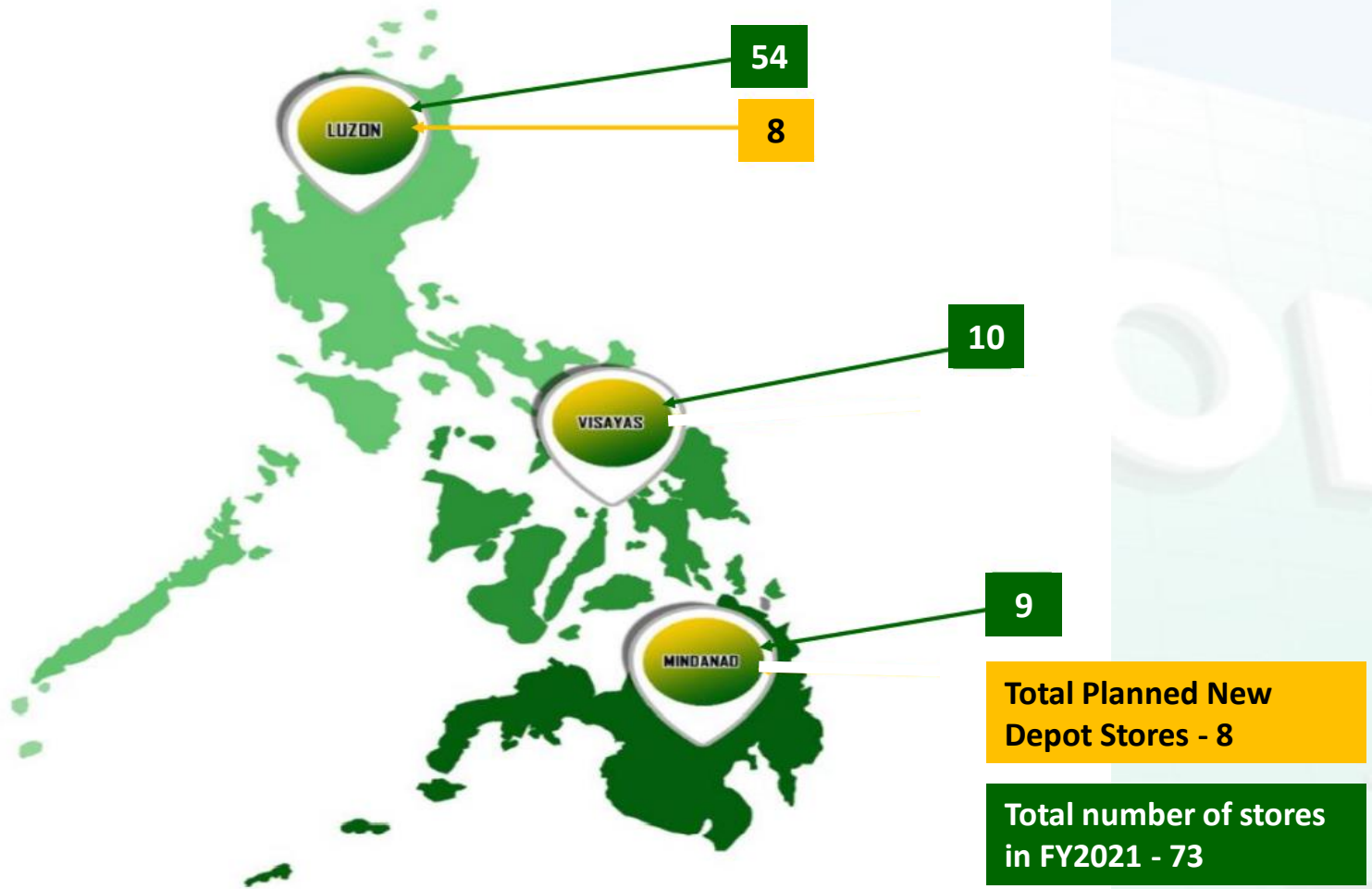
Capex Breakdown	FY2021 Actual Spent
Expansion-related (new stores, renovations, eqpt, warehouses, etc)	2,008
Solar Panel Project	106
IT Infrastructure and Projects	47
Total CAPEX <i>(in millions Php)</i>	2,161

Margins



Note: ROU depreciation and interest expense charged on lease liability were considered as rent expense for 2019, 2020 and 2021.

2022 Planned New Branches



	2022
Beg. Balance	73
1st Half	Mayamot, Antipolo
	Gapan, Nueva Ecija
	Lemery, Batangas
	Bantay, Ilocos Sur
2nd Half	Calapan, Oriental Mindoro
	Abucay, Bataan
	Bauang, La Union
	San Jose, Nueva Ecija
Total, end	81

FY2022 CAPEX Budget

Capex Breakdown	FY2022 Budget	% Increase y-o-y
Expansion-related (new stores, renovations, eqpt, warehouses, etc)	3,534	76%
Solar Panel Project	236	123%
IT Infrastructure and Projects	176	274%
Total CAPEX <i>(in millions Php)</i>	3,946	83%

Continue to increase margins thru In-house & Exclusive brands expansion

<p>Plumbing and Sanitary</p> <p>POZZI SEFA BIRKË Crown Sink</p>	<p>Tiles / Flooring</p> <p>SAIGRES SOL CERAMICA Arte CERAMICHE VERONA PICASSO MOSAIC</p>	<p>Building Materials</p> <p>FOREST p.tech WOODLAND SOLUTHERM</p>	<p>Furniture, Furnishing & Houseware</p> <p>HEIM HOME ESSENTIALS Heritage SUN CRUST</p>
<p>Hardware and Tools</p> <p>HILLS DIRECT HARDWARE ELECTRON</p>	<p>Electrical and Lighting</p> <p>ALPHALUX KAZE</p>	<p>Appliances</p> <p>Heritage Hamdên</p>	<p>Outdoor Living</p> <p>LANDJACK®</p>

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



- Improve supply chain management
- Enhance marketing efforts
- Expand product lines/product offerings

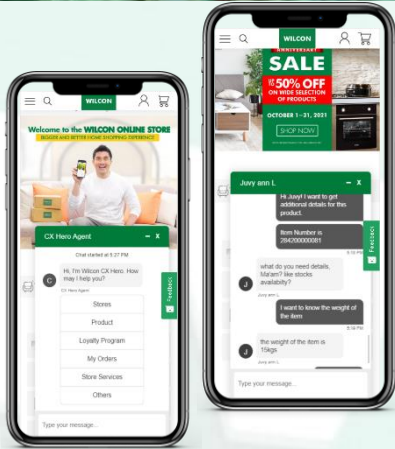
Store Lay-out, Features and Customer Experience Enhancements

WILCON DEPOT



- Constant innovations in store layout, features and customer experience that add value to our relationship with our customers and consistently differentiate us from competition

Omnichannel Initiatives



Live Chat Feature



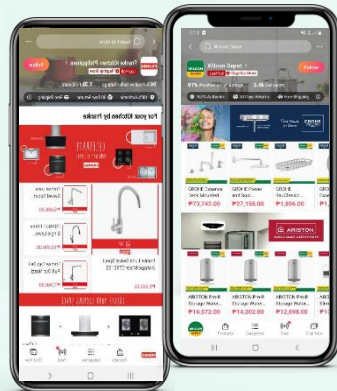
Exclusive Online Shop promotions



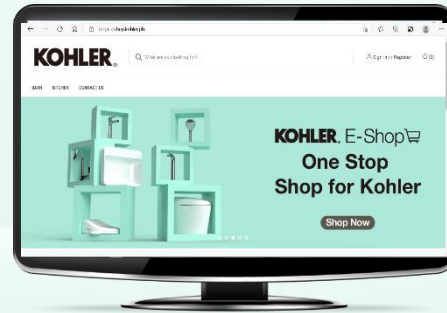
New Wilcon Loyalty Program design



Lalamove Partnership



LazMall Shops



Kohler E-shop



Shopee Mall

Q & A

Thank you!

Disclaimer

WILCON

DEPOT

The above 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. The Company expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

Building Big Ideas

LEADER

Leader in the home improvement and finishing construction supply retail space in the Philippines; 45 years in operation



PIONEER

Revolutionized the construction-supply industry by enhancing customer shopping experience

ONE-STOP SHOP

Offering the complete spectrum of home improvement products



PREFERRED PARTNER

Extensive network of supplier-partners, professional/contractor-customers and wide homeowner customer base

VALUE BRANDS

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



TOP-OF-THE-LINE PRODUCTS

Exclusively carries a number of renowned international and local brands