

WILCON **DEPOT**

**EARNINGS CONFERENCE CALL
APRIL 27, 2022 | 4:00 PM**



DISCUSSION AGENDA



- ▶ Results Highlights
 - ▶ Operating and Financial Statistics
 - ▶ 2022 Outlook

A photograph of a Wilcon Depot building facade, showing the 'WILCON' sign in large white letters on a light blue wall and the 'DEPOT' sign in pink letters on a yellow wall.

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FIRST QUARTER 2022 RESULTS

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1Q2022 Results Highlights

45 YEARS WILCON

Financial Highlights

- ✓ Php 7.652B Net Sales
- ✓ 14.6% y-o-y Net Sales growth
- ✓ Php 851 Million NIAT
- ✓ 40.7% y-o-y NIAT growth
- ✓ 38.3% GPM
- ✓ 18.2% EBITDAM
- ✓ 14.8% EBITM

Comparable Sales Summary

8.6% SSSG
-3.6% Transaction Count
12.7% Ticket Size

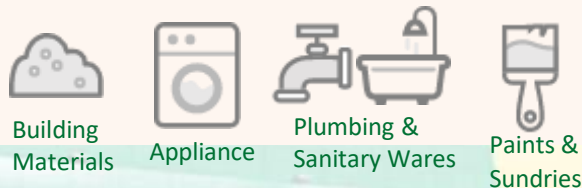
Opened 1 new store

- Mayamot, Antipolo

Total Sales Mix

51.2%
In-house & exclusive contribution

Product categories performing better than average growth



First Quarter 2022



| (In Php MM) | 1Q2022 | % Sales | 1Q2021 | % Sales | % Growth |
|--|--------------|--------------|--------------|--------------|-------------|
| Net Sales | 7,652 | 100.0 | 6,676 | 100.0 | 14.6 |
| Cost of Sales | -4,720 | -61.7 | -4,254 | -63.7 | 10.9 |
| Gross Income | 2,932 | 38.3 | 2,421 | 36.3 | 21.1 |
| Operating Expenses | -1,766 | -23.1 | -1,552 | -23.2 | 13.8 |
| Interest Exp (Lease Liab) | -119 | -1.6 | -116 | -1.7 | 2.4 |
| Other Income - Net | 84 | 1.1 | 59 | 0.9 | 42.7 |
| Income from Operations | 1,131 | 14.8 | 812 | 12.2 | 39.2 |
| Non PFRS16 Depreciation & Amortization | 264 | 3.5 | 217 | 3.2 | 22.0 |
| EBITDA - Adjusted | 1,395 | 18.2 | 1,029 | 15.4 | 35.6 |
| Non-operating income | 3 | 0.0 | 10 | 0.1 | -70.0 |
| Income Before Tax | 1,134 | 14.8 | 822 | 12.3 | 37.9 |
| Income tax | -283 | -3.7 | -218 | -3.3 | 29.9 |
| Net Income | 851 | 11.1 | 604 | 9.1 | 40.7 |

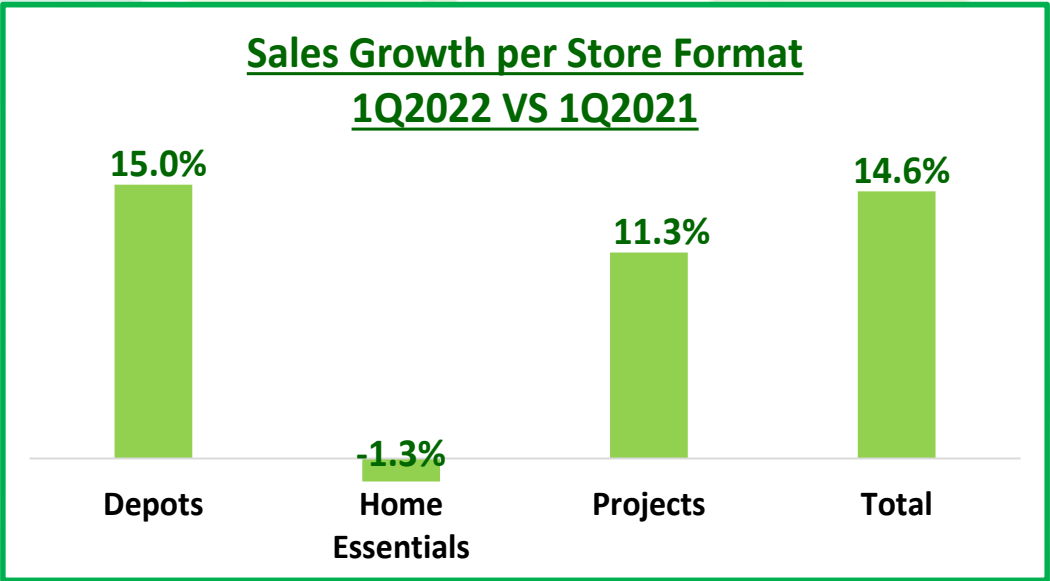
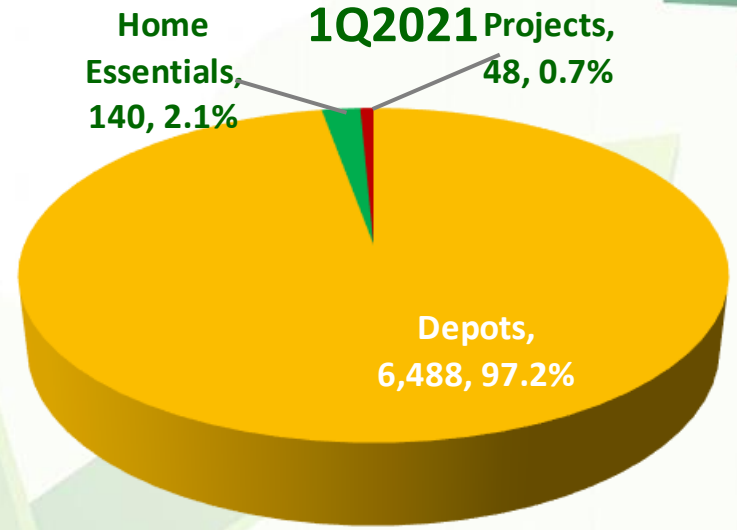
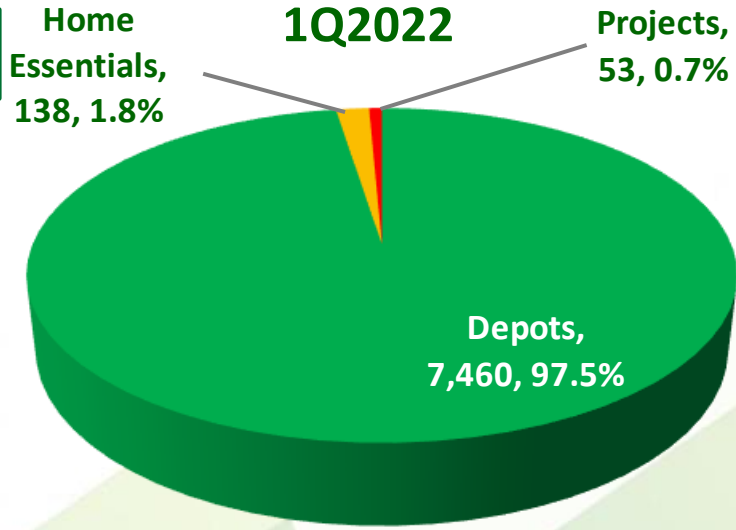
GPM rate increased to 38.3%

Lease-related expense

Total Net Sales Breakdown – 1Q2022



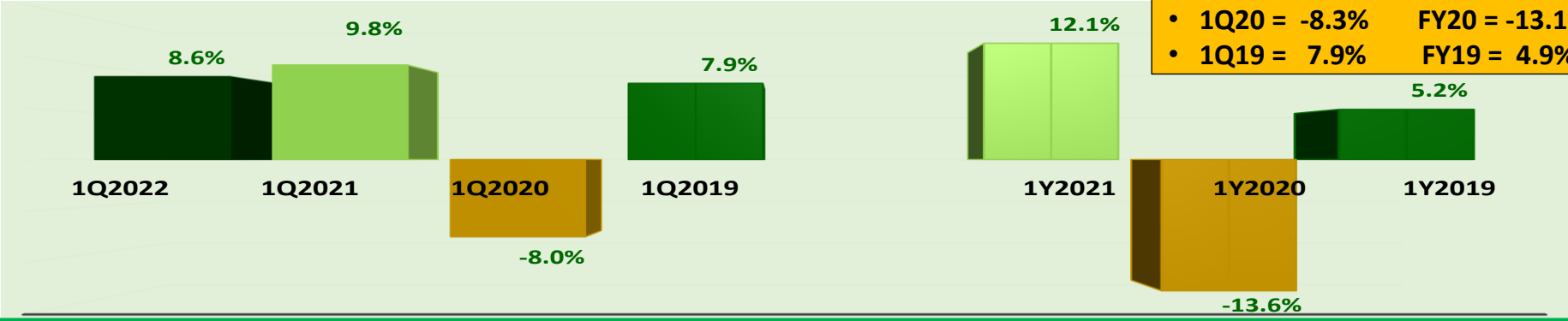
Php Millions



Comparable Sales Summary



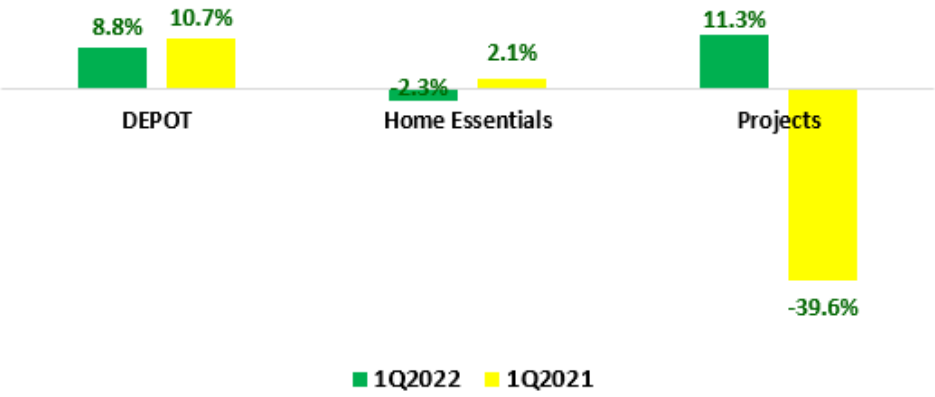
Quarterly Trend



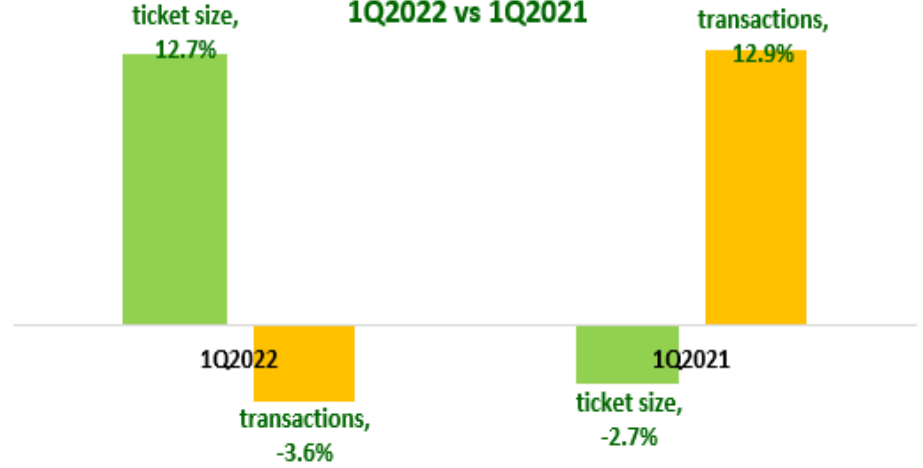
SSSG Excluding Inst'l/ Projects Sales

- 1Q22 = 8.6%
- 1Q21 = 10.5%
- 1Q20 = -8.3%
- 1Q19 = 7.9%
- FY21 = 12.1%
- FY20 = -13.1%
- FY19 = 4.9%

Comparable Sales per Format 1Q2022 vs 1Q2021



Comparable Ticket Size and Number of Transactions 1Q2022 vs 1Q2021



Balance Sheet



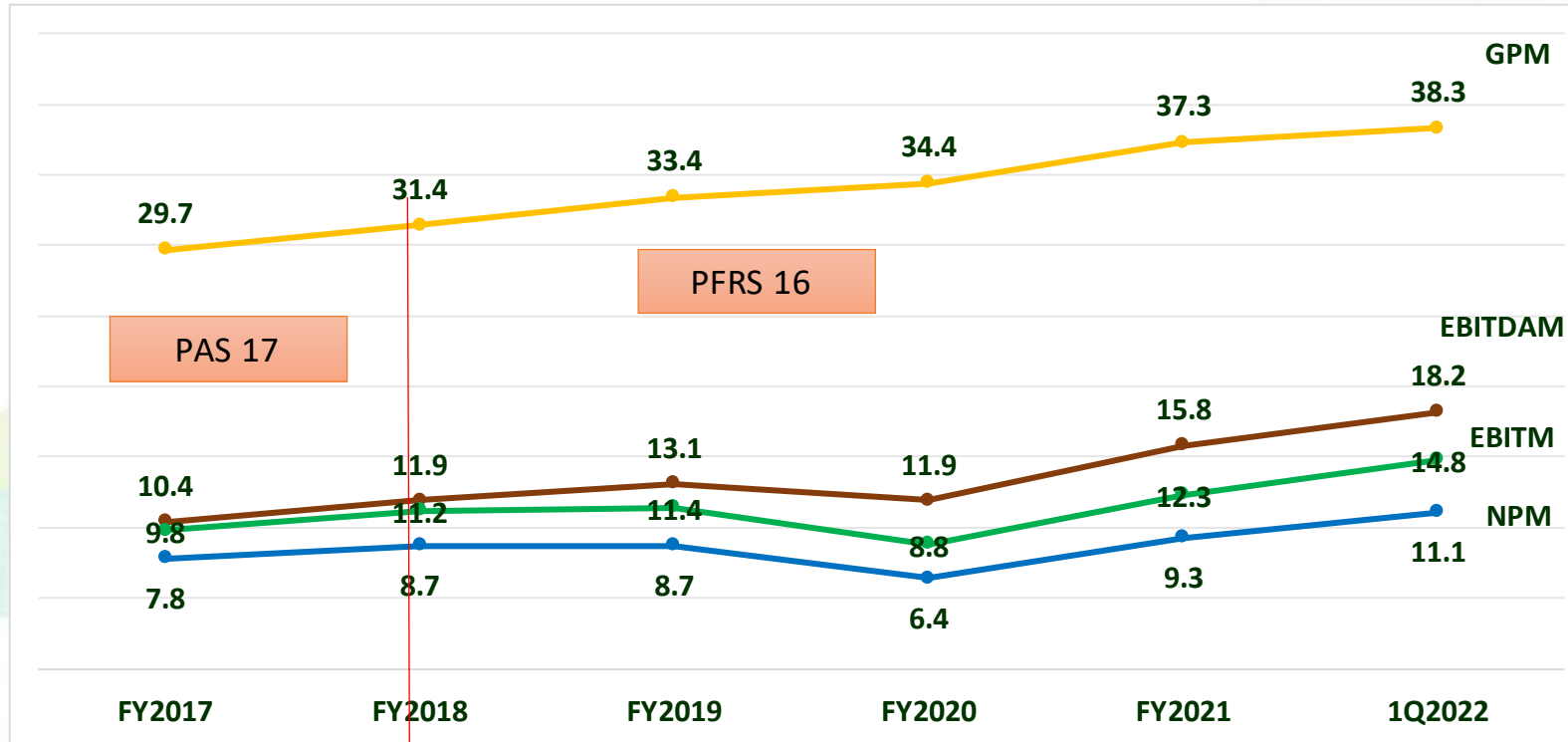
| | Unaudited Mar 31, 2022 | Audited Dec 31, 2021 |
|----------------------------|------------------------|----------------------|
| Current Assets | 17,110 | 17,189 |
| Noncurrent Assets | 15,654 | 15,149 |
| Total Assets | 32,764 | 32,337 |
| Current Liabilities | 9,102 | 8,880 |
| Noncurrent Liabilities | 6,194 | 5,979 |
| Total Liabilities | 15,296 | 14,859 |
| Capital Stock | 4,100 | 4,100 |
| Additional Paid-in Capital | 5,374 | 5,374 |
| Other Comprehensive Loss | 100 | 100 |
| Retained Earnings | 7,895 | 7,905 |
| Total Equity | 17,468 | 17,478 |
| Current ratio | 1.88 | 1.94 |
| Quick ratio | 0.34 | 0.50 |
| Debt to equity ratio | 0.88 | 0.85 |
| Return on asset | 2.6% | 7.9% |
| Return on equity | 4.9% | 14.7% |

1Q2022 CAPEX Investment



| Capex Breakdown | 1Q2022 Actual Spent |
|---|---------------------|
| Expansion-related (new stores, renovations, eqpt, warehouses, etc) | 731 |
| Solar Panel Project | 5 |
| IT Infrastructure and Projects | 5 |
| Total CAPEX <i>(in millions Php)</i> | 741 |

Margins

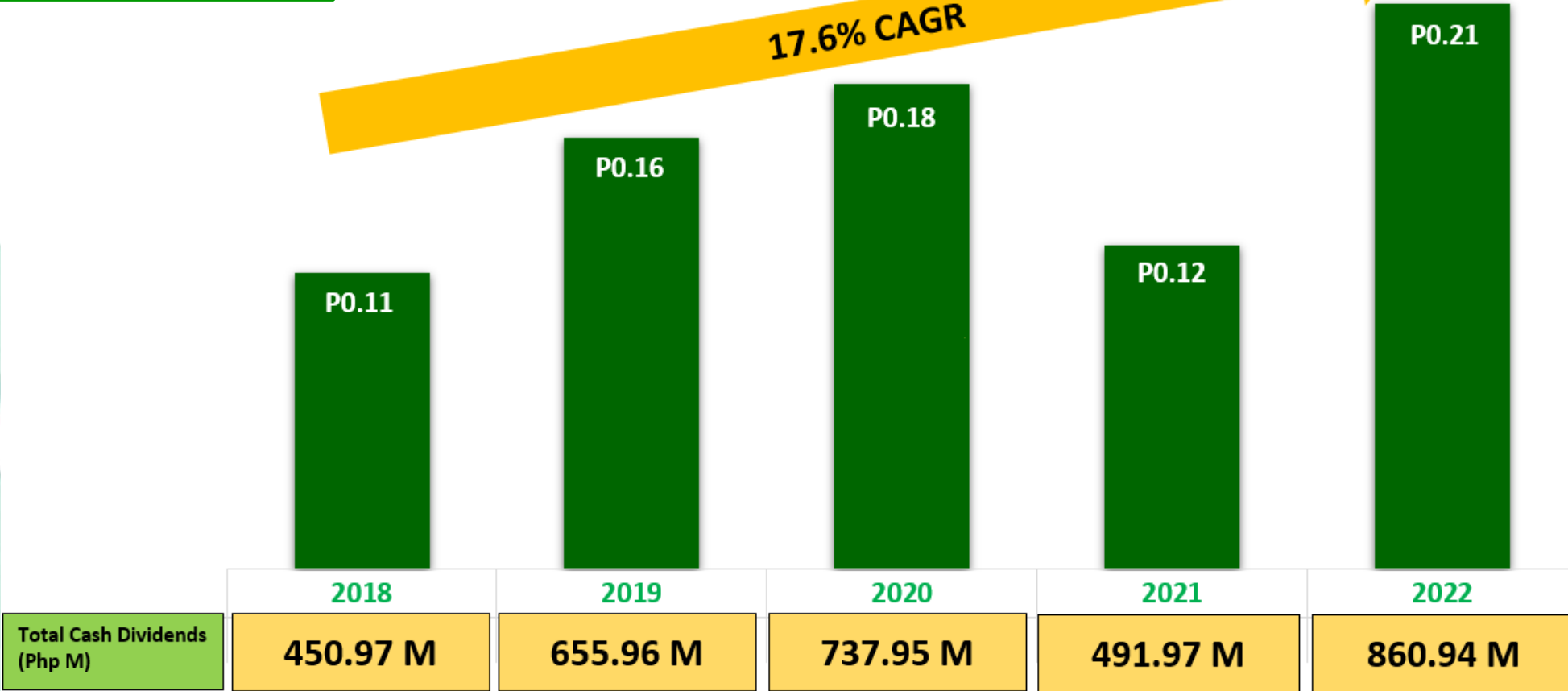
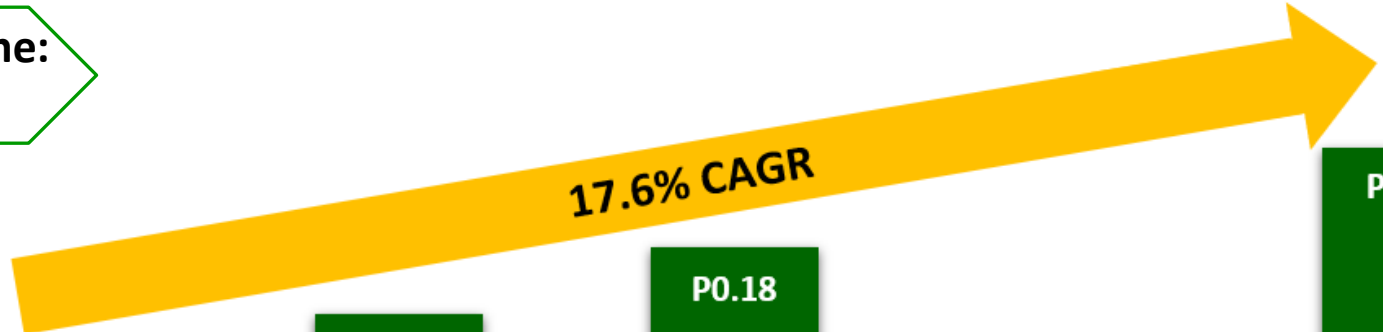


Note: ROU depreciation and interest expense charged on lease liability were considered as rent expense for 2019, 2020, 2021 and 2022.

Returning Value to Shareholders



Cash Dividend per share over time:
(Php/share)



Total Cash Dividends
(Php M)

| Year | Total Cash Dividends (Php M) |
|------|------------------------------|
| 2018 | 450.97 M |
| 2019 | 655.96 M |
| 2020 | 737.95 M |
| 2021 | 491.97 M |
| 2022 | 860.94 M |

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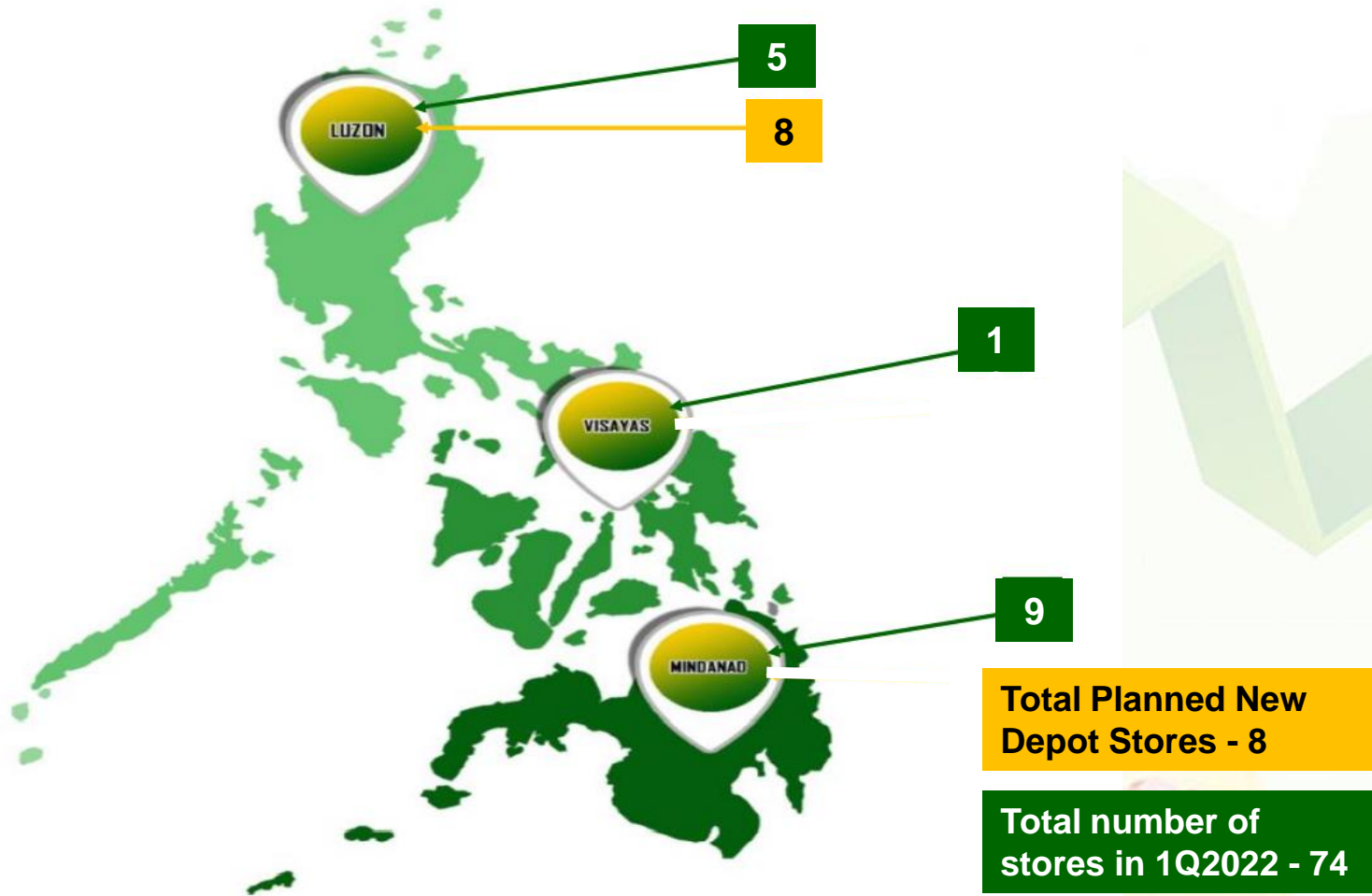
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2022 OUTLOOK

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2022 Planned New Branches



| | 2022 |
|---------------------|--------------------------------------|
| Beg. Balance | 73 |
| 1st Half | Mayamot, Antipolo - opened Mar, 2022 |
| | 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



| Plumbing and Sanitary | Tiles / Flooring | Building Materials | Furniture, Furnishing & Houseware |
|-----------------------|----------------------|--------------------|-----------------------------------|
| | | | |

| Hardware and Tools | Electrical and Lighting | Appliances |
|--------------------|-------------------------|------------|
| | | |



- Improve supply chain management

- Enhance marketing efforts

- Expand product lines/ product offerings

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

Store Lay-out, Features and Customer Experience Enhancements

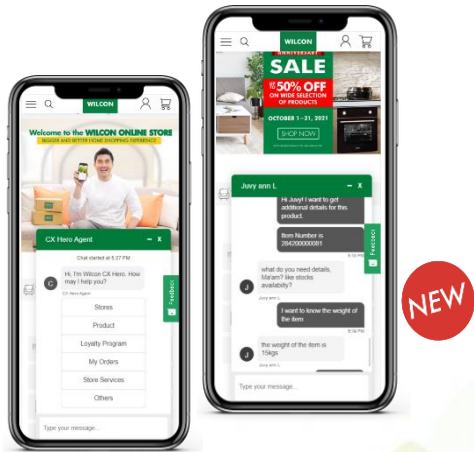
45 YEARS WILCON



- 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

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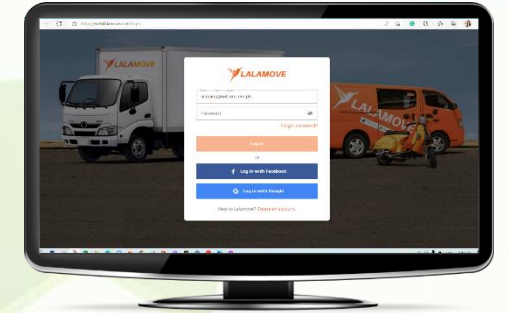
Live Chat Feature



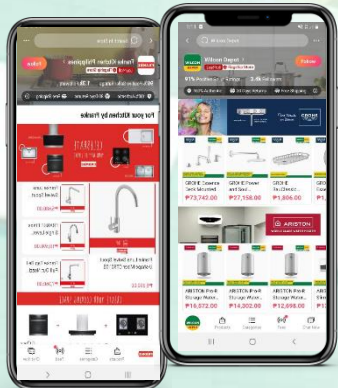
Exclusive Online Shop promotions



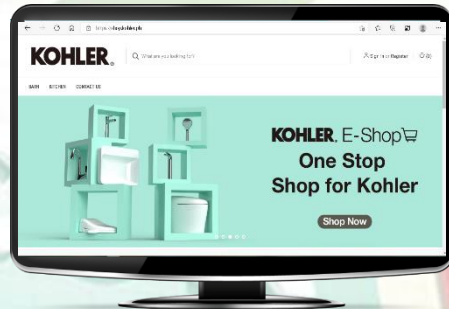
New Wilcon Loyalty Program design



Lalamove Partnership



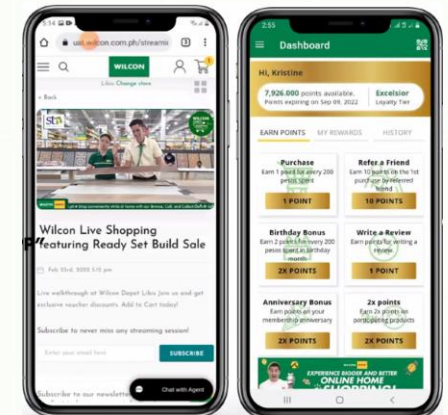
LazMall Shops



Kohler E-shop



Shopee Mall



Live Selling in the Online Shop

45
YEARS
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Thank you!

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Q & A

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