



**EARNINGS CONFERENCE CALL  
JULY 28, 2022 | 4:00PM**



**WILCON**

**DEPOT**

# **SECOND QUARTER 2022 RESULTS**

---

**WILCON**

**DEPOT**



# 2Q 2022 Results Highlights



## Financial Highlights

- ✓ Php 8.290B Net Sales
- ✓ 22.8% y-o-y Net Sales growth
- ✓ Php 1.006B NIAT
- ✓ 56.4% y-o-y NIAT growth
- ✓ 38.9% GPM
- ✓ 19.4% EBITDAM
- ✓ 16.2 EBITM

## Comparable Sales Summary

- 15.0% SSSG
- 2.9% Transaction Count
- 11.8% Ticket Size

## Total Sales Mix

50.9%  
In-house & exclusive contribution

Product categories performing better than average growth



Building Materials



Plumbing & Sanitary Wares



Paints & Sundries



Furniture, Furnishing & Houseware

## 2<sup>nd</sup> QUARTER 2022

### GAPAN, NUEVA ECIJA



### LEMERY, BATANGAS



# Second Quarter 2022



(In Php MM)	2Q2022	% Sales	2Q2021	% Sales	% Growth
<b>Net Sales</b>	<b>8,290</b>	<b>100.0</b>	<b>6,751</b>	<b>100.0</b>	<b>22.8</b>
Cost of Sales	-5,064	-61.1	-4,258	-63.1	18.9
<b>Gross Income</b>	<b>3,226</b>	<b>38.9</b>	<b>2,493</b>	<b>36.9</b>	<b>29.4</b>
Operating Expenses	-1,840	-22.2	-1,603	-23.7	14.8
Interest Exp (Lease Liab)	-127	-1.5	-117	-1.7	8.7
Other Income - Net	77	0.9	74	1.1	5.3
<b>Income from Operations</b>	<b>1,337</b>	<b>16.1</b>	<b>847</b>	<b>12.5</b>	<b>57.9</b>
Non PFRS16 Depreciation & Amortization	273	3.3	229	3.4	19.0
<b>EBITDA - Adjusted</b>	<b>1,610</b>	<b>19.4</b>	<b>1,076</b>	<b>15.9</b>	<b>49.6</b>
Non-operating income	3	0.0	8	0.1	-61.9
<b>Income Before Tax</b>	<b>1,340</b>	<b>16.2</b>	<b>855</b>	<b>12.7</b>	<b>56.8</b>
Income tax	-334	-4.0	-212	-3.1	58.1
<b>Net Income</b>	<b>1,006</b>	<b>12.1</b>	<b>643</b>	<b>9.5</b>	<b>56.4</b>

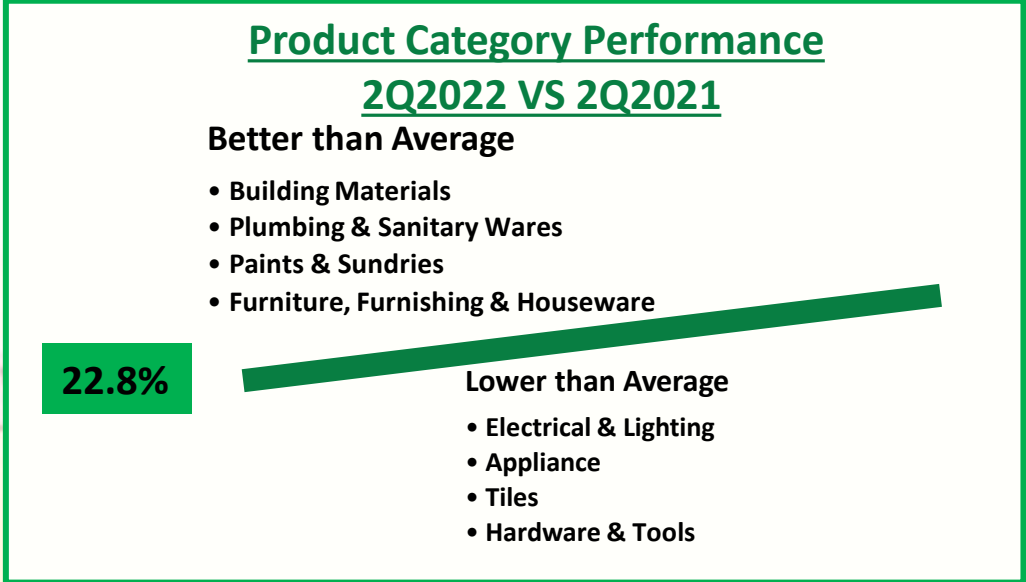
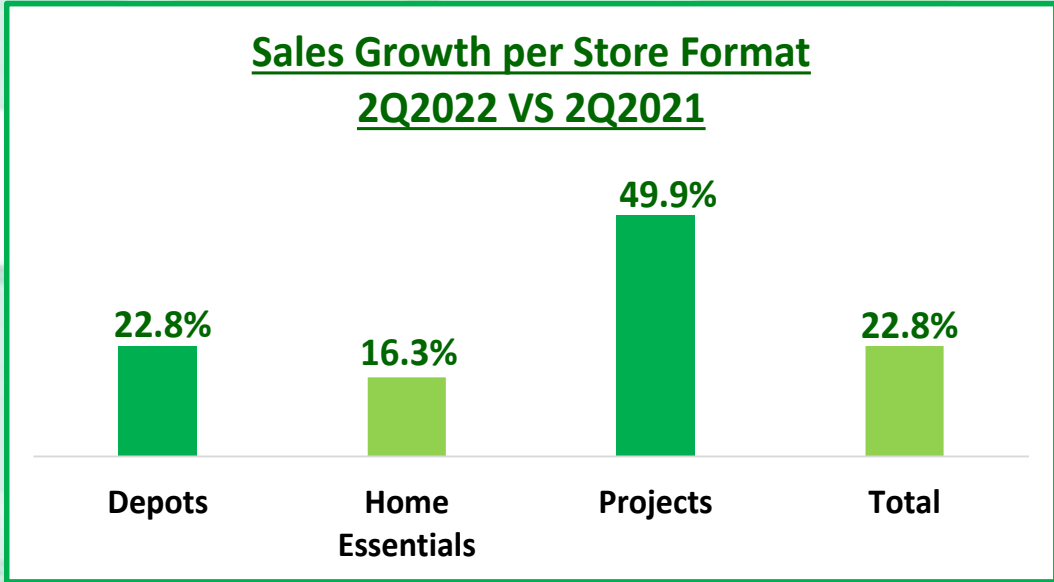
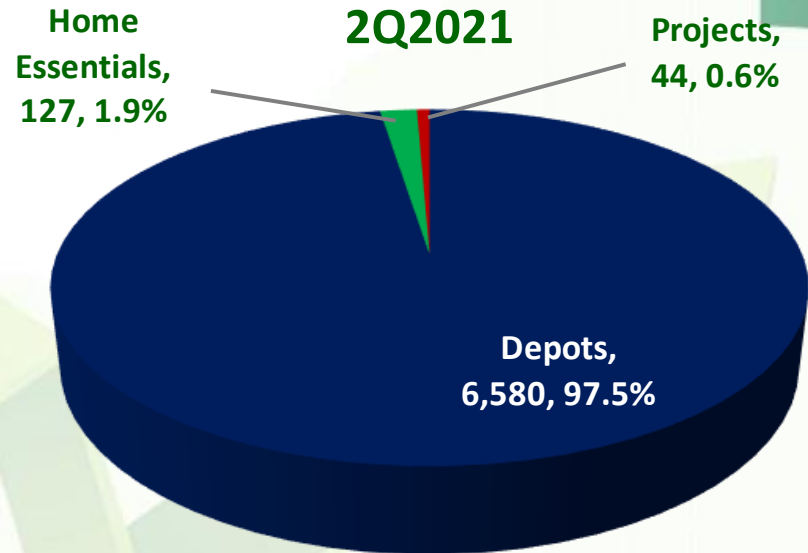
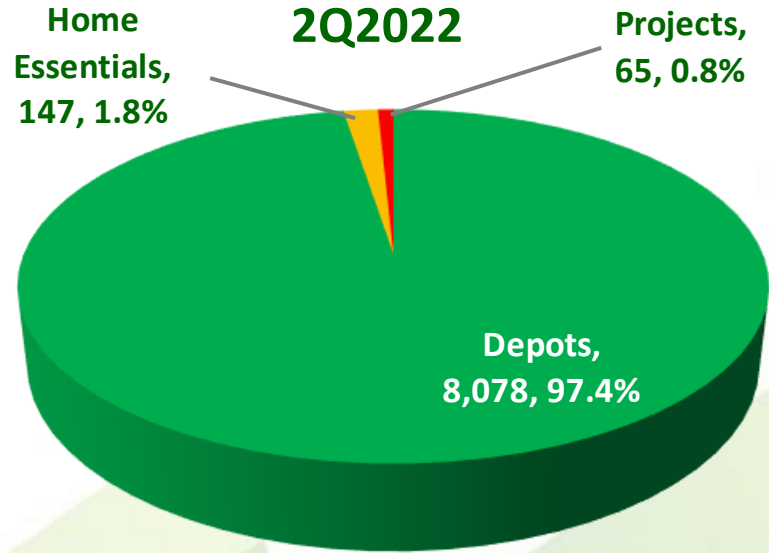
GPM rate increased to 38.9%

Lease-related expense

# Total Net Sales Breakdown – 2Q 2022



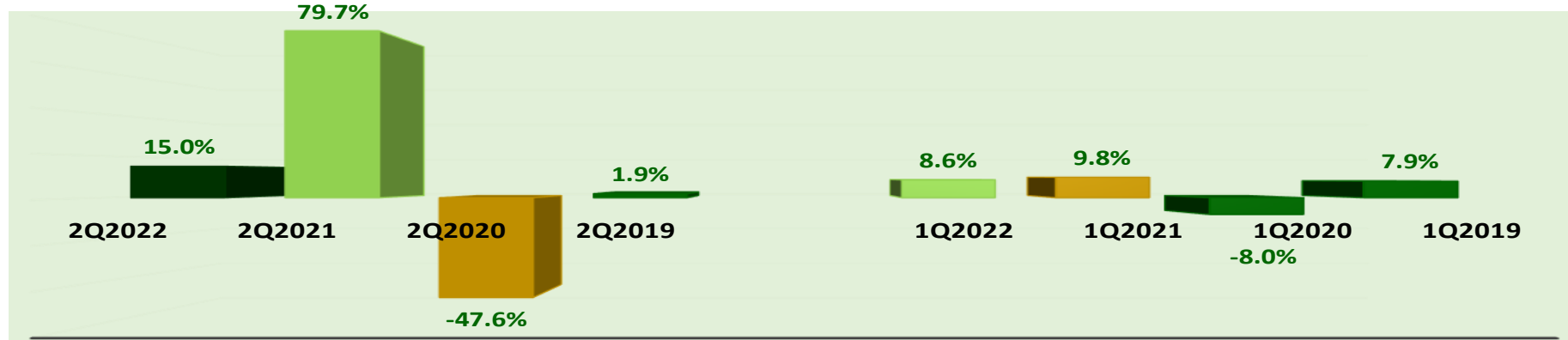
Php Millions



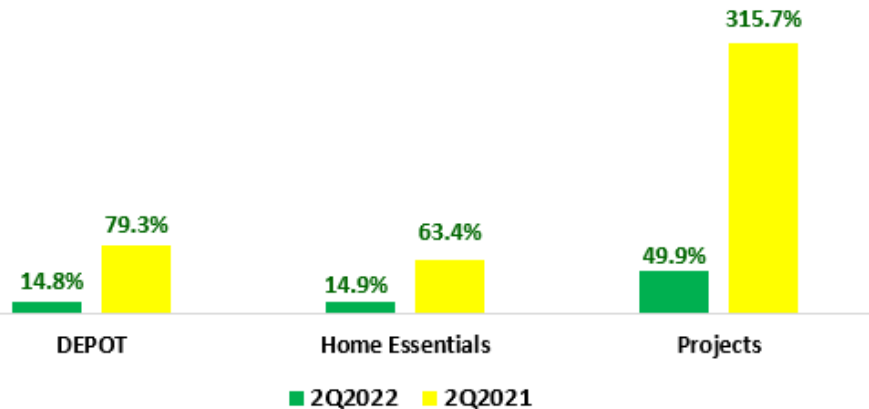
# Comparable Sales Summary



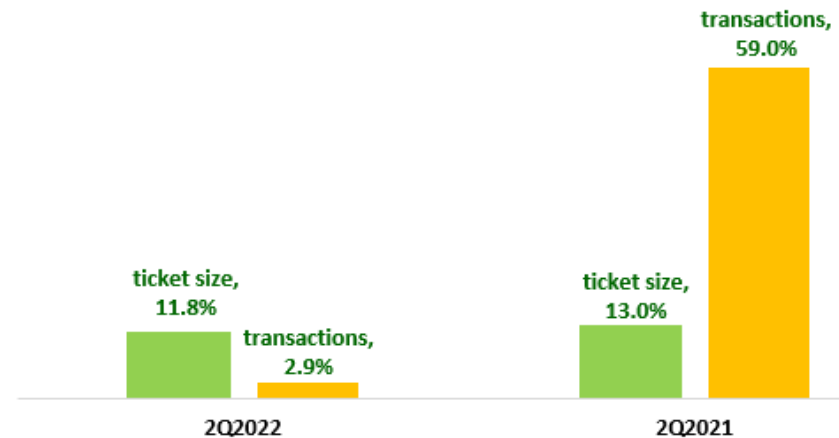
## Quarterly Trend



## Comparable Sales per Format 2Q2022 vs 2Q2021



## Comparable Ticket Size and Number of Transactions 2Q2022 vs 2Q2021





**WILCON**

**DEPOT**

# **FIRST HALF 2022 RESULTS**

---

**WILCON**

**DEPOT**

# 1H 2022 Results Highlights

## Financial Highlights

- ✓ Php 15.942B Net Sales
- ✓ 18.7% y-o-y Net Sales growth
- ✓ Php 1.856B NIAT
- ✓ 48.8% y-o-y NIAT growth
- ✓ 38.6% GPM
- ✓ 18.9% EBITDAM
- ✓ 15.5 EBITM

## Comparable Sales Summary

- 11.8% SSSG
- 0.4% Transaction Count
- 12.3% Ticket Size

## Total Sales Mix

51.1%  
In-house & exclusive  
contribution

Product categories performing  
better than average growth



Building  
Materials



Plumbing &  
Sanitary Wares



Paints &  
Sundries



Furniture, Furnishing  
& Houseware

Php 1.347B CAPEX

Opened 3  
new stores

1<sup>ST</sup> HALF 2022

- Mayamot, Antipolo
- Gapan, Nueva Ecija
- Lemery, Batangas





# First Half 2022



(In Php MM)	1H2022	% Sales	1H2021	% Sales	% Growth
<b>Net Sales</b>	<b>15,942</b>	<b>100.0</b>	<b>13,426</b>	<b>100.0</b>	<b>18.7</b>
Cost of Sales	-9,784	-61.4	-8,512	-63.4	14.9
<b>Gross Income</b>	<b>6,158</b>	<b>38.6</b>	<b>4,914</b>	<b>36.6</b>	<b>25.3</b>
Operating Expenses	-3,606	-22.6	-3,155	-23.5	14.3
Interest Exp (Lease Liab)	-246	-1.5	-233	-1.7	5.5
Other Income - Net	161	1.0	132	1.0	21.9
<b>Income from Operations</b>	<b>2,467</b>	<b>15.5</b>	<b>1,659</b>	<b>12.4</b>	<b>48.7</b>
Non PFRS16 Depreciation & Amortization	537	3.4	446	3.3	20.5
<b>EBITDA - Adjusted</b>	<b>3,005</b>	<b>18.8</b>	<b>2,105</b>	<b>15.7</b>	<b>42.8</b>
Non-operating income	6	0.0	18	0.1	-66.4
<b>Income Before Tax</b>	<b>2,473</b>	<b>15.5</b>	<b>1,677</b>	<b>12.5</b>	<b>47.5</b>
Income tax	-617	-3.9	-429	-3.2	43.8
<b>Net Income</b>	<b>1,856</b>	<b>11.6</b>	<b>1,247</b>	<b>9.3</b>	<b>48.8</b>

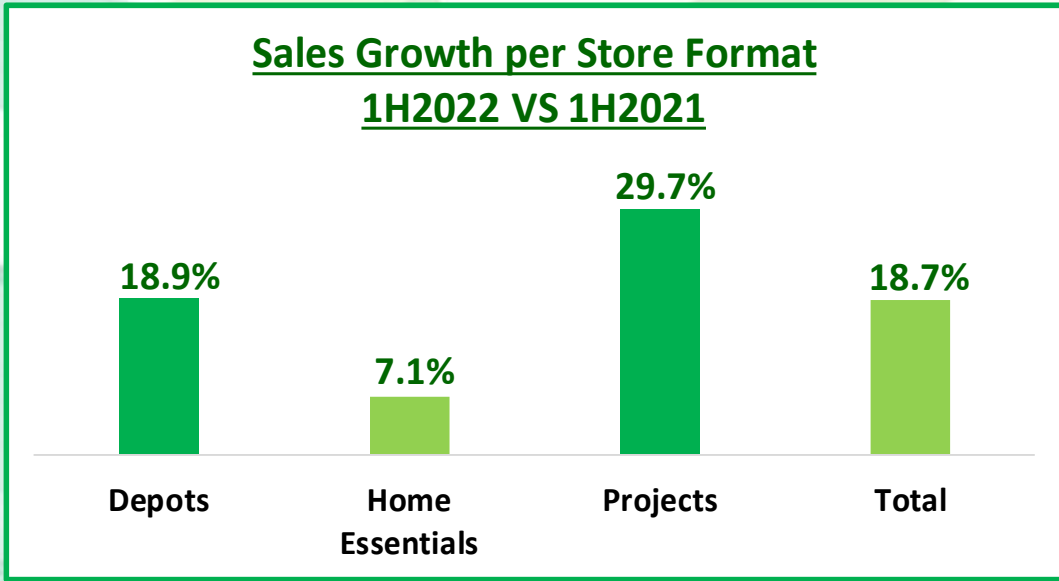
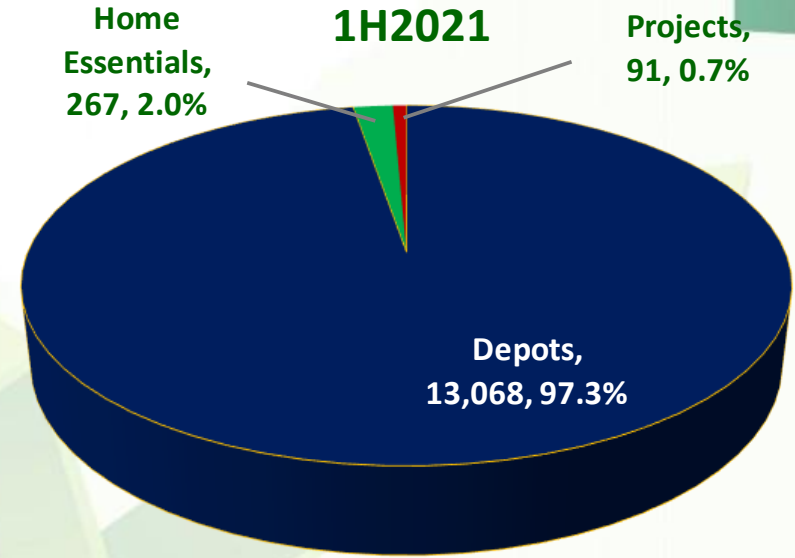
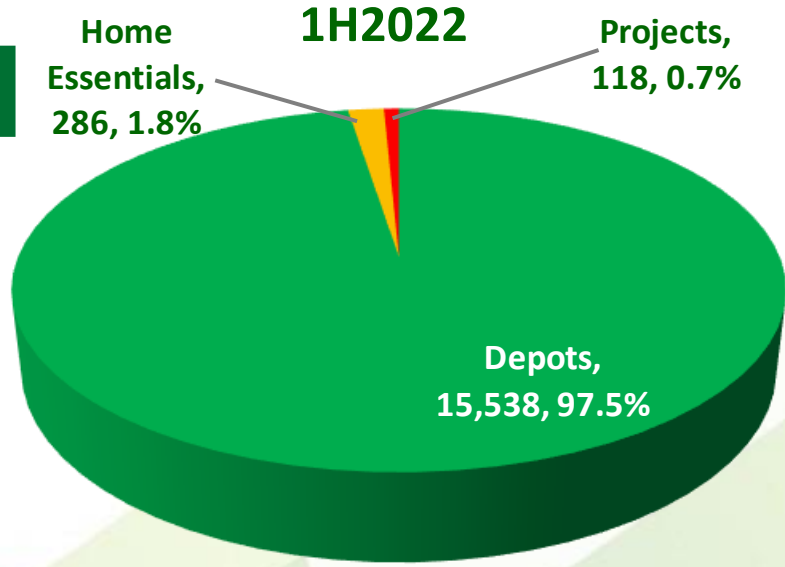
GPM rate increased to 38.6%

Lease-related expense

# Total Net Sales Breakdown – 1H 2022



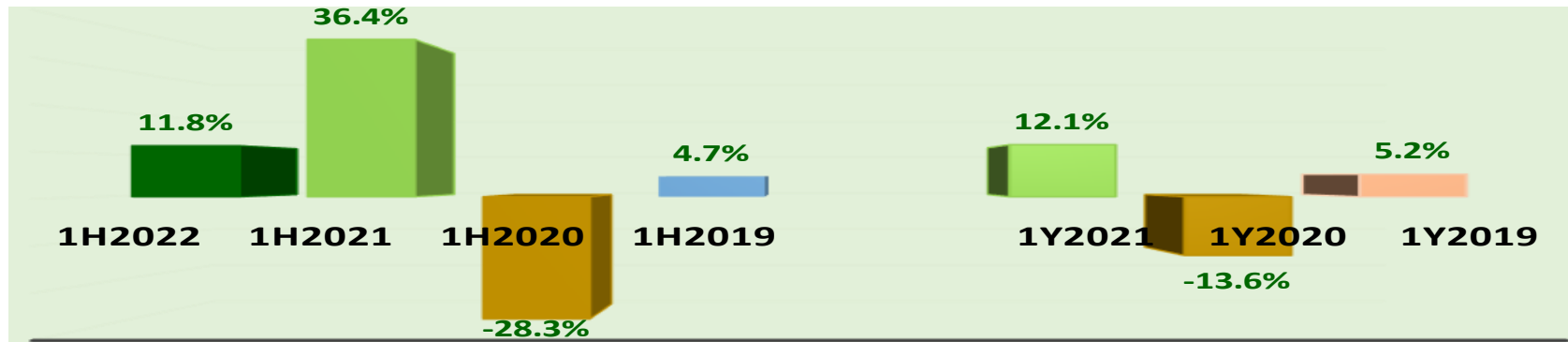
Php Millions



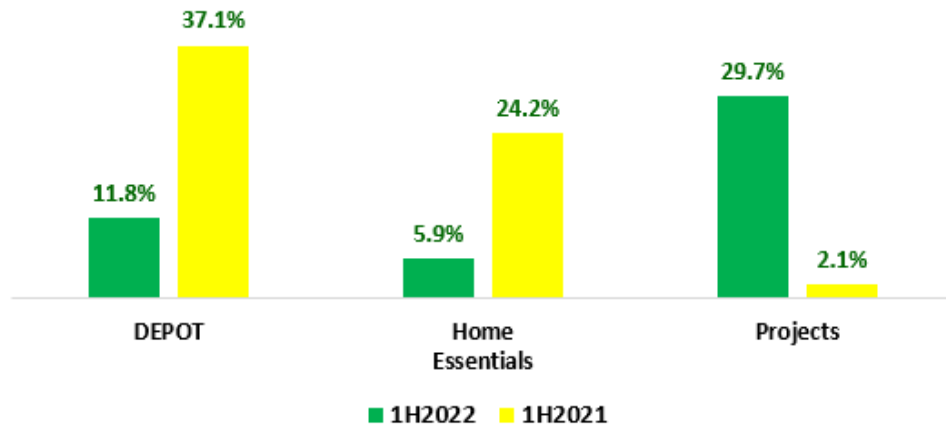
# Comparable Sales Summary



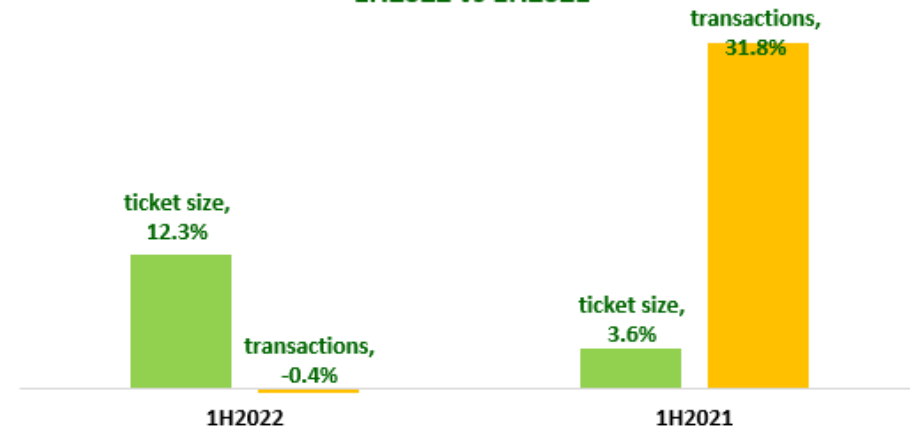
## Trend



## Comparable Sales per Format 1H2022 vs 1H2021



## Comparable Ticket Size and Number of Transactions 1H2022 vs 1H2021





# Balance Sheet



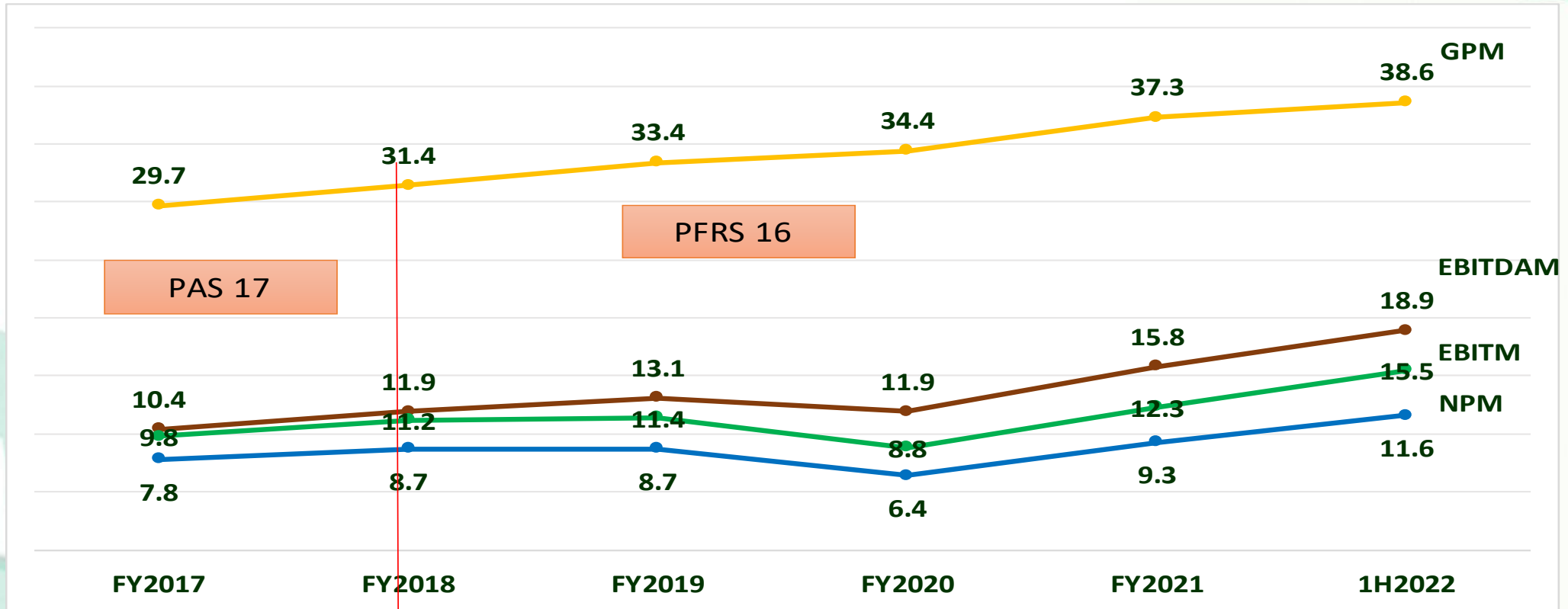
	Unaudited Jun 30, 2022	Audited Dec 31, 2021
Current Assets	16,214	17,189
Noncurrent Assets	17,621	15,149
<b>Total Assets</b>	<b>33,834</b>	<b>32,337</b>
Current Liabilities	7,971	8,880
Noncurrent Liabilities	7,390	5,979
<b>Total Liabilities</b>	<b>15,361</b>	<b>14,859</b>
Capital Stock	4,100	4,100
Additional Paid-in Capital	5,374	5,374
Other Comprehensive Loss	100	100
Retained Earnings	8,900	7,905
<b>Total Equity</b>	<b>18,474</b>	<b>17,478</b>
Current ratio	2.03	1.94
Quick ratio	0.37	0.50
Debt to equity ratio	0.83	0.85
Return on asset	5.5%	7.9%
Return on equity	10.3%	14.7%

# 1H 2022 CAPEX Investment



Capex Breakdown	1H2022 Actual Spent
Expansion-related (new stores, renovations, eqpt, warehouses, etc)	1,247
Solar Panel Project	56
IT Infrastructure and Projects	44
<b>Total CAPEX</b> <i>(in millions Php)</i>	<b>1,347</b>

# Improving Margins



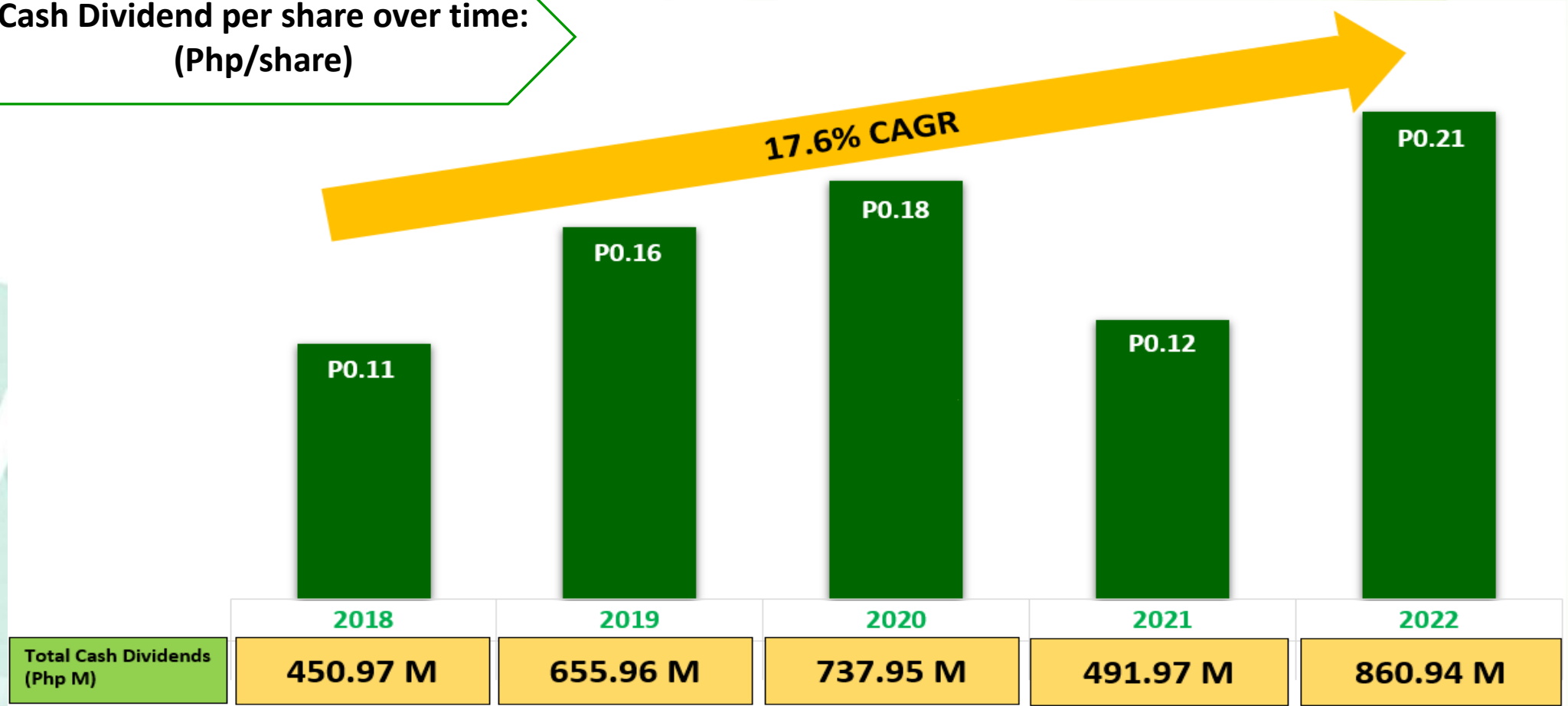
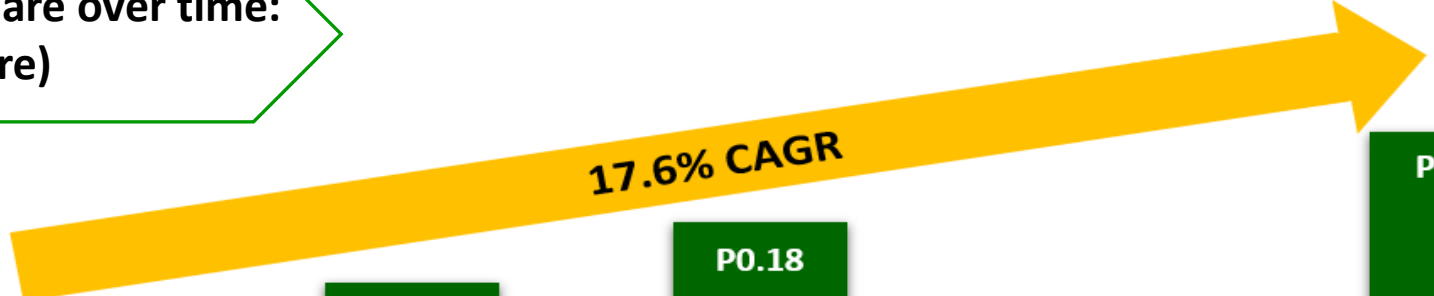
Note: ROU depreciation and interest expense charged on lease liability were considered as rent expense for 2019, 2020, 2021 and 2022.



# Returning Value to Shareholders



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



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



WILCON

DEPOT

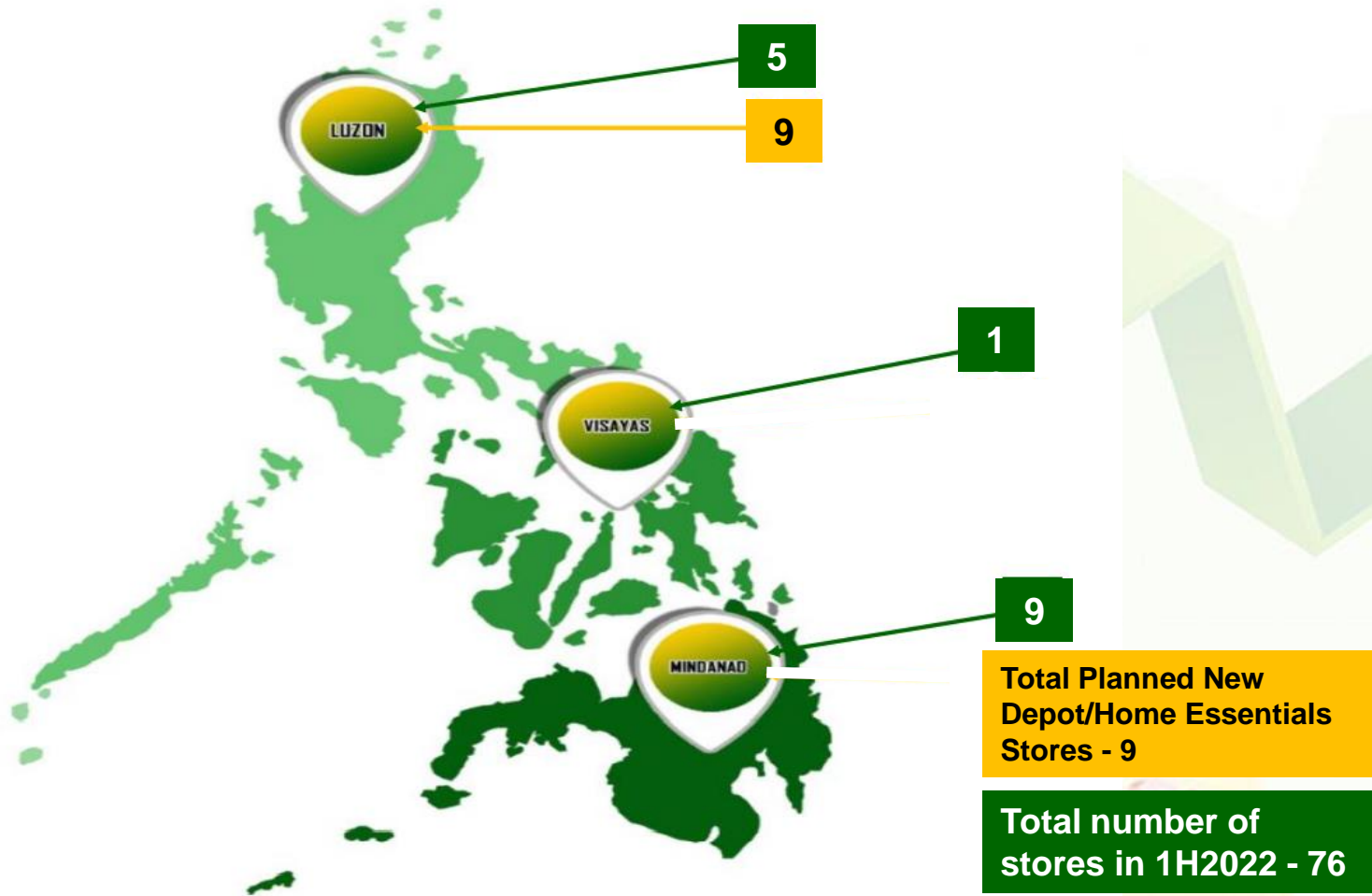
# 2022 OUTLOOK

---

WILCON

DEPOT

# 2022 Planned New Branches



	2022
<b>Beg. Balance</b>	<b>73</b>
1st Half	Mayamot, Antipolo Mar, 2022
	Gapan, Nueva Ecija Apr, 2022
	Lemery, Batangas May, 2022
2nd Half	HE, Tagaytay City Jul, 2022
	Bantay, Ilocos Sur Jul, 2022
	Calapan, Oriental Mindoro
	Abucay, Bataan
	Bauang, La Union
	Paniqui, Tarlac
<b>Total, end</b>	<b>82</b>



# FY2022 CAPEX Budget



Capex Breakdown	FY2022 Budget	Available Balance
Expansion-related (new stores, renovations, eqpt, warehouses, etc)	3,534	2,287
Solar Panel Project	236	180
IT Infrastructure and Projects	176	132
<b>Total CAPEX</b> <i>(in millions Php)</i>	<b>3,946</b>	<b>2,599</b>



Store network expansion



Continue to build and develop in-house products and carry exclusive brands



Physical and online store layout, features and customer experience enhancements



# Key Growth Strategies

# Store Network Expansion

45 YEARS WILCON

## WILCON STORES

### METRO MANILA (DEPOT)

- VALENZUELA CITY
- FAIRVIEW
- QUIRINO
- BALINTAWAK
- QUEZON AVENUE
- LIBIS
- CAPITOL-COMMONWEALTH
- WILCON IT HUB
- SUCAT
- ALABANG
- FILINVEST
- PASONG TAMO

12

### METRO MANILA (HOME ESSENTIALS)

- MINDANAO AVENUE
- CITY CENTER, VISAYAS AVENUE
- MUÑOZ
- ALI MALL
- STA. MESA
- PASAY CITY

6

HOME ESSENTIALS DEPOTS

- ### LUZON (DEPOT)
- LAOAG, ILOCOS NORTE
  - BANTAY, ILOCOS SUR
  - VILLASIS, PANGASINAN
  - IGUIG, CAGAYAN
  - CABANATUAN CITY, NUEVA ECJA
  - GAPAN, NUEVA ECJA
  - CORDON, ISABELA
  - TARLAC CITY
  - OLONGAPO CITY
  - DAU, PAMPANGA
  - SAN FERNANDO, PAMPANGA
  - MEXICO, PAMPANGA
  - BALIUAG, BULACAN
  - SAN JOSE DEL MONTE CITY
  - CALUMPIT, BULACAN
  - TAYTAY, RIZAL
  - SAN JUAN, TAYTAY, RIZAL
  - ANTIPOLO CITY
  - MAYAMOT, ANTIPOLO CITY
  - SAN ISIDRO, ANTIPOLO CITY
  - DASMARIÑAS CITY
  - GENERAL TRIAS CITY
  - KAWIT, CAVITE
  - BACOOR CITY
  - SILANG, CAVITE
  - CALAMBA CITY
  - CABUYAO CITY
  - SAN PABLO CITY
  - STA. ROSA CITY
  - PILA, LAGUNA
  - STO. TOMAS CITY
  - ALANGILAN, BATANGAS CITY
  - LIPA CITY
  - LEMERY, BATANGAS
  - TAYABAS, QUEZON
  - DARAGA ALBAY
  - NAGA CITY
  - SORSOGON CITY
  - PUERTO PRINCESA CITY

39

### VISAYAS (DEPOT)

- JARO, ILOILO CITY
- TACLOBAN CITY, LEYTE
- TALISAY CITY, CEBU
- MANDAUE CITY, CEBU
- STA. BARBARA, ILOILO
- MAKATO, AKLAN
- TALISAY - BACOLOD, NEGROS OCCIDENTAL
- ORMOCC CITY, LEYTE
- DAUIS, BOHOL

9

1

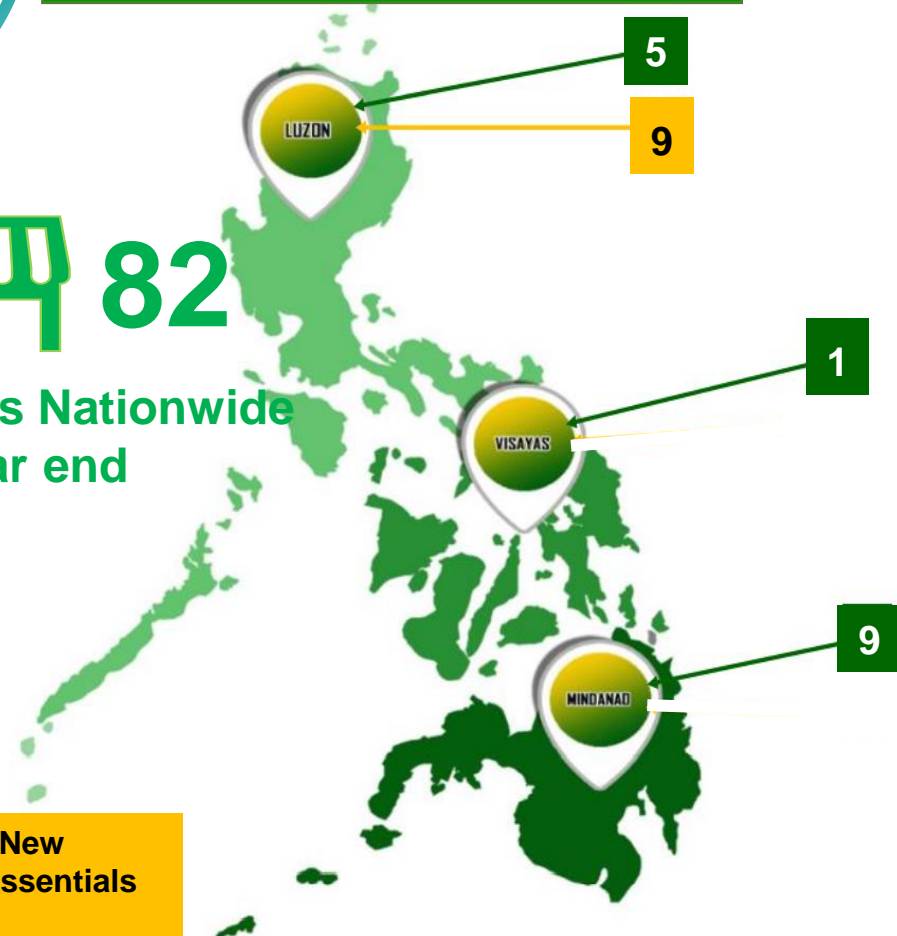
### MINDANAO (DEPOT)

- BUTUAN CITY
- CAGAYAN DE ORO CITY, MISAMIS ORIENTAL
- MATINA, DAVAO CITY
- PANACAN, DAVAO CITY
- TAGUM CITY, DAVAO DEL NORTE
- ZAMBOANGA CITY
- GENERAL SANTOS CITY
- OPOL, MISAMIS ORIENTAL
- MALAYBALAY, BUKIDNON

9

100 Stores by 2025

## 2022 Planned New Branches



82

Stores Nationwide at year end



78 Stores Nationwide (as of July 22, 2022)

Total Planned New Depot/Home Essentials Stores - 9



# Continue to Increase Margins Thru In-house & Exclusive brands expansion



<p><b>Plumbing and Sanitary</b></p> <p>POZZI SAFARI SOLUTIONS</p> <p>SEFA</p> <p>BIRKË</p> <p>Crown Sink stainless steel sink</p>	<p><b>Tiles / Flooring</b></p> <p>SAIGRES SOL CERAMICA</p> <p>Arte CERAMICHE</p> <p>VERONA</p> <p>PICASSO MOSAIC</p>	<p><b>Building Materials</b></p> <p>FOREST PRODUCTS p.tech</p> <p>WOODLAND</p> <p>SOLUTHERM PPR PIPES</p>	<p><b>Furniture, Furnishing &amp; Houseware</b></p> <p>HEIM HOME ESSENTIALS</p> <p>Heritage</p> <p>SUN CRUST</p>
<p><b>Hardware and Tools</b></p> <p>HILLS+</p> <p>DIRECT HARDWARE</p> <p>ELECTRON</p>	<p><b>Electrical and Lighting</b></p> <p>ALPHALUX</p> <p>KAZE</p>	<p><b>Appliances</b></p> <p>Heritage</p> <p>Hamdên</p>	



- Improve supply chain management

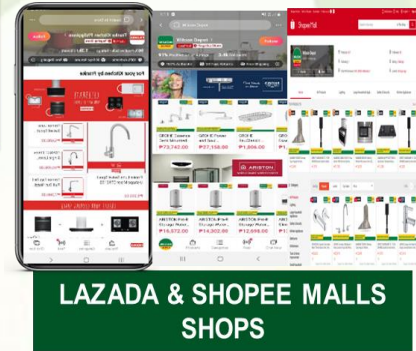
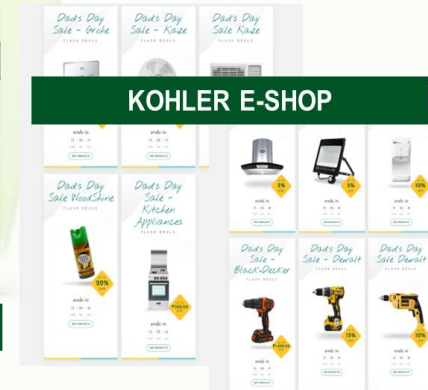
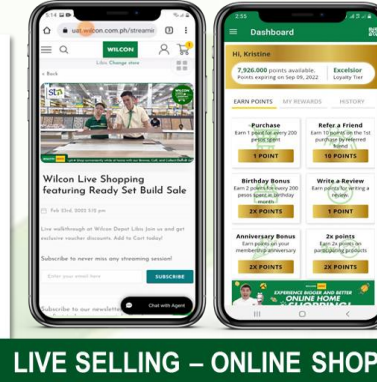
- Enhance marketing efforts

- Expand product lines/ product offerings

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



# Physical and online store layout, features and customer experience enhancements



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

# Q & A





A modern living room with a hanging chair, sofas, a coffee table, and a geometric light fixture. The room is decorated with plants, a rug, and a large window with curtains. The text "THANK YOU!" is overlaid in the center.

**THANK YOU!**

**WILCON** **DEPOT**

# Disclaimer



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.