

WILCON

DEPOT

EARNINGS CONFERENCE CALL

OCTOBER 25, 2022 | 4:00 PM

45
YEARS
WILCON





THIRD QUARTER 2022 RESULTS

KOHLER
kumin
Faucet Collection



Pure Freude
an Wasser

MASTERS OF TECHNOLOGY



SWITCH TO AUTOMATIC
And Say Goodbye to Manual Temperature Mixing

PLUMBING

← 17A 17B →

PLUMBING

← 18A 18B

Shower Mixer
Kitchen Faucet
Lavatory Faucet

Water P
Water Pu
Pressure



POZZI

PLUMBING

← 16A 16B →

← 17A 17B →

Bathroom Accessories
Bathroom Mirrors
Medicine Cabinet

Shower Mixer
Kitchen Faucets
Lavatory Faucets

ARISTON

INSTANT HEATING,
CONSTANT TEMPERATURE



3Q 2022 RESULTS HIGHLIGHTS

45 YEARS WILCON

Financial Highlights

- ✓ Php 8.780B Net Sales
- ✓ 32.6% y-o-y Net Sales growth
- ✓ Php 1.104B NIAT
- ✓ 77.5% y-o-y NIAT growth
- ✓ 39.4% GPM
- ✓ 20.0% EBITDAM
- ✓ 16.7% EBITM

Comparable Sales Summary

- 23.5% SSSG
- 10.8% Transaction Count
- 11.4% Ticket Size

Total Sales Mix

51.1%
In-house & exclusive contribution

Product categories performing better than average growth



Plumbing & Sanitary Wares Furniture, Furnishing & Houseware Paints & Sundries Building Materials Appliances

3rd QUARTER 2022

BANTAY, ILOCOS SUR



HE, TAGAYTAY CITY



ABUCAY, BATAAN

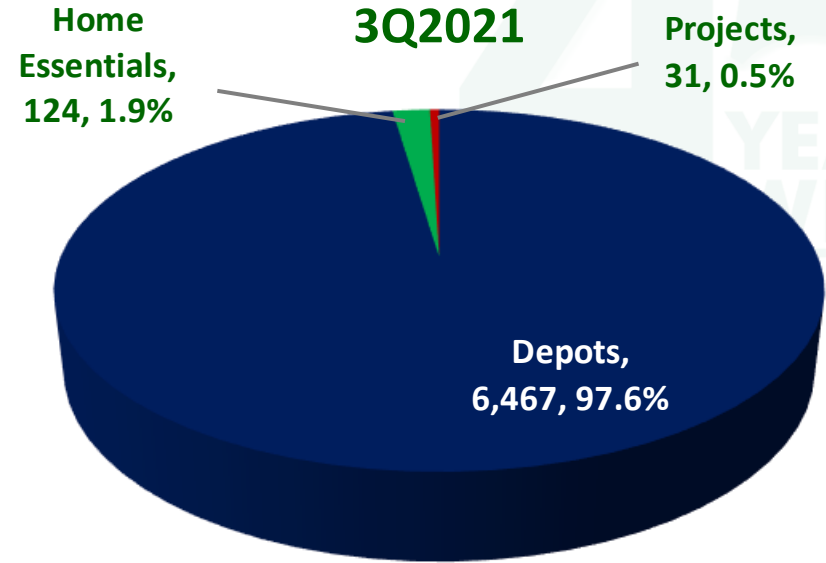
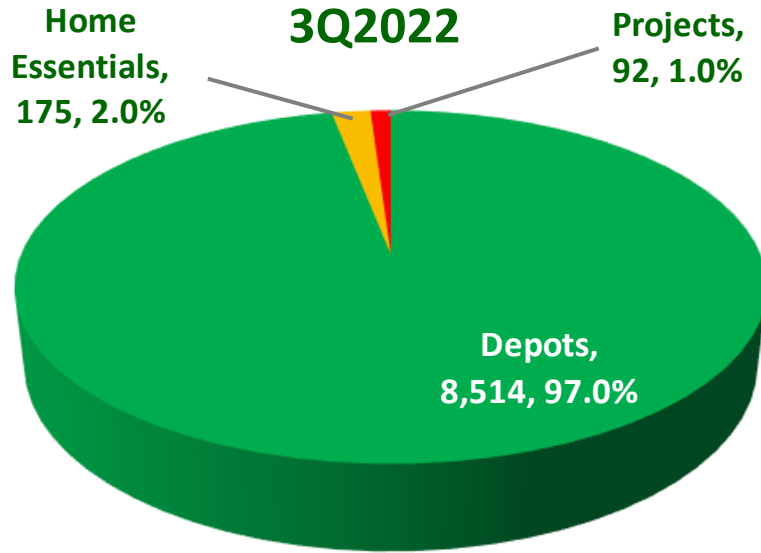


CALAPAN, ORIENTAL MINDORO

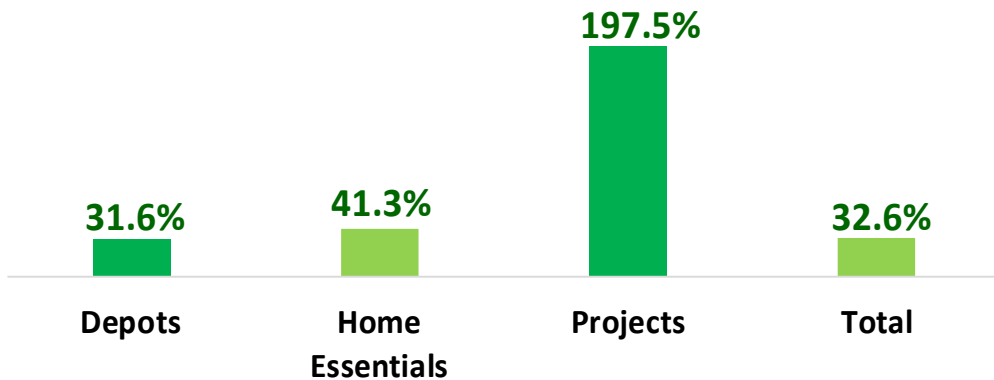


Total Net Sales Breakdown – 3Q 2022

Php Millions



Sales Growth per Store Format 3Q2022 VS 3Q2021



Product Category Performance 3Q2022 VS 3Q2021

Better than Average

- Plumbing & Sanitary Wares
- Furniture, Furnishing & Houseware
- Paints & Sundries
- Building Materials
- Appliances

32.6%

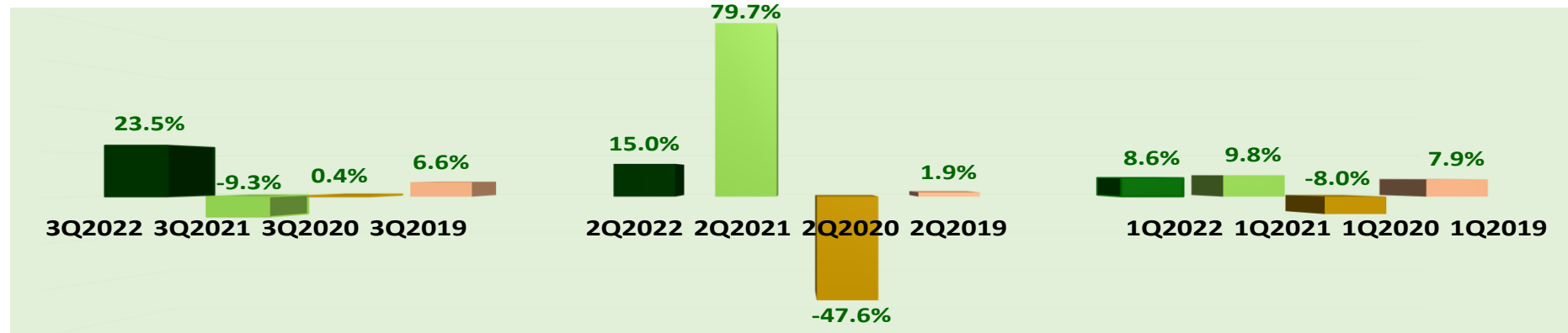
Lower than Average

- Electrical & Lighting
- Tiles
- Hardware & Tools

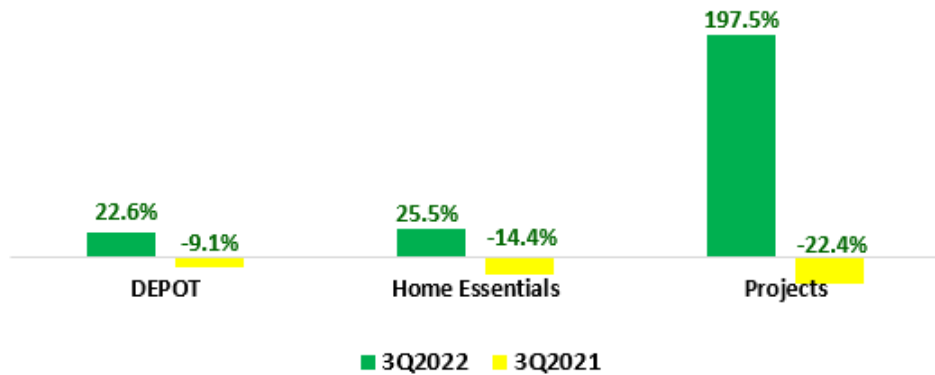
Comparable Sales Summary



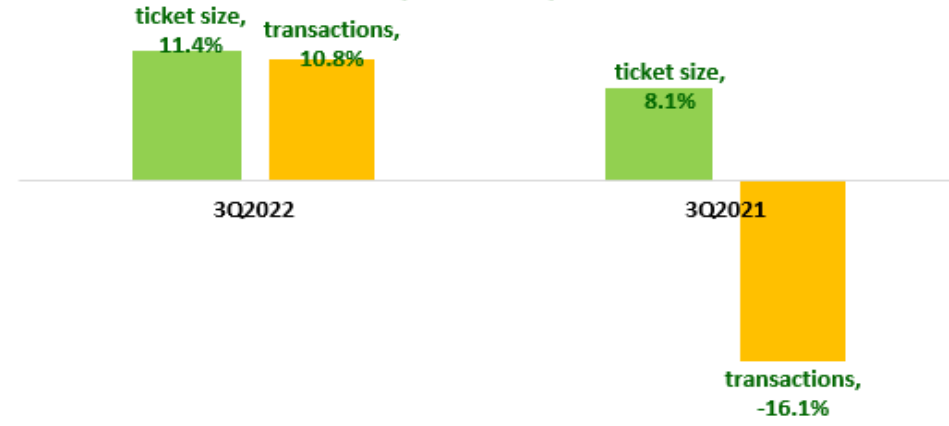
Quarterly Trend



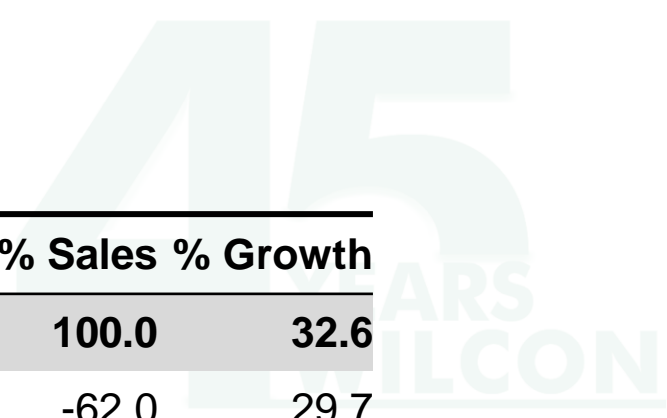
Comparable Sales per Format 3Q2022 vs 3Q2021



Comparable Ticket Size and Number of Transactions 3Q2022 vs 3Q2021



THIRD QUARTER 2022



(In Php MM)	3Q2022	% Sales	3Q2021	% Sales	% Growth
Net Sales	8,780	100.0	6,622	100.0	32.6
Cost of Sales	-5,322	-60.6	-4,104	-62.0	29.7
Gross Income	3,459	39.4	2,517	38.0	37.4
Operating Expenses	-1,985	-22.6	-1,663	-25.1	19.3
Interest Exp (Lease Liab)	-149	-1.7	-120	-1.8	24.5
Other Income - Net	139	1.6	85	1.3	63.8
Income from Operations	1,464	16.7	819	12.4	78.7
Non PFRS16 Depreciation & Amortization	351	4.0	306	4.6	14.4
EBITDA - Adjusted	1,814	20.7	1,126	17.0	61.2
Non-operating income	6	0.1	8	0.1	-17.6
Income Before Tax	1,470	16.7	827	12.5	77.8
Income tax	-366	-4.2	-205	-3.1	78.7
Net Income	1,104	12.6	622	9.4	77.5

GPM rate increased to 39.4%

Lease-related expense





NINE MONTHS 2022 RESULTS



9M 2022 Results Highlights

Financial Highlights

- ✓ Php 24.723B Net Sales
- ✓ 23.3% y-o-y Net Sales growth
- ✓ Php 2.960B NIAT
- ✓ 58.3% y-o-y NIAT growth
- ✓ 38.9% GPM
- ✓ 19.3% EBITDAM
- ✓ 15.9% EBITM

Comparable Sales Summary

- 15.7% SSSG
- 3.2% Transaction Count
- 12.0% Ticket Size

Total Sales Mix

51.1%
In-house & exclusive
contribution

Product categories performing
better than average growth



Php 1.962B CAPEX

Opened 7
new stores

1ST HALF 2022

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

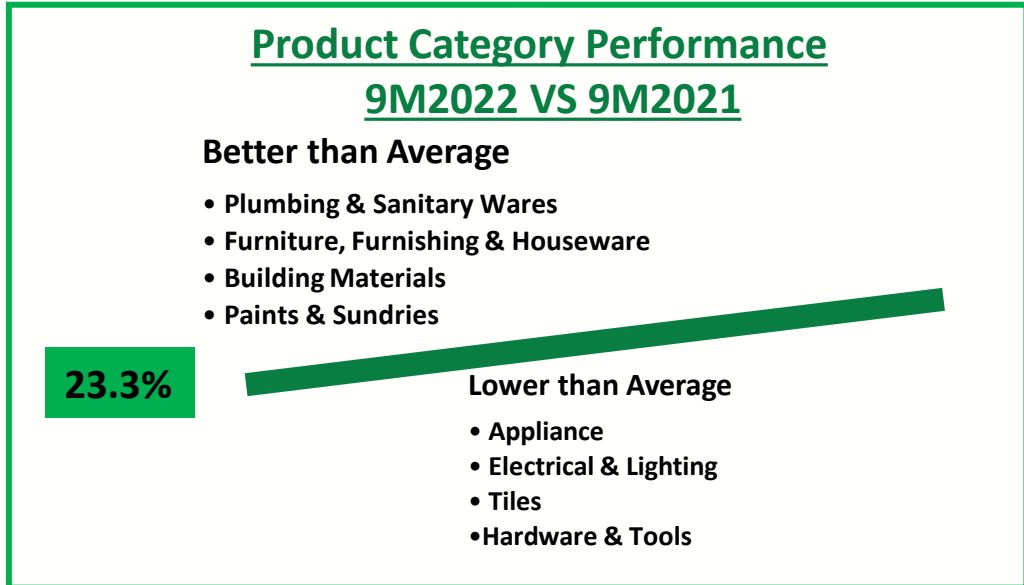
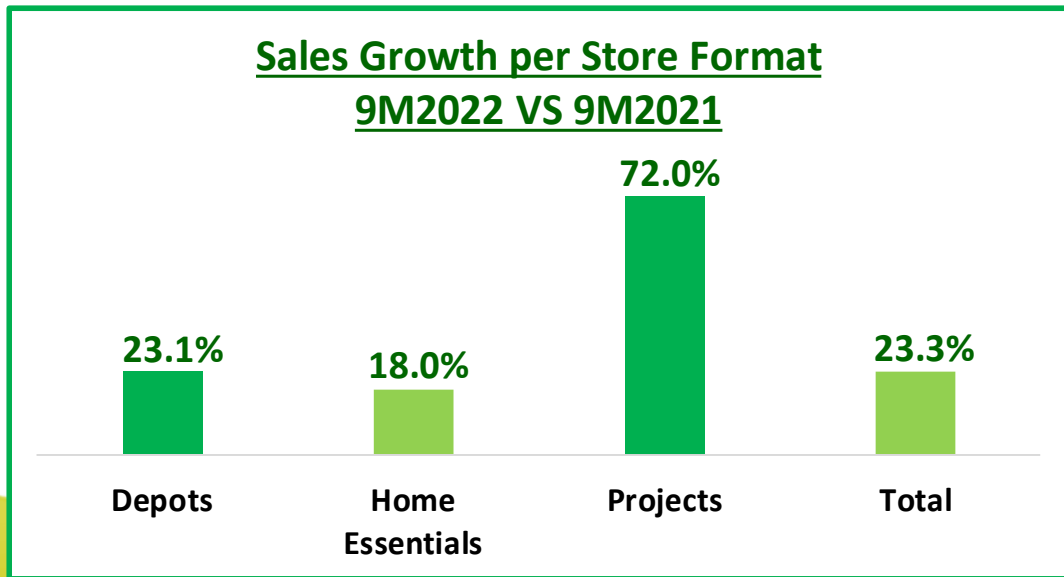
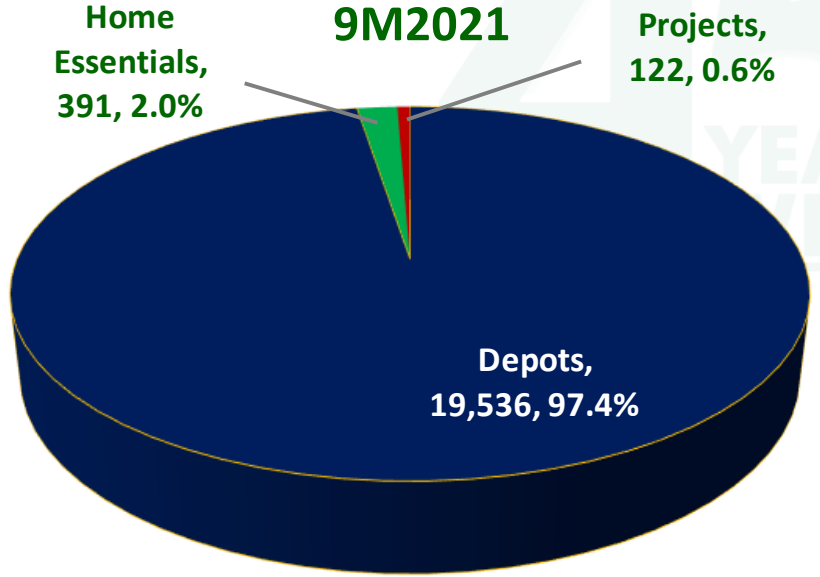
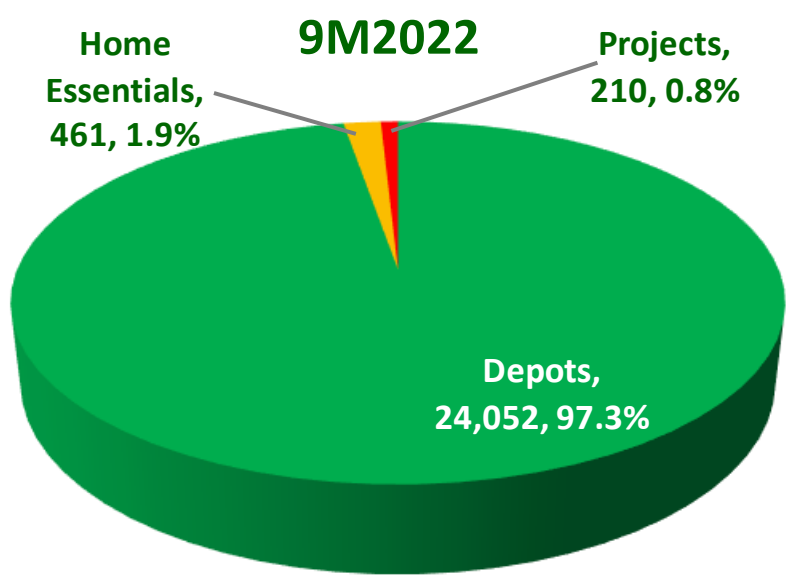
3rd QUARTER 2022

- HE, Tagaytay City
- Bantay, Ilocos Sur
- Abucay, Bataan
- Calapan, Oriental Mindoro



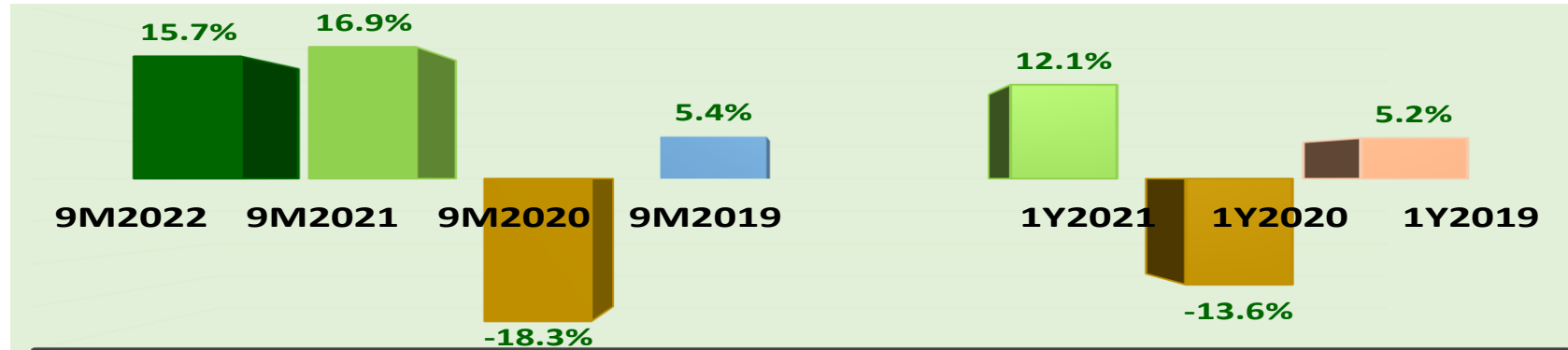
Total Net Sales Breakdown – 9M 2022

Php Millions

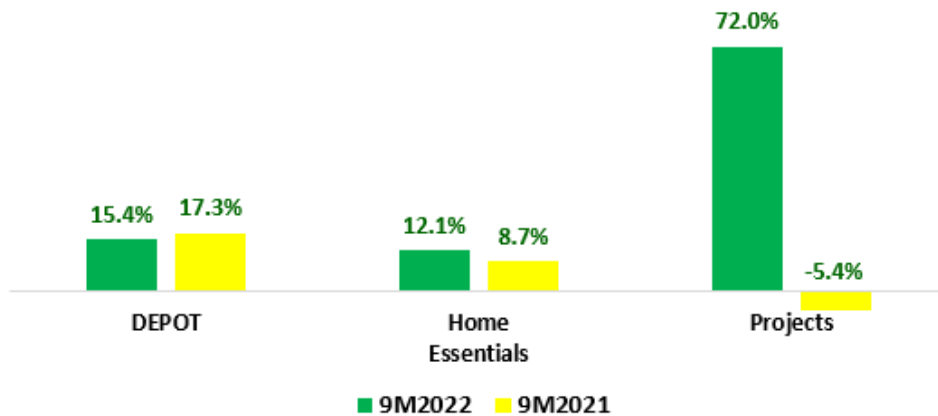


Comparable Sales Summary

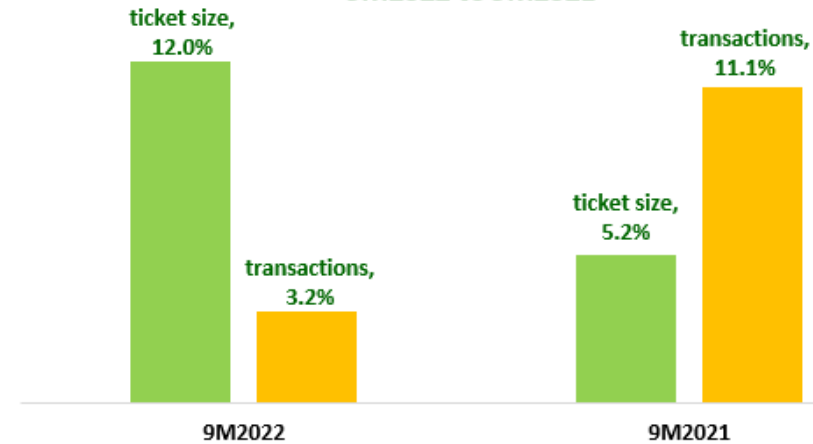
Trend



Comparable Sales per Format 9M2022 vs 9M2021



Comparable Ticket Size and Number of Transactions 9M2022 vs 9M2021



Nine Months 2022

(In Php MM)	9M2022	% Sales	9M2021	% Sales	% Growth
Net Sales	24,723	100.0	20,048	100.0	23.3
Cost of Sales	-15,105	-61.1	-12,617	-62.9	19.7
Gross Income	9,617	38.9	7,432	37.1	29.4
Operating Expenses	-5,588	-22.6	-4,818	-24.0	16.0
Interest Exp (Lease Liab)	-395	-1.6	-353	-1.8	12.0
Other Income - Net	299	1.2	218	1.1	36.9
Income from Operations	3,933	15.9	2,479	12.4	58.6
Non PFRS16 Depreciation & Amortization	996	4.0	893	4.5	11.6
EBITDA - Adjusted	4,929	19.9	3,372	16.8	46.2
Non-operating income	11	0.0	24	0.1	-56.2
Income Before Tax	3,944	16.0	2,504	12.5	57.5
Income tax	-983	-4.0	-634	-3.2	55.1
Net Income	2,960	12.0	1,870	9.3	58.3

GPM rate increased
to 38.9%

Lease-related expense

Balance Sheet

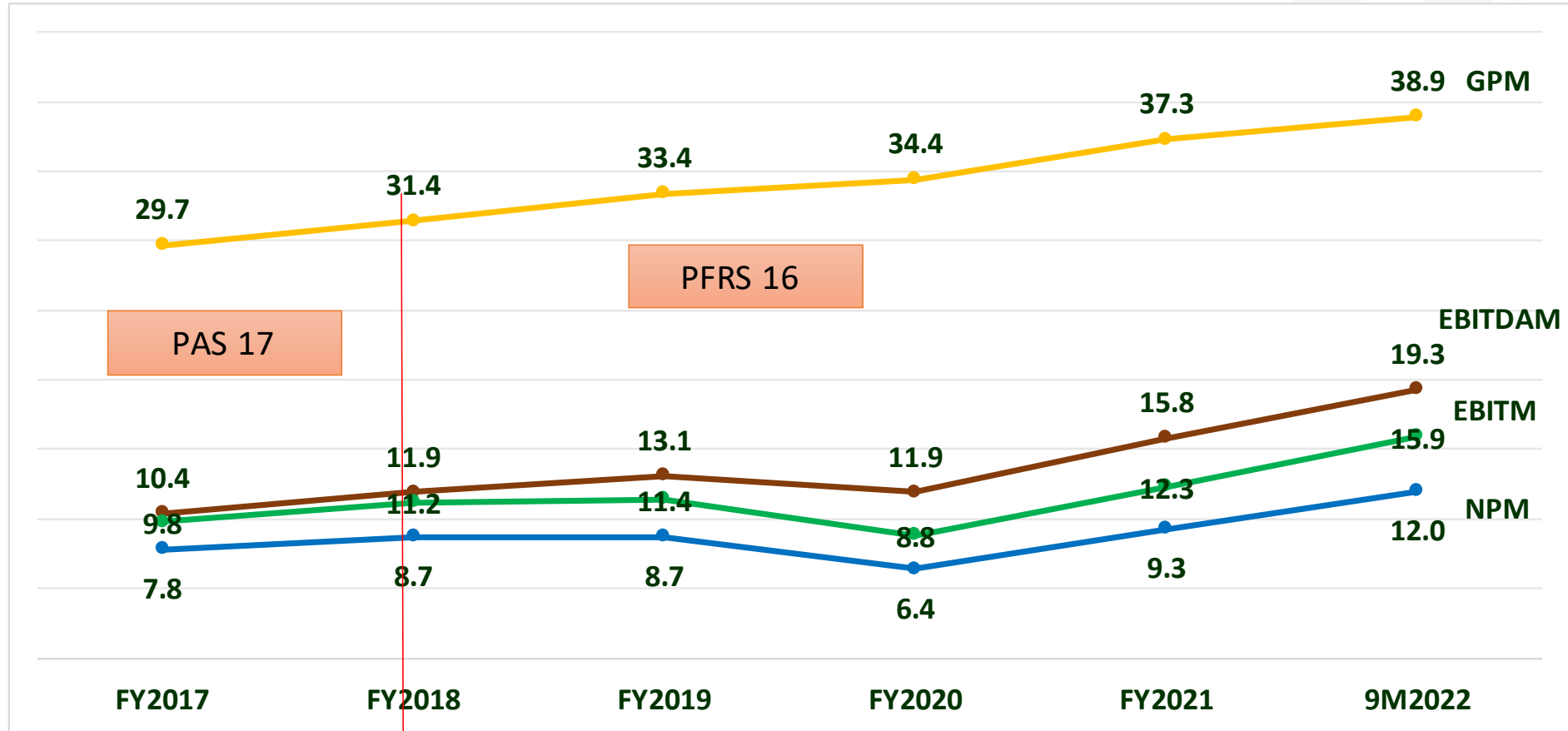
	Unaudited Sep 30, 2022	Audited Dec 31, 2021
Current Assets	16,478	17,189
Noncurrent Assets	18,119	15,149
Total Assets	34,596	32,337
Current Liabilities	7,340	8,880
Noncurrent Liabilities	7,679	5,979
Total Liabilities	15,019	14,859
Capital Stock	4,100	4,100
Additional Paid-in Capital	5,374	5,374
Other Comprehensive Loss	100	100
Retained Earnings	10,005	7,905
Total Equity	19,578	17,478
Current ratio	2.25	1.94
Quick ratio	0.39	0.50
Debt to equity ratio	0.77	0.85
Return on asset	8.6%	7.9%
Return on equity	16.0%	14.7%

9M 2022 CAPEX Investment



Capex Breakdown	9M2022 Actual Spent
Expansion-related (new stores, renovations, eqpt, warehouses, etc)	1,782
Solar Panel Project	83
IT Infrastructure and Projects	97
Total CAPEX <i>(in millions Php)</i>	1,962

Improving Margins

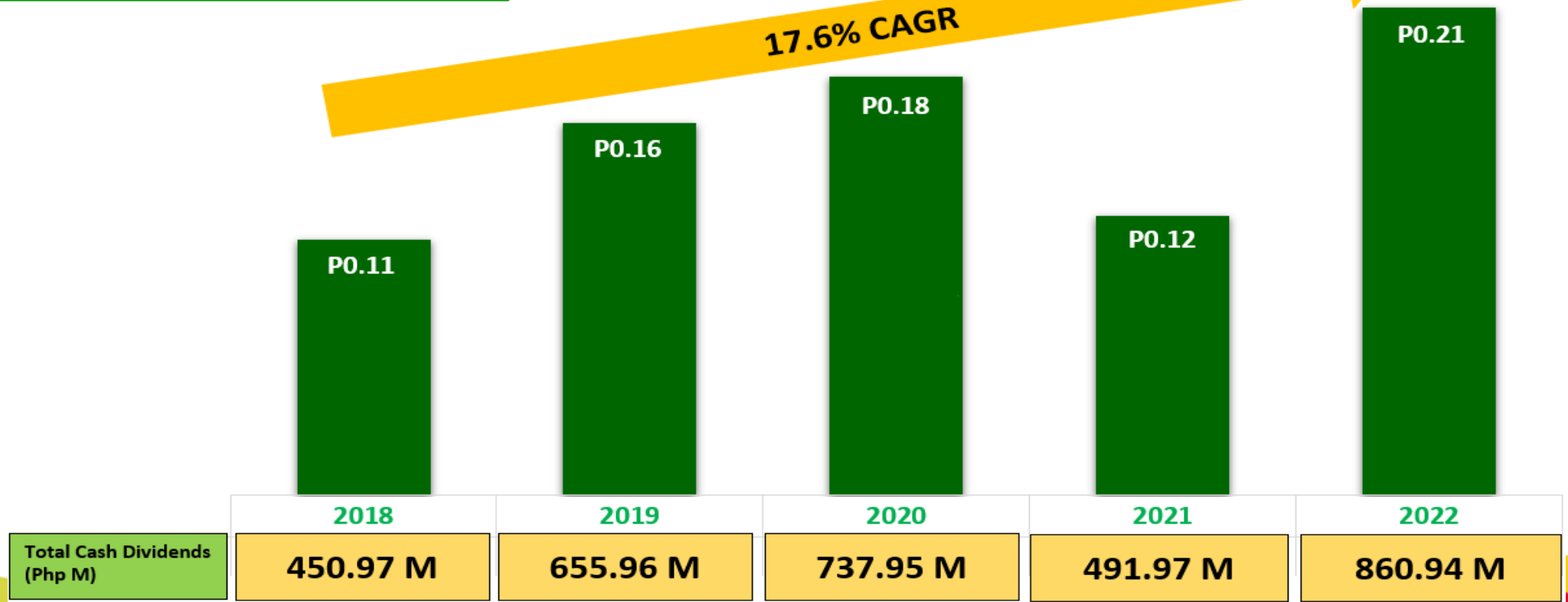
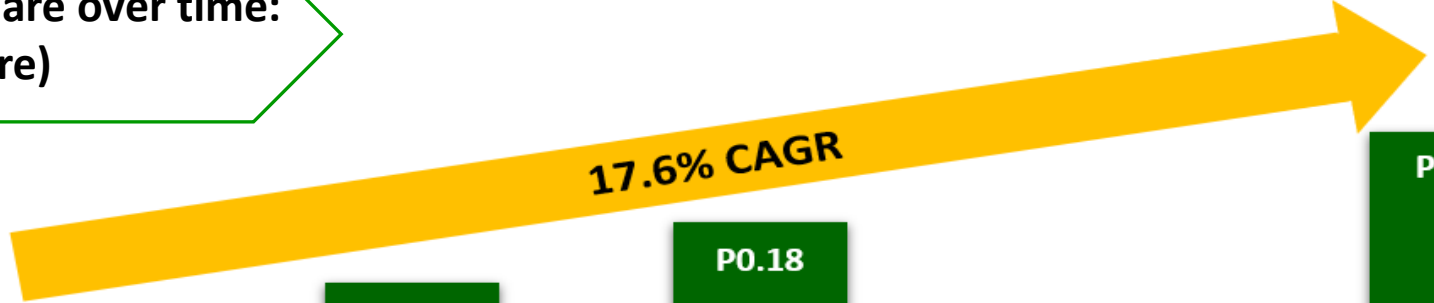


Note: ROU depreciation and interest expense charged on lease liability were considered as rent expense for 2019, 2020, 2021 and 2022.

Returning Value to Shareholders

45 YEARS CON

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

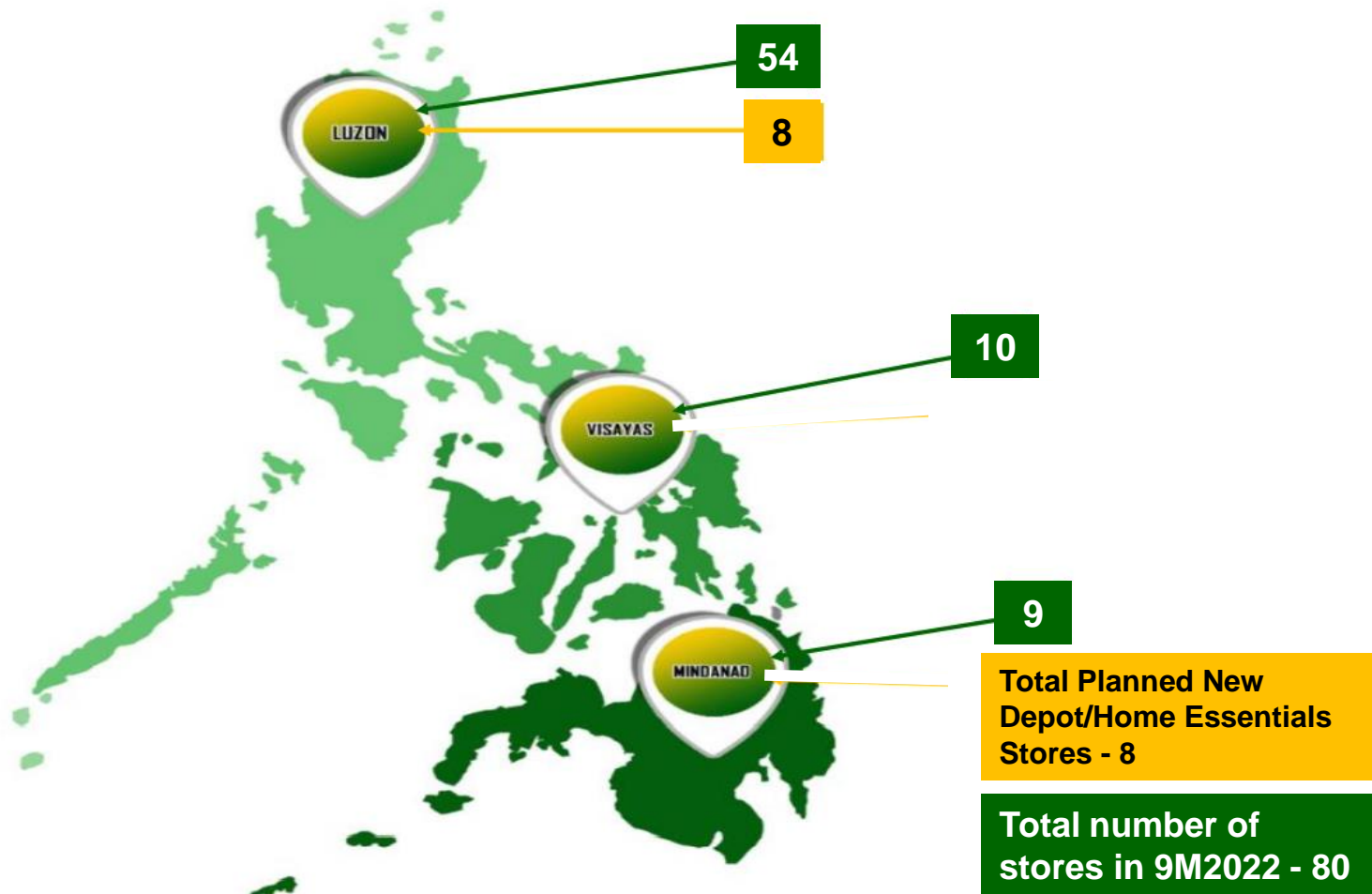


Total Cash Dividends
(Php M)

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



2022 Planned New Branches



	2022
Beg. Balance	73
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
	Abucay, Bataan Sep, 2022
	Calapan, Oriental Mindoro Sep, 2022
	Bauang, La Union
Total, end	81

Q & A





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



Further strengthen and increase brand awareness and visibility

A circular inset image showing a modern kitchen with light-colored cabinetry, a wooden countertop, and a window. The text "Key Growth Strategies" is overlaid in large, bold, black letters.

Key Growth Strategies

Store Network Expansion

45

100
Stores
by 2025

2022 Planned New Branches

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 ECJIA
- GAPAN, NUEVA ECJIA
- CORDON, ISABELA
- TARLAC CITY
- OLONGAPO CITY
- ABUCAY, BATAAN
- 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
- BACOR 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
- CALAPAN, ORIENTAL MINDORO
- PUERTO PRINCESA CITY

41

(HOME ESSENTIALS)

- SAN FERNANDO, PAMPANGA
- TAGAYTAY CITY

2

VISAYAS (DEPOT)

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

9

(HOME ESSENTIALS)

- FESTIVEWALK MALL, ILOILO CITY

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



80 Stores Nationwide
(as of September 30, 2022)



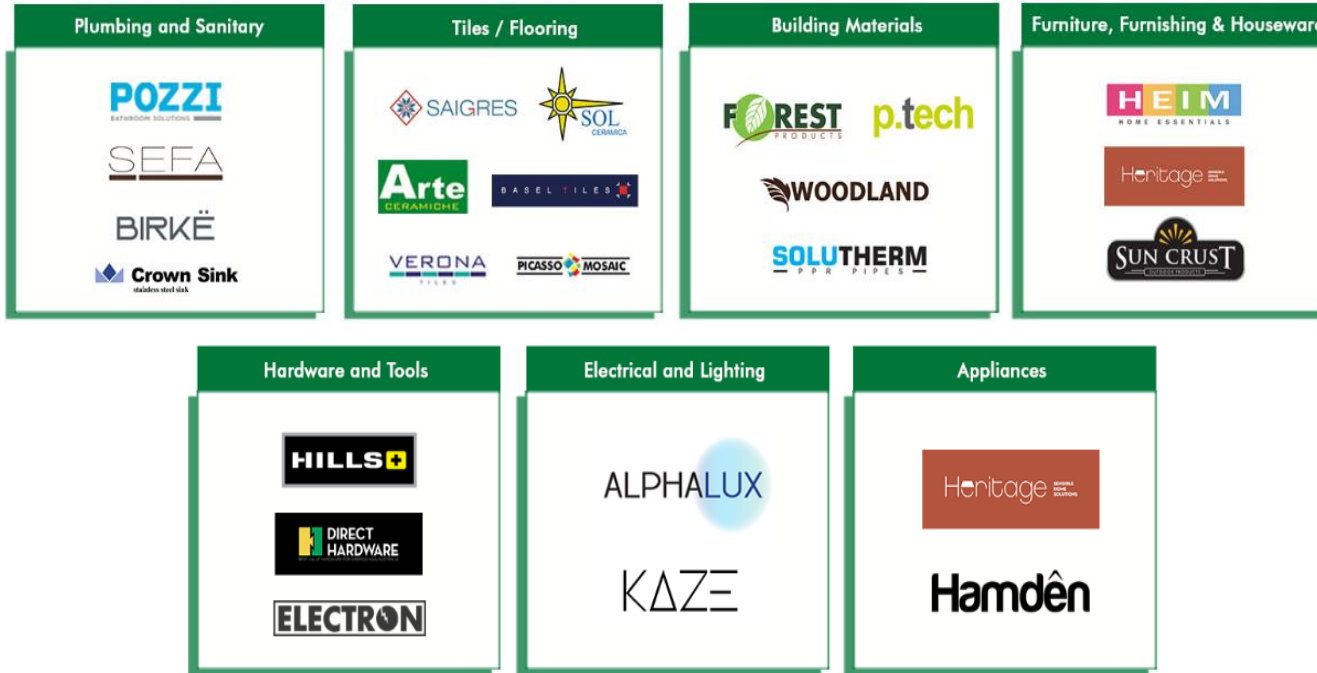
81

Stores Nationwide
at year end

Total Planned New Depot/Home Essentials Stores - 8

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

45 YEARS WILCON



- Improve supply chain management

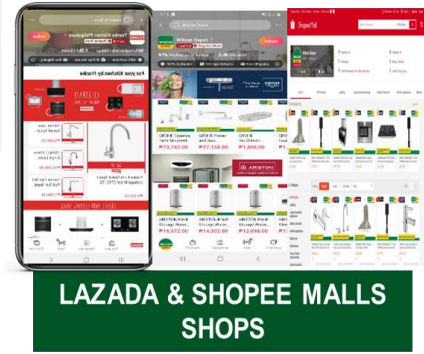
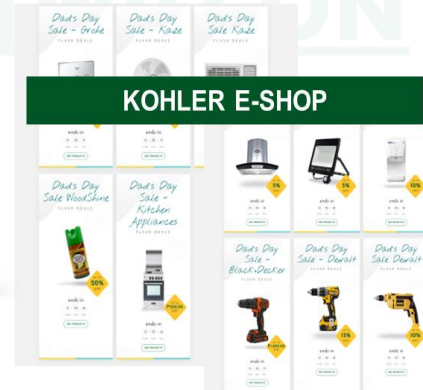
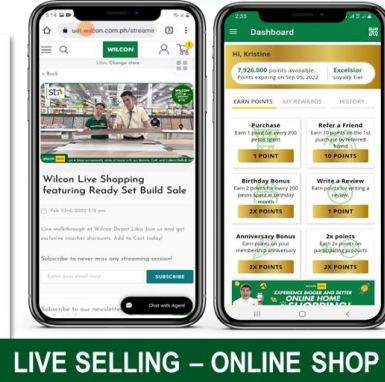
- Enhance marketing efforts

- 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

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

Further Strengthen and Increase Brand Awareness and Visibility



- ✓ Tap various media outlets especially social media to enhance customer's awareness
- ✓ Localization of advertising and promotions
- ✓ Use brand ambassadors to represent the Company's products and brands
- ✓ Actively participate in industry associations and trade conventions related to the construction and home improvement



A modern living room with a hanging chair, sofas, coffee table, and decorative items. The room features a hanging wicker chair with brown cushions on the left, a grey sofa with pink and white pillows in the center, and a light-colored sofa on the right. A wooden coffee table with a glass pitcher and cups sits in front of the sofas. A wooden cabinet with a plant on top is on the right. A large window with curtains is on the far right. A geometric metal chandelier hangs from the ceiling. The walls are white, and the floor is dark grey. The text "THANK YOU!" is overlaid in large green letters across the center of the image.

THANK YOU!

WILCON **DEPOT**

Disclaimer

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